

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1067

ANSWERED ON:28.11.2014

ASIAN INFRASTRUCTURE INVESTMENT BANK

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Will the Minister of FINANCE be pleased to state:

- (a) whether India has decided to join Asian Infrastructure Investment Bank proposed by China;
- (b) if so, the details thereof and the expected benefits likely to accrue to India by joining the same;
- (c) the ratio of capital holding of each member country in the said bank;
- (d) whether any concern has been raised about joining the proposed bank; and
- (e) if so, the details thereof and the measures taken to address such concerns?

Answer

MINISTER OF STATE IN MINISTRY OF FINANCE (SHRI JAYANT SINHA)

(a) & (b): India, along with 20 other countries, signed the inter-governmental Memorandum of Understanding (MoU) on establishing the Asian Infrastructure Investment Bank (AIIB) on October 24th, 2014 in Beijing. All the signatory countries can become Prospective Founding Members of AIIB. The MoU is a non-binding document. By signing the MoU, India is eligible to participate in the negotiations for arriving at a mutually acceptable Articles of Agreement (AoA) to constitute this Bank. The signatories to this Articles of Agreement will become the founding members of this Bank.

Expected benefits likely to accrue to India:

AIIB will be financing infrastructure projects in the Asian region. Therefore if India joins the AIIB, we will be able to access resources for the financing of national and cross border infrastructure projects, from this Bank.

(c): The share holding of each member country will be decided after negotiations on the AoA of the Bank are concluded and the membership is finalized.

(d): No Madam.

(e): Does not arise.