

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2416
ANSWERED ON:07.12.2012
IDFC IN RETAIL BANKING
Nagorao Shri Dudhgaonkar Ganeshrao

Will the Minister of FINANCE be pleased to state:

- (a) whether due to recession several infrastructure projects in various States have been postponed during the past one year;
- (b) if so, the details thereof, project-wise and State-wise;
- (c) whether the Infrastructure Development Finance Company (IDFC) has decided to postpone its plan to enter retail banking sector;
- (d) if so, the reasons therefor; and
- (e) the time by which IDFC is expected to enter retail banking sector?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHR1 NAMO NARAIN MEENA)

(a) As per RBI Annual Report 2011-12, Indian Economy recorded a growth rate of 8.4% during 2008-09 and 2009-10. However, the growth slowed down to 6.5% during 2011-12. This indicates that the economy is not facing any recessionary conditions. Insofar as infrastructure sector is concerned, while the general slowdown in the economy has impacted the growth of the sector, implementation delays in infrastructure projects were sector-specific. For instance, in the power sector, delays in project implementation were due to coal linkage and pricing issues, while in the road sector, it was mainly due to land acquisition, legal and environmental issues.

(b) In view of (a) above, does not arise.

(c) to (e) IDFC is not a Government Company.