

# ***SHRADHA JAIN***



**INDUSTRIAL FINANCIAL  
CORPORATION OF  
INDIA**



# Introduction

- The Government of India set up the IFCI under IFCI Act in July 1948.
- It is the first development financial institution in the country to cater to the long-term finance needs of the industrial sectors.
- The main objective of IFCI is to making medium & long term credits more readily available for industrial concerns in India.

# Capital

- The authorized capital of the corporation as per IFCI Act 1948, was Rs.10 crores. It was raised to Rs.20 crores by the Amendment Act 1972.
- 50% of the share capital is held by the IDBI & remaining 50% by banks, cooperative banks, insurance company, investment trusts etc.,



# Activities

- Direct Financing
- Incidental Activities
- Promotional Activities

# Direct Financing

- Rupee loans
- Sub loans in foreign currency
- Underwriting of and/or direct subscription to the shares & debentures of public limited companies.
- Foreign currency loans raised by industries from foreign institutions
- Rupee loans raised by industries from scheduled banks or state co-operative banks.
- Guaranteeing of deferred payments for machinery {imported & indigenous}



# Promotional Activities

- Merchant Banking operations.
- The objective of IFCI in this case has been:
  - Fill in the gaps in the industrial infrastructure for promotion & growth of industries.
  - To provide much needed guidance in project identification, formulation, implementation, operation etc., to the new, tiny, small scale and medium scale entrepreneurs.
  - To improve the productivity of human and material resources; a better deal to the weaker, underprivileged sections of the society in line with socio-economic objectives laid down by Government of India.

## Areas of Assistance

- Assistance from IFCI single or jointly with other institutions is available for:
  - Setting up of new industrial projects.
  - Expansion of existing units/ diversification into new lines of activity.
  - Renovation / rehabilitation / Modernization of existing units.



# Resources are in the form of:

- Loans from RBI
- Share capital
- Retained earnings
- Repayment of loan
- Issue of bonds
- Loans from government
- Lines of credit from foreign lending agencies
- Commercial borrowings in international capital market.





# COMPETITION

- HDFC BANK
- ICICI BANK
- AXIS BANK
- DENA BANK

**THANK YOU**

The image features a solid teal background. In the center-left, the words "THANK YOU" are written in a bold, white, sans-serif font. The text has a subtle drop shadow, making it stand out against the background. In the lower right quadrant, there is a faint, semi-transparent illustration of two hands shaking in a firm handshake, rendered in a lighter shade of teal. The overall composition is clean and professional.