

**GOVERNMENT OF INDIA
FINANCE AND COMPANY AFFAIRS
LOK SABHA**

UNSTARRED QUESTION NO:733

ANSWERED ON:21.02.2003

EXTERNAL LOAN

PARSURAM MAJHI;RAMDAS RUPALA GAVIT;SUDHA YADAV

Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

- (a) the loan taken by the Government from World Bank during each of the last three years;
- (b) the amount of loan of World Bank and Asian Development Bank outstanding on the country as on date; and
- (c) the steps taken by the Government to repay the external loan during the current financial year ?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO V. ADSUL)

(a) The Government took the following loans from the World Bank [International Development Association (IDA) and International Bank for Reconstruction and Development (IBRD)] during the last three years:

(Figures in Rs. crore)

YEAR	IDA	IBRD	World Bank (Total)
1999-00	3515.56	850.32	4365.88
2000-01	4338.21	6452.13	10790.34
2001-02	4264.44	5713.47	9977.91

(b) The external debt outstanding in respect of IBRD, IDA and ADB as on 31.1.2003 is Rs. 27064.13, 101192.26 and 13974.75 crore respectively.

(c) This year (upto 31.12.2002), amounts of Rs. 8089.84 crore and Rs. 3064.94 crore respectively have been paid towards principal and interest. The Government of India has also decided to repay prematurely two ADB and IBRD loans for US \$ 1254 million and US \$ 1549 million respectively in the current financial year, ahead of schedule. The repayment in a particular year is done as per the Budget Provisions for that year. The Government of India is following a prudent external debt management policy that focuses on concessional and less expensive debt from multilateral and bilateral sources, keeping the maturity structure of the total external debt under manageable limits, limiting short-term debt, prepayment of more expensive external debt and encouraging non-debt flows on capital account and exports and invisibles on current account.