

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:5094
ANSWERED ON:27.08.2010
LOAN FROM WORLD BANK
Agarwal Shri Rajendra

Will the Minister of FINANCE be pleased to state:

- (a) the projects for which the Union Government has taken loans from the World Bank Funding during the last three years;
- (b) whether any cases of corruption/irregularity in the implementation of projects being run through the World Bank Funding have come to light;
- (c) if so, the details thereof alongwith the steps taken by the Government to check such corruption/irregularity;
- (d) the action taken by the Government against the officers/persons found guilty in this regard;
- (e) whether the Government has got any effective monitoring system for the projects being run through the World Bank funding; and
- (f) if so, the details thereof and if not, the reasons therefor?

Answer

Minister of State for Finance (SHRI NAMO NARAIN MEENA)

- (a): A list of projects for which Union Government has taken loan from the World Bank during the last three years is at Annex-A.
- (b) to (d): All projects implemented in India, whether World Bank assisted or otherwise, are subject to usual rules and regulations relating to allegation of corruption or allegation of irregularity. The implementing agencies are the State Governments, Line Ministries or the Public Sector Undertakings. They are competent to deal with such allegations.

In addition, the World Bank takes action against firms/individuals in Bank assisted projects, in case any of proven violation of World Bank's guidelines. A list of firms debarred by the World Bank in India along with grounds of such debarment is at Annex-B.

- (e) & (f): There is an elaborate mechanism in place for monitoring utilization of the loans received from the World Bank, which involves close review of projects through bi-annual tripartite portfolio review meetings, comprising the donor, DEA, line departments and the project authorities; State and sector level portfolio review meetings; special review meetings for problem projects; periodic wrap-up meeting; monitoring through correspondence and field visits. During the last two years, the Bi-annual Tripartite Portfolio Performance Review Meetings were conducted on February 12 - 19, 2009; August 30 - September 2, 2009 and February 24 & 25, 2010.