

Protection of IDBI Interest in Essar Investment

*165. SHRI VAYALAR RAVI: Will the MINISTER OF FINANCE be pleased to state:

(a) whether Government's attention has been drawn to the report which appeared in the Indian Express on 31st January, 2000 captioned "Essar default-Burden set to fall on IDBI";

(b) if so, what is Government's reaction thereto; and

(c) whether the IDBI has taken any steps to protect its interest in the Essar investment?

THE MINISTRY OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) to (c) Industrial Development Bank of India (IDBI) has reported, with reference to the news report in the Indian Express of 31st January 2000 referred to in part (a) of the question, that the matter of extending support to partly fund the refinancing of Floating Rate Notes raised by Essar Steel Limited (ESL) is under consideration with Financial Institutions.

IDBI has further reported that it has taken necessary steps to protect its interest in the Essar Group of companies. The loans from IDBI stand secured by a charge on the assets of the respective companies. IDBI has appointed independent auditors for concurrent audit of the company's affairs in respect of ESL. A part of the promoters' holdings in ESL has already been pledged to IDBI and the remaining part is also required to be pledged.

Decisions for extending financial assistance or restructuring of loans etc. are taken by the financial institutions concerned based on their considered commercial judgement and RBI guidelines of the subject.

Declaring Construction as One of the Industrial Sector

*166. SHRI K.C. KONDAIAH: Will the MINISTER OF FINANCE be pleased to state:

(a) whether Government are considering a proposal to declare Construction as one of the industrial sectors to help its growth to meet the challenges of globalisation;

(b) whether Government are also considering to amend the provisions of the existing Act to enable the sector to take advantage of IDBI advances for technical advancement; and

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(c) if so, the action taken/proposed to be taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) Yes, Sir. The proposal to declare 'Construction' as an Industry has been under consideration with the Task Force on Infrastructure headed by Deputy Chairman, Planning Commission.

(b) and (c) Government have recently notified 'Construction' as an approved activity for financing by the Industrial Development Bank of India (IDBI) under Section 2 (c) (xvii) of Industrial Development Bank of India Act, 1964.

Recognition to IGNCA by UNESCO

*167 SHRI KARTAR SINGH DUGGAL: Will the MINISTER OF CULTURE be pleased to state:

(a) whether it is fact that UNESCO has recognised IGNCA as Regional Centre for Culture and Development Studies;

(b) if so, whether IGNCA has brought out any outstanding publications in pursuance of the objectives for which it was created;

(c) the details of the more important multi-disciplinary seminars etc. organised by the Centre; and

(d) the cultural, artistic and development studies projected by the Centre during the current year?

THE MINISTER OF CULTURE (SHRIANANTH KUMAR): (a) According to the information received, UNESCO has not formally recognized IGNCA as Regional Centre for Culture and Development Studies. However, one of the UNESCO Chairs set up in India on the recommendations of the Indian National Commission for UNESCO is in the IGNCA.

(b) Ten publications have been brought out by the IGNCA.

(c) The major activities of the IGNCA are reported in the Annual Reports of the Department of Culture which are available in the Parliament Library.

(d) The current studies of IGNCA include (i) Study of 100 villages all over the country for identifying the trends of development and (ii) preparation of a lexicon/glossary of concepts and technical terms basic to the Indian Artistic tradition.