

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1151
ANSWERED ON:30.11.2012
SIDBI TO PROCURE ECBS
Annayagari Shri Sai Prathap

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has any proposal to permit Small Industries Development Bank of India (SIDBI) to procure External Commercial Borrowings (ECBs) for onward lending to Medium and Small Enterprises in the country;
- (b) if so, the details thereof;
- (c) whether the Government is considering the utilization of such ECBs to divert into the Housing Sector also; and
- (d) if so, the details thereof and the reasons therefore?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA)

- (a) & (b): SIDBI has been permitted to avail of ECB for on-lending to MSME Sector as defined under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 subject to certain conditions.
- (c) & (d): Government is not considering the utilization of such ECBs by SIDBI to divert into the Housing Sector. However, provision of ECB has been made for low cost / affordable housing projects by project developers as well as for low cost/ affordable housing units by NHB and Housing Finance Companies.