

**GOVERNMENT OF INDIA
RAILWAYS
LOK SABHA**

UNSTARRED QUESTION NO:4758
ANSWERED ON:19.12.2002
LOAN FROM ASIAN DEVELOPMENT BANK
IQBAL AHMED SARADGI

Will the Minister of RAILWAYS be pleased to state:

- (a) Whether the Asian Development Bank has agreed to extend \$600 million to the Indian Railways during 2002- 2005;
- (b) if so, the details of terms and conditions for sanctioning the loan;
- (c) whether the Railways have accepted these conditions; and
- (d) if so, the details of the projects which are likely to be implemented by Railways after getting this loan from Asian Development Bank?

Answer

MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI BANDARU DATTATRAYA)

(a) to (d) A Statement is attached.

STATEMENT REFERRED TO IN REPLY TO PART (a) TO (d) OF UNSTARRED QUESTION NO. 4758 BY SHRI IQBAL AHMED SARADGI TO BE ANSWERED IN LOK SABHA ON 19.12.2002 REGARDING LOAN FROM ASIAN DEVELOPMENT BANK

(a) : No Sir. Asian Development Bank (ADB) is yet to approve loan to the Indian Railways. However, Ministry of Finance along with the Ministry of Railways has negotiated with ADB in November, 2002 for a loan of US\$ 313.6 million.

(b) & (c): The loan shall be available as per the provisions of a draft loan agreement to be entered into by the Ministry of Finance, on behalf of Govt. of India. It has loan covenants relating to the Loan, Use of Proceeds of the Loan, Particular Covenants, Suspension, Cancellation, Acceleration of Maturity, Loan Effectiveness and Delegation of Authority. These conditions have been finalised between Ministry of Finance, Ministry of Railways and the ADB.

(d) : The following four sanctioned sub-projects have been appraised by the ADB and will be funded through this loan:

- i) Keonjhar-Tomka: New Broad Gauge Railway Link
- ii) Second Bridge on Mahanadi river
- iii) Third Line between Bhatapara and Urkura
- iv) Gooty-Pullampet: Patch Doubling

In addition, the sub-projects which are part of the investment initiative of Strengthening of Golden Quadrilateral under National Rail Vikas Yojana are to be proposed for ADB funding.