

**GOVERNMENT OF INDIA
RURAL DEVELOPMENT
LOK SABHA**

UNSTARRED QUESTION NO:642

ANSWERED ON:26.02.2015

LOAN FROM NABARD FOR CONSTRUCTION OF ROADS UNDER PMGSY

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Will the Minister of RURAL DEVELOPMENT be pleased to state:

- (a) whether his Ministry has sought Rs.12000 crore loan from National Bank for Agriculture and Rural Development (NABARD) to speed up construction of rural roads under the Pradhan Mantri Gram Sadak Yojana (PMGSY);
- (b) if so, the details thereof;
- (c) whether the proposal for loan from NABARD has been rejected;
- (d) if so, the details thereof and the reasons therefor;
- (e) whether rejection of loan will adversely affect the road construction under PMGSY;
- (f) if so, the corrective steps taken by the Government to resolve the matter so as to speed up construction of rural roads; and (g) the details of eligible habitations yet to be connected by roads?

Answer

MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT (SHRI SUDARSHAN BHAGAT)

(a)to(f) There is a shortfall between the 12th Five Year Plan allocation for PMGSY, as indicated by the erstwhile Planning Commission (Rs.1,05,000 crore) and the amount actually allocated to PMGSY (Rs.32,975 crore) during the initial three years of 12th Five Year Plan.

This shortfall impacts the pace of implementation of PMGSY projects which are of time bound nature and are expected to be completed within 18 to 24 months. In order to bridge this budgetary gap and to maintain the tempo of implementation of PMGSY, the Ministry with the objective of augmenting the budgetary allocation in consultation with Ministry of Finance has sent a proposal for seeking a fresh loan amounting to Rs.12,000 crore under RIDF NABARD to Ministry of Finance. The proposal of Ministry is for a loan in phased manner in three tranches of Rs.4,000 crore each staggered over a period of three years. The proposal is currently under consideration of Ministry of Finance.

(g) The details of eligible habitations yet to be connected by roads is given at Annexure.