

NATIONAL BANK FOR FINANCING INFRASTRUCTURE AND DEVELOPMENT

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Context:

The government wants to increase the capital base of the National Bank for Financing Infrastructure and Development (NaBFID) to 1 trillion through support from banks.

Background:

NaBFID plays a critical role in financing India's infrastructure projects, and its capital expansion plans are aligned with the country's development needs.

About National Bank for Financing Infrastructure and Development (NaBFID) :

1. National Bank for Financing Infrastructure and Development (NaBFID) is a specialized Development Finance Institution (DFI) in India.
2. It is a statutory body established by the Government of India.
3. Its creation was formalized through the enactment of the National Bank for Financing Infrastructure and Development Act, 2021.
4. The primary objective of the National Bank for Financing Infrastructure and Development (NaBFID) is to address the long-term financing needs of critical infrastructure projects in India.
5. It aims to strengthen the development of bonds and derivatives markets in India and sustainably boost the country's economy.
6. NaBFID is recognized by the Reserve Bank of India (RBI) as an All-India Financial Institution (AIFI).
7. As a Development Finance Institution (DFI) and All-India Financial Institution, NaBFID channels investments into critical infrastructure sectors such as energy, roads, railways, and urban infrastructure.