

- (c) whether the Ministry of Finance has consented to this proposal; and
- (d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT (SHRI PRADEEP JAIN): (a) and (b) Yes, Sir. This Ministry has suggested to the Ministry of Finance to establish a Developmental Finance Institution (DFI) for the benefit of Women Self-Help Groups (SHGs).

With reference to para 87 of the Budget speech of the Hon'ble Finance Minister for the year 2013-14, this Ministry has proposed that the DFI would be set up with an initial equity of Rs. 1000 crore. This Institution can raise further resources through a variety of instruments such as Tax Free Bonds and concessional loans etc. These funds will be used to access the entire banking network through a system of incentives, to enable the banks to take up intensification of banking services to Women SHGs. The Fund can also be utilised to intervene in the markets through alternative people friendly, community owned financial institutions. The expectation is that this would enable an additional flow of credit to the SHGs to the extent of Rs. 15000 to 20000 crores per year, specially in the poorly served regions across the country.

(c) and (d) No response to the proposal for setting up of DFI has been received from Ministry of Finance.

#### **ADB loan for rural roads**

3688. SHRI N.K. SINGH: Will the Minister of RURAL DEVELOPMENT be pleased to state:

- (a) the details of latest USD 252 million loan from the Asian Development Bank (ADB), towards improving rural roads in India, granted in April, 2013;
- (b) the details of plans for utilization of these funds and the projects to be financed with these funds;
- (c) the details of beneficiary States and the selection procedure therefor;
- (d) whether Government proposes to finance other States which are equally backward in terms of infrastructure; and
- (e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT (SHRI LAL CHAND KATARIA): (a) Pradhan Mantri Gram Sadak Yojana (PMGSY) is a Centrally Sponsored Scheme to connect the eligible unconnected habitations as per PMGSY Guidelines. The Programme envisages to provide connectivity to the eligible unconnected habitations in the core network in the rural areas with a population of 500 persons and above (as per 2001 census) in plain areas and 250 persons and above (as per 2001 Census) in Hill States, Tribal (Schedule V) areas, the Desert Areas (as identified in Desert Development Programme) and in the 82 Selected Tribal and Backward districts as identified by the Ministry of Home Affairs and Planning Commission under Integrated Action Plan (IAP). Upgradation of selected Rural Roads to provide full farm to market connectivity is also an objective of the scheme, though not central to it. Government of India arranges funding from its own plan resources, a portion of cess on diesel and loans from International Agencies like World Bank, Asian Development Bank besides loans from NABARD. International borrowings also assist in adopting the international best practices. In order to fulfill this aim, Government of India has signed in April, 2013 first Tranche of a Loan Agreement of US\$ 252 Million as a part of US\$ 800 Million Rural Connectivity Investment Program with ADB to sanction a part of the rural connectivity projects in the States of Assam, Chhattisgarh, Madhya Pradesh, Odisha and West Bengal.

(b) It is planned to construct 342 km roads in Assam, 1,008 km roads in Chhattisgarh, 1,187 km roads in Madhya Pradesh, 757 km roads in Odisha, and 167 km roads in West Bengal under the first tranche of loan component from ADB.

(c) At present under International loan assistance, the States of Himachal Pradesh, Jharkhand, Meghalaya, Punjab, Rajasthan, Uttarakhand and Uttar Pradesh are covered in World Bank schemes and the State of Assam, Chhattisgarh, Madhya Pradesh, Odisha and West Bengal are covered in ADB schemes.

(d) and (e) The PMGSY projects are being cleared to the States based on eligibility as per PMGSY guidelines by considering proposals from all States whether covered under ADB/WB or not.

#### **Status of agreement with Ekta Parishad**

3689. SHRI K.N. BALAGOPAL: Will the Minister of RURAL DEVELOPMENT be pleased to state: