

**GOVERNMENT OF INDIA  
ROAD TRANSPORT AND HIGHWAYS  
LOK SABHA**

UNSTARRED QUESTION NO:697

ANSWERED ON:19.03.2012

LOAN FROM WORLD BANK

Mahato Shri Narahari;Roy Shri Nripendra Nath

**Will the Minister of ROAD TRANSPORT AND HIGHWAYS be pleased to state:**

- (a) whether the World Bank has refused to provide loans to National Highways Authority of India (NHAI) for some projects;
- (b) if so, the details thereof;
- (c) whether due to poor implementation of the road projects by NHAI, there is steep cost escalation in the projects; and
- (d) if so, the manner in which NHAI proposes to complete the projects even if the World Bank does not provide any loan?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF ROAD TRANSPORT AND HIGHWAYS (SHRI JITIN PRASADA)

(a) & (b) World Bank has never refused to provide loan to NHAI.

(c) Escalation due to delay are paid as per contract provisions and is applicable for item rate contracts only. In case the project is delayed due to reasons attributable to the Contractor, liquidity damages are imposed and no escalation is paid. Escalations are paid only in case where the delay is beyond the control of the Contractor. The overall escalation due to delays etc. can only be estimated after completion of the projects.

(d) Does not arise in the light of reply at items (a) & (b) above.