

**GOVERNMENT OF INDIA  
RAILWAYS  
LOK SABHA**

UNSTARRED QUESTION NO:658  
ANSWERED ON:24.07.2003  
LOAN FROM FOREIGN FINANCIAL INSTITUTIONS BY IRFC  
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**Will the Minister of RAILWAYS be pleased to state:**

- (a) whether Indian Railway Finance Corporation seeks loan from foreign financial institutions;
- (b) if so, the amount of loan taken from abroad during the last three years;
- (c) the amount of interest paid by the Indian Railways to foreign institutions during this period;
- (d) the projects undertaken by the Railways in Maharashtra with these loan assistance during the last three years; and
- (e) the time by which these projects are likely to be completed ?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI BANDARU DATTATRAYA)

(a) Yes, Sir. The Indian Railway Finance Corporation Ltd.(IRFC) raises funds from both domestic and overseas debt capital markets to augment resources for the Railway Plan.

(b) During the last three years, IRFC raised the following amounts from foreign financial institutions :

Year	Amount	Source
2000-01 million	Euro 19.5	Kreditanstalt fur Wiederaufbau (KfW), Germany.
2001-02 million	US\$ 20.4	Export Development Canada (EDC)
2002-03	US\$ 75 million	Syndicated Loan

(c) Since the loans were raised by IRFC, interest has been paid by them. The amount of interest paid by IRFC against the above loans during this period is as under:-

Year	Amount of interest paid
2000-01	Nil
2001-02	Euro 0.79 million US\$ 0.59 million (Rs. 6.24 crore)
2002-03	Euro 0.61 million US\$ 0.41 million (Rs. 4.96 crore)

(d) The funds raised were used to finance the acquisition of rolling stock which are operated on the entire Indian Railway network. No Railway project has been financed from these funds.

(e) Does not arise.