

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2495
ANSWERED ON:10.03.2000
MERGER OF IFCI WITH ICICI
UMMAREDDY VENKATESWARLU

Will the Minister of FINANCE be pleased to state:

- (a) whether IFCI is weighed down by a huge N.P.A.account;
- (b) if so,the extent to which IFCI would require additional funding to offset losses;
- (c) whether any proposal has been worked out for merger of IFCI with ICICI or other financial institutions; and
- (d) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL) :

(a) and (b) IFCI Ltd. has reported that as on 31st March 1999 the net Non-Performing Assets (NPAs) of IFCI were Rs. 4230.7 crore constituting 21.44% of total loan assets. IFCI requires Rs. 400 crore to improve its Capital base.

(c) and (d) There is no proposal to merge IFCI Ltd with any financial institution including ICICI Ltd.