

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1415
ANSWERED ON:04.03.2011
IIFC'S PROVISION FOR INFRASTRUCTURE PROJECTS
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Will the Minister of FINANCE be pleased to state:

(a) whether India Infrastructure Finance Company Limited (IIFC) proposes to provide foreign currency i.e., foreign exchange reserves for infrastructure projects; and

(b) if so, the details thereof and the extent by which the initiative has achieved the desired object?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA)

(a): India Infrastructure Finance Company Limited (IIFCL) has set up its wholly owned subsidiary in April 2008, namely, IIFC (UK) Ltd at London to provide foreign currency loan to Indian companies implementing infrastructure projects in the country for the purpose of meeting their capital expenditure solely outside India. For this purpose Reserve Bank of India has sanctioned a line of credit of USD 5 billion out of foreign exchange reserves.

(b): Till 31st January 2011, the cumulative sanctions of IIFC(UK) amounted to USD 1.95 billion to 17 infrastructure projects in power sector and mass rapid transport (metro rail) sector.

IIFC (UK) has raised the first tranche of USD250 million from the Reserve Bank of India by issuance of USD denominated bonds. IIFC(UK) has disbursed USD278.93 million in 5 projects till 31st Jan 2011.