

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:2884

ANSWERED ON:29.08.2012

INFRASTRUCTURE INVESTMENT TARGET QUESTION

Bapurao Shri Khatgaonkar Patil Bhaskarrao;Chitthan Shri N.S.V.;Das Gupta Shri Gurudas;Gaikwad Shri Eknath Mahadeo;Lingam Shri P.;Paranjpe Shri Anand Prakash;Sardinha Shri Francisco;Singh Alias Pappu Singh Shri Uday;Tagore Shri Manicka

**Will the Minister of FINANCE be pleased to state:**

- (a) whether any target for investment in infrastructure sector during the Twelfth Five Year Plan has been fixed and if so, the details thereof and the steps taken to achieve the same;
- (b) the details of mechanism in place to monitor and ensure speedy and effective execution of infrastructure projects in the country along with the results obtained therefrom during each of the last three years and the current year;
- (c) whether representations in connection with acceleration of infrastructure investment have been received and if so, the details thereof and the action taken on each such representation;
- (d) the status of functioning of the investment tracking system as on date; and
- (e) the steps taken or proposed to be taken to accelerate infrastructure investment and revive economic growth?

**Answer**

MINISTER OF STATE FOR FINANCE (SHRI NAMO NARAIN MEENA)

(a) to (e): A statement is placed on the Table of the House.

Statement placed on the Table of Lok Sabha in reply to parts (a) to (e) of the Lok Sabha Unstarred Question No.2884 to be answered on Wednesday, the 29th August, 2012 regarding Infrastructure Investment Target.

(a) The Finance Minister in the Union Budget 2012-13 has announced that 'during the Twelfth Plan period, infrastructure investment will go up to Rs. 50 lakh crore. However, the final target for investment in infrastructure during the Twelfth Plan will be included in the Twelfth Plan document, which is being formulated.

(b) to (d): Government has decided to review the quarterly progress of the monitorable targets. Member, Planning Commission reviews the progress of infrastructural sectors like power, roads, railways, ports and airports. Government has also set up an Investment Tracking System for Projects with an investment of Rs 1000 crore and above. The purpose of this mechanism is to periodically monitor implementation of projects and identify systemic issue and attempt to have these resolved. Under Investment Tracking System, National Manufacturing Competitiveness Council (NMCC) is mandated to track all Public Sector Undertaking Projects with an investment of Rs. 1000 crore and above and the Department of Financial Services, Ministry of Finance, is mandated to monitor projects with an investment of Rs. 1000 crore and above in the private sector.

(e) The action plan of the Government to revive the economy, inter alia, includes better access to finance for manufacturing sector, fast tracking of large investment projects in the areas of power, petroleum and gas, roads, coal, etc., use of buffer stocks to moderate food inflation, strengthening of financial and banking sector, reducing the volatility of exchange rate, etc. The fiscal policy as enunciated in the Budget 2012-13 also aims at reducing the fiscal deficit from 5.8 percent in 2011-12 to 5.1 per cent in 2012-13. Specific measures to achieve the growth target, inter alia, include enhancing the level of investment for agriculture sector including irrigation projects, promoting Micro Small & Medium Enterprises (MSME) sector by way of higher allocation of funds, enhancing investment in the infrastructure sector, financial sector development and introduction of a new National Manufacturing Policy, etc. To accelerate investment in infrastructure, Government has increased reliance on Public Private Partnership, expanded the scope of Viability Gap Funding Scheme by including more sectors; facilitate flow of long tenure institutional finance into infrastructure sector, by enabling setting up of Infrastructure Debt Funds; promote foreign investment by liberalising the regime for Foreign Direct Investment, Qualified Foreign Investors (GFIs), FII investment and External Commercial Borrowing norms. India Infrastructure Finance Company Limited (IIFCL) that was constituted with the mandate to provide long-term debt to infrastructure projects has put in place a structure for credit enhancement and take-out finance. Government has also permitted issue of tax free bonds for infrastructure sector for Rs. 60,000 crore during 2012-13.