

**GOVERNMENT OF INDIA  
RURAL DEVELOPMENT  
LOK SABHA**

UNSTARRED QUESTION NO:1316  
ANSWERED ON:03.03.2011  
WORLD BANK LOANS  
Bais Shri Ramesh

**Will the Minister of RURAL DEVELOPMENT be pleased to state:**

- (a) whether the World Bank has provided loans of about 1.5 Billion Dollars for connecting the villages of the country to the main roads;
- (b) if so, the details thereof;
- (c) the details of the funds likely to be spent, State-wise; and
- (d) whether the Government has fixed any target to connect villages of all the States of the country with the main roads?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT(SHRI PRADEEP JAIN 'ADITYA')

(a)&(b): The loan agreement and Financing agreement for the Pradhan Mantri Gram Sadak Yojana (PMGSY) Rural Roads Project, were signed on 14th January, 2011 with World Bank for US \$ 1.5 billion. The projects are structured around two components, which are as under:-

Component -A - Pradhan Mantri Gram Sadak Yojana (PMGSY) programme financing (US\$1,440 million) - It contributes to the finance of civil works expenditure in the seven participatory States. A total of 8,263 habitations are to be covered and 24,174 km length of roads is to be built at a total cost of US\$1,706 billion. Project periods is of 5 years.

Component - B - Institutional strengthening (US\$60 million) is for support to Technical Assistance programme designed to strengthen the capacity of relevant agencies to implement the programme.

(c) Allocation of funds among the States would be contingent upon availability of funds, implementation capacity of States and progress thereof.

(d) Pradhan Mantri Gram Sadak Yojana (PMGSY) envisages connecting all eligible habitations by way of an all-weather road with a population of 500 persons and above in the plain areas and 250 persons and above in the Hill States (North-East, Sikkim, Himachal Pradesh, Jammu & Kashmir and Uttrakhand), the Tribal (Schedule V) areas, the Desert (as identified in Desert Development Programme) areas and Left Wing Extremism affected districts as identified by the Ministry of Home Affairs.