

**GOVERNMENT OF INDIA
WATER RESOURCES
LOK SABHA**

UNSTARRED QUESTION NO:6387
ANSWERED ON:05.05.2010
WORLD BANK LOAN FOR NAGARJUN PROJECT
Owaisi Shri Asaduddin

Will the Minister of WATER RESOURCES be pleased to state:

- (a) whether the State Government of Andhra Pradesh has sought Rs. 4444 crore World Bank Loan for Nagarjun Sagar Project;
- (b) if so, the details thereof;
- (c) the present status of the proposal alongwith the funds sanctioned/likely to be sanctioned for the project by the World Bank; and
- (d) the manner in which the Union Government proposes to assist the State Government to meet the remaining expenditure?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF WATER RESOURCES (SHRI VINCENT H. PALA)

(a) to (d) In March 2006, the State Government of Andhra Pradesh submitted a proposal for seeking World Bank assistance of Rs. 2250 crore for Nagarjun Sagar Project, out of which their share was proposed at Rs. 225 crore. In December, 2007, the Government of Andhra Pradesh sent a proposal for enhancement of the project cost from Rs. 2250 crore to Rs. 4444.41 crore and had specifically mentioned that the World Bank share would be the same as originally proposed and the remaining cost of the project would be met from State Plan over a period of 4 years. In October, 2009, the Government of Andhra Pradesh requested for enhancing the World Bank assistance from Rs. 2025 to Rs. 4000 crore. The matter was examined by Department of Economic Affairs, Ministry of Finance, which clarified to the Government of Andhra Pradesh that it would be difficult to enhance the amount of assistance from the World Bank as they had very crowded pipelines for World Bank assisted project.