

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3924
ANSWERED ON:22.08.2003
WORLD BANK AID
BRIJLAL KHABRI

Will the Minister of FINANCE be pleased to state:

- (a) the amount of loan sanctioned by the World Bank to India during the current financial year;
- (b) the sectors in which the Government propose to utilize the loan sanctioned by the World Bank; and
- (c) the conditions of repayment of loan?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (ANANDRAO V. ADSUL)

(a) & (b): The World Bank has approved loans/ credits of US \$ 514.59 million for the current financial year (upto July 2003) for Roads, Food and Drug Capacity Building and Rural Poverty Alleviation Sectors.

(c): Loans from International Bank for Reconstruction and Development (IBRD) are availed of under Variable Spread (VSL) basis with repayment period of 20 years including 5 years grace period. Variable interest rate is currently at 1.55%. A front end fee of 1% on approved amount and net Commitment Charge of 0.25% on undisbursed loan amount are also payable. Credits from International Development Association (IDA) have a repayment period of 35 years including 10 years grace period. A service charge of 0.75% is payable but no interest or commitment charge (presently) is payable.