

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

UNSTARRED QUESTION NO:2670
ANSWERED ON:08.08.2003
RECOVERY OF DEBT FROM IRAQ
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Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether Iraq has to pay a huge debt to Export Credit Guarantee Corporation of India alongwith interest;
- (b) if so, the details thereof;
- (c) the details indicating principal amount as well as interest separately as on date and before attack on Iraq by US led forces to be recovered from Iraq; and
- (d) the steps taken or being taken by the Government to recover the amount from Iraq specially in prevailing situation?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI S.B. MOOKHERJEE)

- (a) There is no amount due to Export Credit Guarantee Corporation (ECGC) of India Ltd. directly from entities in Iraq.
- (b) Does not arise.
- (c) Iraq has to pay to the Govt. of India, a total sum of US\$ 831.59 Million as on 31st March,2003 which includes a sum of US\$ 142.12 Million as interest and the remaining amount of US\$ 689.47 Million as principal.
- (d) Government of India have been raising the issue of blocked funds with Iraqi authorities at every possible forum such as India-Iraq Joint Commission Meeting as well as by initiating dialogue at banker's level i.e. Exim Bank and Central Bank of Iraq. The Iraqi side has never denied that it owes debt to Government of India.