

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

STARRED QUESTION NO:559
ANSWERED ON:03.05.2002
CONTROL OF GOVERNMENT ON IDBI AND IFCI
ANANDRAO ADSUL

Will the Minister of FINANCE be pleased to state:

- (a) whether the financial institutions, namely IDBI and IFCI, have sought for reducing the Government control on them;
- (b) if so, the details thereof and the reasons therefor; and (
- (c) the extent to which these steps are likely to be beneficial to these financial institutions?

Answer

FINANCE MINISTER (SHRI YASHWANT SINHA)

(a) No, Sir.

(b) & (c): Government of India does not hold any equity share in IFCI. Govt. propose to corporatise IDBI under the Companies Act where the shareholding of the Government is currently about 58%. Corporatisation is expected to provide the desired flexibility in management and operations.