

### **Infrastructure finance companies**

3411. SHRI A. ELAVARASAN: Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India (RBI) has introduced a new category of Non-Banking Finance Companies (NBFCs) called the Infrastructure Finance Companies (IFCs) to encourage flow of funds to the infrastructure sector;

(b) if so, the details thereof;

(c) whether the new IFCs are the fourth kind of NBFCs with already existing Asset Finance Companies, Loan Companies and Investment Companies and they would be required to deploy at least 75 per cent of the assets in infrastructure funding; and

(d) if so, the details thereof?

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

(a) to (d) Reserve Bank of India (RBI) has classified Non Banking Financial Companies (NBFCs) under three categories, viz., Asset Finance Companies, Loan Companies and Investment Companies. In view of the critical role played by the NBFCs in providing credit to the Infrastructure Sector, RBI has not decided to introduce a fourth category of NBFCs as Infrastructure Finance Companies (IFCs).

An IFC is defined as non deposit taking NBFC that fulfills the criteria mentioned below:—

- i. minimum of 75 per cent of its total assets should be deployed in infrastructure loans.
- ii. Net owned funds of Rs. 300 crore or above.
- iii. minimum credit rating 'A' or equivalent of CRISIL, FITCH, CARE, ICRA or equivalent rating by any other accredited rating agencies.
- iv. CRAR to 15 percent (with a minimum Tier I capital of 70 percent).

However, certain concessions have been extended to IFCs. IFCs may exceed the concentration of credit norms as under:—

(i) in lending to:—

(a) any single borrower by ten per cent of its owned fund; and

(b) any single group of borrowers by fifteen per cent of its owned fund;

(ii) in lending and investing (loans/investments taken together) by

(a) five percent of its owned fund to a single party; and

(b) ten percent of its owned fund to a single group of parties.

### **Manpower in PFRDA**

3412. SHRI RAJEEV CHANDRASEKHAR: Will the Minister of FINANCE be pleased to state: