

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:1491  
ANSWERED ON:05.03.2010  
FINANCIAL CRISIS IN DUBAI  
Ramasubbu Shri S.

**Will the Minister of FINANCE be pleased to state:**

- (a) whether Dubai is currently facing acute credit crisis;
- (b) if so, the details thereof;
- (c) whether Government of India has taken any steps to protect Indian economy from the allout of Dubai crisis;
- (d) if so, the details thereof; and
- (e) if not, the reasons therefor?

**Answer**

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

- (a) & (b): Dubai World, a holding Company of the Dubai Government, had sought to restructure its debt in November, 2009, which had led to sharp market reactions. Markets, however, were calmed after the Government of Abu Dhabi agreed to grant US\$ 10 billion to the Dubai Financial Support Fund for meeting a series of upcoming obligations of the Dubai World and announcement by the UAE Central Bank that it would stand behind UAE banks and branches of foreign banks operating in UAE.
- (c): There has been no significant impact of the Dubai World's proposal to restructure debt on the Indian economy.
- (d) & (e) : Does not arise.