

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3898
ANSWERED ON:16.12.2011
LOAN FROM FOREIGN FINANCIAL INSTITUTIONS
Rawat Shri Ashok Kumar

Will the Minister of FINANCE be pleased to state:

- (a) Whether the Government has taken loan from foreign financial institutions;
- (b) If so, the rate at which such loans have been taken; and
- (c) The names of the financial institutions from whom these loans have been taken?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA)

(a): Yes, Sir.

(b) & (c): The names of foreign financial institutions from which Government has taken loan and their respective rates of interest are as under:

International Development Association (IDA)- (World Bank) - 1.25% for the projects negotiated after July 01, 2011. For the earlier projects, World Bank was not charging any interest rate.

International Bank for Reconstruction and Development (IBRD) - (World Bank) - Interest: LIBOR (6 month) + variable spread (Variable Spread over LIBOR is recalculated every January 1 and July 1 and also depends on the average maturity of the loan).

Asian Development Bank (APB) - Interest: LIBOR + 40 bps for loans negotiated on or after 1st July, 2011.

Japan International Cooperation Agency (JICA) - The interest rate in respect of general projects is 1.4% and for environmental projects interest rate is 0.65%.

KfW, Germany - The standard loan interest rate is 0.75%, and reduced interest loan & Development loan KfW's refinancing cost at 6-month EURIBOR minus 75 basis points.

AfD, France - 6-month EURIBOR or an equivalent fixed rate without margin. (Minimum interest rate ('floor') of 0.25%).

International Fund for Agriculture Development (IFAD) - Only 0.75% service charge is being levied on the loan withdrawn.