

**GOVERNMENT OF INDIA
FINANCE AND COMPANY AFFAIRS
LOK SABHA**

UNSTARRED QUESTION NO:723
ANSWERED ON:21.02.2003
EUROPEAN INVESTMENT BANKS INVESTMENT TO SSI
YEMPARALA VENKATESWARA RAO

Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

- (a) whether the European Investment Bank proposed to lend 50 million Euros to small-scale industries in the country;
- (b) if so, the detail thereof and the present status of the proposal;
- (c) whether the Government have finalised any strategy for disbursement of loans; and
- (d) if so, the detail in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBAADSUL):

(a) and (b) European Investment Bank (EIB) is considering a proposal to lend 50 million Euro to Rabo India Finance Private Limited. As per the proposal, the loan would partly finance investment projects implemented in India to help finance small and medium size investment projects featuring a mutual interest for Indian and the European Union in industry and related services, infrastructure, tourism, energy, information technologies, environmental protection and telecommunications. A request has been received on 18-02-2003 from EIB for the agreement of the Indian authorities on the proposed loan.

(c) and (d) Rabo India Finance Private Limited would be the borrower of the contemplated loan and would be responsible to beneficiaries and the Government would not be disbursing the loan.