

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

UNSTARRED QUESTION NO:5003  
ANSWERED ON:20.12.2002  
RESTRUCTURING OF IFCI  
RAMDAS ATHAWALE

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

- (a) the number of outside consultant agencies appointed by the Industrial Finance Corporation of India (IFCI) to make recommendations for future business policy and restructuring during the last three years;
- (b) the payment made towards consultation fees and other items to such agencies; and
- (c) the benefits accrued to the Corporation from their reports or recommendations?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE & COMPANY AFFAIRS (SHRI ANANDRAO V. ADSUL)

(a) IFCI has reported that In August, 2001, M/s. Price Waterhouse Coopers (PwC) was commissioned to carry out a review of existing asset portfolio of IFCI focussed on an independent liquidity and solvency assessment in order to assist IFCI's principal shareholders in deciding on its capital infusion requirements. As the next step, in March, 2002, M/s. Mckinsey & Co. was appointed with the mandate of evolving a long term strategy and business plan for IFCI.

(b) The fees and other expenses paid were, Rs. 0.97 crores to M/s. PwC and Rs. 1.52 crores to M/s. Mckinsey & Co.

(c) The assessment and recommendations of M/s Price Waterhouse Coopers and M/s Mckinsey & Co. formed the basis of IFCI's restructuring proposal/support for capital infusion.