

(a) whether the Board of Industrial and Financial Reconstruction (BIFR) has ordered for sale of Uptron;

(b) if so, the details thereof;

(c) whether BIFR has asked Industrial Financial Corporation of India (IFCI) to start the privatisation process and finalise the same by March 31, 1997;

(d) whether an advertisement for the sale of Uptron has failed to draw a proper response;

(e) the total loss suffered by Uptron so far and the reasons therefor;

(f) whether 3000 employees employed in Uptron will be thrown out of employment and will have to face starvation;

(g) whether the employees have protested against the closure of the company; and

(h) if so, the action being taken or proposed to be taken by the Government ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) No, Sir.

(b) Does not arise.

(c) to (h) The Board for Industrial and Financial Reconstruction (BIFR) has reported that according to the information furnished by the company at the time of its registration with BIFR, the number of workers in the company for the purpose of Sick Industrial Companies (Special Provisions) Act, 1985 (SICA) is 1235. The representatives of the employees who attended the hearings of the case had assured their support and co-operation for the revival of the company. BIFR in its hearing held on 29th January, 1997 directed the Industrial Finance Corporation of India Limited (IFCI), the Operating Agency (OA), to issue an advertisement in newspapers inviting take over-cum-revival proposals for the company. Based on the evaluation of the proposals that might be received in this regard, OA has been directed to submit a rehabilitation report within 10 weeks. The company's case will be decided by the BIFR in terms of the provisions of SICA on the basis of the report of the O.A.

(d) IFCI has reported that, as per directions of BIFR, it has issued advertisements in the newspapers on 28.02.1997 and 04.03.1997 inviting take over-cum-

revival proposals for the company, stipulating a period of four weeks for submission of proposals. IFCI has reported that no formal proposal has been received so far by it.

(e) IFCI has reported that as per the provisional accounts of the company as on 31.03.1996, the total accumulated losses were estimated at Rs. 197 crore as against the paid-up share capital and reserves aggregating Rs. 56.42 crore. IFCI has further reported that the profitability of the company has declined mainly due to factors such as non-planned expansion/diversification, excess man power and high overheads, shrinking market share and high finance cost/interest burden resulting in continuous cash losses.

Externally Aided Projects in Karnataka

4420. SHRI ANANTH KUMAR :

SHRI VIJAY SANKESHWAR :

Will the Minister of FINANCE be pleased to state :

(a) the projects being implemented in Karnataka with external assistance and locations thereof;

(b) the amount released by the Union Government and the State Government of Karnataka for these projects;

(c) the time schedule fixed for completion of these projects, project-wise;

(d) whether the Government of Karnataka has sent any more proposals for seeking financial assistance from international agencies for certain development projects in Karnataka;

(e) if so, the details thereof; and

(f) the action taken/proposed to be taken by the Union Government thereon ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) As per the attached Statement I.

(b) Information is being collected and will be laid on the table of the House.

(c) As per the attached Statement-I

(d) to (e) As per the attached Statement-II.

Statement-I*Details of Externally aided projects being implemented in Karnataka*

S.No.	Donor	Name of the Project	Location	Closing Date
1	2	3	4	5
1.	OPEC	Raichur District Hospital	Raichur District	31.12.98
2.	Kuwait Fund	Kalindi Hydro Electric Pjt. II	Kadra District	31.03.97
3.	WB	Upper Knshna Phase II	About 1,50,000 ha. on the Krishna's left bank, near the confluence of Bheema River.	31.12.96
4.	WB	Karnataka Rural Water Supply	Bangalore (Rural), Mandya, Mysore, Shimoga, Dakshina Kannada, Bidar, Belgaum, Gulbarga, Raichur, Bellary	31.12.99
5.	WB	Hydrology Project	Almost entire State.	31.3.02
6.	WB	State Health Phase II	All districts of Karnataka	30.9.01
7.	Denmark	Women & Youth Trg. Extn. II	All districts except Bidar.	30.6.97
8.	Denmark	Watershed development Ph. I	Dharwad	31.3.97
9.	Denmark	Integrated Rural Sanitation & Water Supply Ph II	Chitradurga, Kolar, Bijapur	30.9.00
10.	Switzerland	Indo-Swiss Participative Watershed Development	Bidar, Gulbarga, Raichur, Bijapur, Chitradurga	31.3.98
11.	Japan	Raichur T.P. Station Expansion	Raichur Town	30.6.97
12.	Japan	Mysore Paper Mills Modernization	Bhadrawati	31.1.99
13.	Japan	Bangalore Water Supply & Sewarage	Bangalore	26.3.04
14.	UK	Western Ghats Forestry	Uttar Kannada & Shimoga Circle	31.3.99
15.	ADB	Karnataka Urban Infrastructure	Channanapatna, Mysore, Tumkur, Ramanagaram	30.6.02
16.	ADB	Road Improvement	Ankola-Hubli Road.	31.3.97
17.	ADB	Ind Road Improvement	Bangalore - Karnataka/Tamil Nadu Border Section of NH7	31.12.98
18.	Germany	Dev. of Secondary Level Hospitals	Gulbarga Division.	31.12.02
19.	Germany	Watershed Development	Kolar, Mandya, Hassan District	31.12.02

1	2	3	4	5
20.	Netherland	Karnataka Rural Water Supply	71 villages in Dharwad & Bijapur Districts.	31.3.99
21.	Netherland	Tungabhadra Irrigation Pilot Project II	Sindhnanur	28.2.98
22.	Netherland	Bangalore Urban Poverty I	Bangalore	31.10.97
23.	WB	Tech. Education I	Cities of Bangalore, Dharwar, Mangalore, Belgaum, Mysore, Hassan, Bhadrawathi, Gulbarga	31.12.97

Statement-II

The details of the proposals received from Karnataka for seeking financial assistance from international agencies/countries are as follows

S.No.	Name of the Project	Posed to
1	2	3
1.	Varah under Ground Power House Additional Units 3 & 4	Kuwait Fund
2.	Rural Women's Dev & Empowerment	WB
3.	Watershed Development	WB
4.	Upgradation of State roads	WB
5.	Watershed Development Project II	Denmark
6.	Varah H.E. Pjt II	Japan
7.	4 Laning of Nelamangala-Tumkur Road	Japan
8.	Improvement of Roads in Karnataka	Japan
9.	Water Supply Schemes for 19 towns	Japan
10.	Integrated Development of Hampi	Japan
11.	Karnataka Watershed development	UK
12.	Karnataka West Coast Environment Protection	ADB
13.	Urban Development Project	ADB
14.	Programme Loan for Reforms in Power/Transport Sector	ADB

1	2	3
15.	Hazardous Waste, Karnataka	Germany
16.	Watershed Dev. & Soil Conservation In North Kannada	Germany
17.	Mysore Paper Mill III	Netherland

(f) The proposals are at various stages of consideration.

[English]

Merger of Financial Institutions

4421. SHRI SULTAN SALAHUDDIN OWAISI : Will the Minister of FINANCE be pleased to state :

(a) whether the Government propose to merge the Industrial Credit and Investment Corporation of India with Shipping Credit and Investment Corporation of India;

(b) If so, the reasons therefor; and

(c) the benefits likely to be accrued from this merger ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) and (b) Industrial Credit and Investment Corporation of India Ltd. (ICICI) and SCICI Ltd. (SCICI) are public limited companies incorporated under the Companies Act, 1956, ICICI has informed that as per the procedures prescribed under the Companies Act, the merger has to be approved by the shareholders and confirmed by the High Court. As the Government of India does not hold any share capital in ICICI or SCICI, the question of Government proposing merger of SCICI Ltd. with ICICI does not arise.

(c) ICICI has reported that the major benefit accruing from the proposed merger are as follows