

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

UNSTARRED QUESTION NO:891

ANSWERED ON:24.11.2009

WORLD BANK LOANS FOR ROAD TRANSPORT PROJECTS

Agarwal Shri Jai Prakash;Panda Shri Prabodh;Ponnam Shri Prabhakar

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

- (a) the details of the loans sanctioned and released by the World Bank for various road transport projects for construction/repair/strengthening and widening of roads during each of the last three years and the current year, State-wise and project-wise;
- (b) the details of the said amount spent/utilised on various projects alongwith the status of the projects State-wise and project-wise;
- (c) the interest likely to be paid to the World Bank for such loans; and
- (d) the steps taken by the Government for optimum utilisation of the said loans?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF ROAD TRANSPORT AND HIGHWAYS (SHRI R.P.N. SINGH)

(a) & (b) Ministry of Road Transport & Highways is primarily responsible for development and maintenance of National Highways in the country. World Bank has not sanctioned any new loan for National Highway projects during last three years. However, the disbursement made by World Bank against loan taken by Government of India for NHAI projects alongwith details of the expenditure on various projects state-wise upto October, 2009 are enclosed as Annex.

(c) Interest on World Bank loans is payable on the principal amount of the loan drawn from time to time at a rate for each Interest Period equal to London Interbank Offered Rate (LIBOR) Base Rate plus LIBOR Total Spread, which keeps on changing during Interest Period.

(d) The loan disbursement depends upon the progress of projects covered under the loan. In case of delays in project implementation due to unavoidable circumstances, the matters are taken up with the World Bank for loan restructuring including extension of loan closing date for optimum utilization of loan amounts.