

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3423
ANSWERED ON:01.08.2014
INFRASTRUCTURE TRUST FUNDS QUESTION
Dhruvanarayana Shri Rangaswamy

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government proposes to set up infrastructure trust fund to spur investments; and ,
- (b) if so, the details and the objectives thereof?

Answer

MINISTER OF STATE FOR FINANCE (SMT NIRMALA SITHARAMAN)

(a to (b): Yes Sir, a structure for infrastructure projects has been announced in the Budget 2014-15, called Infrastructure Investment Trusts (InvITs) which would have tax efficient pass through status, for Public Private Partnership and other infrastructure projects. These structures would reduce the pressure on the banking system while also making available fresh equity. These instruments are expected to attract long term finance from foreign and domestic sources including the NRIs. InvITs would be modified Real Estate Investment Trusts type structures which have been successfully used as instruments for pooling of investment in several countries.