

# Asian Development Bank & India

## FACT SHEET

**Table 1. India: 2014 Approved Loans, Grants, and Technical Assistance (\$ million)**

| Loans     |              | Technical Assistance |        | Grants   | Total |
|-----------|--------------|----------------------|--------|----------|-------|
| Sovereign | Nonsovereign | Assistance           | Grants |          |       |
| 2,169.71  | 665.00       | 17.35                | 3.80   | 2,855.86 |       |

Note: Grants and technical assistance include cofinancing.

**Table 2. India: Cumulative Lending, Grant, and Technical Assistance Approvals<sup>a, b</sup>**

| Sector  | No.        | Total Amount (\$ million) <sup>c</sup> | % <sup>c</sup> |
|---|------------|--|----------------|
| Agriculture, Natural Resources, and Rural Development | 36         | 293.48                                 | 0.84           |
| Education   | 9          | 207.28                                 | 0.60           |
| Energy  | 160        | 10,965.13                              | 31.56          |
| Finance   | 59         | 4,157.03                               | 11.96          |
| Health  | 5          | 22.45                                  | 0.06           |
| Industry and Trade                                    | 13         | 132.22                                 | 0.38           |
| Multisector   | 30         | 2,134.98                               | 6.14           |
| Public Sector Management                              | 66         | 1,751.19                               | 5.04           |
| Transport   | 150        | 11,487.28                              | 33.06          |
| Water and Other Urban Infrastructure and Services     | 77         | 3,595.11                               | 10.35          |
| <b>Total</b>  | <b>605</b> | <b>34,746.14</b>                       | <b>100.00</b>  |

<sup>a</sup> Grants and technical assistance include cofinancing.

<sup>b</sup> Includes sovereign and nonsovereign loans and technical assistance.

<sup>c</sup> Total may not add up because of rounding.

**Table 3. India: Cumulative Nonsovereign Financing by Product**

| Number of Projects | Amount (\$ million) |
|--------------------|---------------------|
| 54                 |                     |
| Loans              | 3,061.37            |
| Equity Investments | 461.30              |
| Guarantees         | 128.00              |
| B Loans            | 230.00              |
| <b>Total</b>       | <b>3,880.67</b>     |

India was a founding member of the Asian Development Bank (ADB), and is now its fourth-largest shareholder. ADB commenced its operations in India in 1986, and has approved 189 sovereign loans amounting to \$31.3 billion during 1986–2014. As of 31 December 2014, the portfolio included 86 ongoing sovereign loans amounting to \$11.5 billion.

ADB assistance to India has matured over the years to support the Government of India's evolving priorities. ADB's country partnership strategy (CPS), 2013–2017 for India aims to support the government's Twelfth Five-Year Plan priorities of "faster, more inclusive, and sustainable growth." In line with the government's guiding principle that multilateral development partners add value beyond tangible investments, ADB builds in innovations and best practices in project design and implementation.

As of 31 December 2014, cumulative disbursements to India for lending and grants financed by ordinary capital resources and other special funds amounted to \$21.28 billion.

### ADB-Supported Projects and Programs

Through ADB-supported development initiatives, millions of people in India have benefited from improvements in basic infrastructure and services.

ADB's transport sector program aims to improve connectivity and accessibility, promote safe and environmentally friendly practices, and enhance in-country and subregional trade corridors and facilities. The South Asia Subregional Economic Cooperation (SASEC) Road Connectivity Investment Program is working toward these objectives.

Energy sector initiatives continue to contribute to the strengthening of transmission and distribution networks in India. These initiatives—such as the Assam Power Sector Investment Program—aim to provide uninterrupted power supply to all, while promoting low-carbon solutions, renewable energy, and energy efficiency.

Key areas of focus for ADB in the urban sector are economic development through enhanced competitiveness of cities; improved sanitation and drinking water coverage; and improved water management systems, institutions, regulations, and pricing. Building on earlier ADB initiatives, the Rajasthan Urban Sector Development Program will contribute to sustainable urban development by supporting policy reform, institutional development, and improved governance and urban services in the state.

ADB's finance sector interventions target the development of infrastructure financing, capital markets, and inclusive finance. Priority is also given to strengthening public management, and leveraging private sector finance. Through the Clean Energy Finance Investment Program, ADB funds will support lending to eligible renewable energy subprojects, and the leveraging of private capital to augment sector lending.

**Table 4. India: Project Success Rates**

| Year         | Success Rate (%) | No. of Independently Evaluated Projects and Programs |
|--------------|------------------|--|
| 2006         | 100.00           | 1  |
| 2007         | 50.00            | 2  |
| 2008         | 50.00            | 6  |
| 2009         | –                | 1  |
| 2010         | 50.00            | 2  |
| 2011         | 100.00           | 4  |
| 2012         | 80.00            | 5  |
| 2013         | 50.00            | 2  |
| <b>Total</b> | <b>65.22</b>     | <b>23</b>  |

– = nil.

Note: “Year” refers to the circulation year of the project completion report (PCR). Compared with the numbers in previous years’ fact sheets, the success rates reported here are based on the ratings from validated PCRs and independently evaluated performance evaluation reports only and do not include self-evaluations. With small sample size, the success rate does not necessarily represent country operations performance.

Source: PCR validation reports and project/program performance evaluation reports ratings database as of 31 December 2014.

**Table 5. India: Portfolio Performance Quality Indicators for Sovereign Lending and Grants, 2013–2014**

|   | 2013 (\$ million) |                   | 2014 (\$ million) |                   |
|---|-------------------|-------------------|-------------------|-------------------|
|   | 2013 (\$ million) | 2014 (\$ million) | 2013 (\$ million) | 2014 (\$ million) |
| Number of Ongoing Loans (as of 31 Dec 2014)               | 86                |                   |                   |                   |
| Contract Awards/Commitments <sup>a,b</sup>                | 1,349.9           | 1,814.0           |                   |                   |
| Disbursements <sup>a</sup>                                | 987.0             | 1,401.5           |                   |                   |
| Number of Ongoing Grants (as of 31 Dec 2014) <sup>c</sup> | –                 |                   |                   |                   |
| Contract Awards/Commitments <sup>a,b</sup>                | –                 | –                 |                   |                   |
| Disbursements <sup>a</sup>                                | –                 | –                 |                   |                   |
| Actual Problem Projects (%)                               | 4                 |                   |                   |                   |

– = nil.

Note: Totals may not add up because of rounding.

<sup>a</sup> Includes closed loans/grants that had contract awards or disbursements during the year.

<sup>b</sup> Excludes policy-based lending/grants.

<sup>c</sup> Includes only Asian Development Fund and other ADB special funds.

The ADB program for the agriculture and natural resources sector supports water resource management, flood and coastal management, and agribusiness development.

In an effort to increase the supply of skilled labor to those industries and services that are essential to India’s growth, ADB’s education sector program supports skills training capacities at the national and state levels to be scaled up, with a focus on quality and outcomes. The Supporting Additional Skill Acquisition Program in Post-Basic Education seeks to enhance the employability of youth in Kerala, by introducing market-relevant vocational training.

## Nonsovereign Operations

As a catalyst for private investments, ADB provides direct financial assistance to nonsovereign public sector and private sector projects in the form of direct loans, equity investments, guarantees, B loans, and trade finance. Since its inception, ADB has approved \$3.88 billion in financing for 54 private sector projects in India. Total outstanding balances and commitments of ADB’s nonsovereign transactions in the country as of 31 December 2014 was \$1.99 billion, representing 25.09% of ADB’s total nonsovereign portfolio.

ADB’s Trade Finance Program (TFP) fills market gaps by providing guarantees and loans through partner banks in support of trade. The TFP has done over 10,300 transactions supporting over \$20.5 billion in trade and over 6,000 small and medium-sized enterprises since 2004. In 2014, the TFP supported \$3.8 billion in trade through over 1,900 transactions. The TFP works with 11 banks operating in India and has supported 149 transactions—exports to developing member countries—valued at \$192 million.

## Cofinancing

Cofinancing operations enable ADB’s financing partners, governments or their agencies, multilateral financing institutions, and commercial organizations, to participate in financing ADB projects. The additional funds are provided in the form of official loans and grants, other concessional financing, and commercial financing such as B loans, risk transfer arrangements, parallel loans and equity, guarantee cofinancing, and cofinancing for transactions under ADB’s TFP.

By the end of 2014, cumulative direct value-added (DVA) official cofinancing for India amounted to \$1.46 billion for 21 investment projects, and \$102.6 million for 109 technical assistance projects. Cumulative DVA commercial cofinancing for India amounted to \$902.08 million for 10 investment projects.

In 2014, India received \$253.0 million loan cofinancing from the European Investment Bank, and \$3.8 million grant cofinancing from the Sanitation Financing Partnership Trust Fund under the Water Financing Partnership Facility, and the Urban Environmental Infrastructure Fund under the Urban Financing Partnership Facility.

**Table 6. India: Projects Cofinanced, 1 January 2010–31 December 2014**

| Cofinancing                 | No. of Projects | Amount (\$ million) |
|-----------------------------|-----------------|---------------------|
| Projects <sup>a</sup>       | 15              | 1,165.37            |
| Grants                      | 5               | 12.30               |
| Official loans              | 3               | 541.00              |
| Commercial cofinancing      | 7               | 612.07              |
| Technical Assistance Grants | 46              | 42.00               |

<sup>a</sup> A project with more than one source of cofinancing is counted once.

A summary of projects with cofinancing from 1 January 2010 to 31 December 2014 is available at [www.adb.org/countries/india/cofinancing](http://www.adb.org/countries/india/cofinancing)

## Partnerships

ADB collaborates, and endeavors to achieve synergies, with multilateral and bilateral development partners in India.

The Department for International Development (DFID) of the United Kingdom has supported ADB’s project preparation and capacity-building efforts in India since 2001. The current DFID–ADB partnership for India, 2009–2015, has so far leveraged 19 loans amounting to about \$4.8 billion. Partnerships with the Japan Fund for Poverty Reduction, the Global Environment Facility, and the

Clean Energy Financing Partnership Facility have strongly supported ADB technical assistance.

In 2014, the European Investment Bank cofinanced \$253 million for the Clean Energy Investment Program (Tranche 1), with ADB financing of \$200 million, while two other major programs leveraged \$3.8 million in cofinancing grants. The Rajasthan Urban Sector Development Program, with an ADB loan of \$500 million, garnered a grant of \$2 million from the Sanitation Financing Partnership Trust Fund under the Water Financing Partnership Facility. The remaining \$1.8 million was a grant from the Urban Environmental Infrastructure Fund, under the Urban Financing Partnership Facility, to support the first tranche of \$75 million for the Karnataka Integrated Urban Water Management Investment Program.

ADB also engages with the private sector and civil society organizations within India to strengthen the effectiveness, quality, and sustainability of the assistance it provides.

## Procurement

### Share of ADB's Procurement Contracts

Each year, ADB provides loans, grants, and technical assistance to fund projects and activities in its developing member countries, and several billion dollars in contracts to procure goods, works, and consulting services. Most contracts were awarded on the basis of international competition, which is open to firms and individuals from any ADB member, regional or nonregional.

Procurement contracts for goods, works, and related services under loan and grant operations totaled \$6.59 billion in 2013 and \$8.58 billion in 2014. Cumulative procurement, as of 31 December 2014, was \$135.21 billion.

Procurement contracts for consulting services under loan, grant, and technical assistance operations totaled \$511.13 million in 2013 and \$555.30 million in 2014. Cumulative procurement, as of 31 December 2014, was \$9.98 billion.

**Table 7. India's Share of Procurement Contracts for Loan, Grant, and Technical Assistance Projects**

| Item                                  | 2013                   |               | 2014                   |               | Cumulative<br>(as of 31 Dec 2014) |               |
|---------------------------------------|------------------------|---------------|------------------------|---------------|-----------------------------------|---------------|
|                                       | Amount<br>(\$ million) | % of<br>Total | Amount<br>(\$ million) | % of<br>Total | Amount<br>(\$ million)            | % of<br>Total |
| Goods, Works, and<br>Related Services | 1,302.04               | 19.76         | 1,594.83               | 18.58         | 17,544.86                         | 12.98         |
| Consulting Services                   | 66.49                  | 13.01         | 69.87                  | 12.58         | 632.83                            | 6.34          |
| <b>Total Procurement</b>              | <b>1,368.53</b>        | <b>19.27</b>  | <b>1,664.70</b>        | <b>18.21</b>  | <b>18,177.70</b>                  | <b>12.52</b>  |

### Goods, Works, and Related Services

From 1 January 1966 to 31 December 2014, contractors and suppliers were involved in 194,667 contracts for goods, works, and related services under ADB loan and grant projects worth \$135.21 billion. During the same period, 9,454 contracts were awarded to contractors and suppliers from India worth \$17.54 billion.

**Table 8. Top 5 Contractors/Suppliers from India Involved in Goods, Works, and Related Services Contracts under ADB Loan and Grant Projects, 1 January 2010–31 December 2014**

| Contractor/Supplier          | Sector        | Contract<br>Amount<br>(\$ million) |
|------------------------------|---------------|------------------------------------|
| Patel Engineering Limited    | ENE, TRA      | 292.23                             |
| BsC-C&C Constructions Ltd.   | TRA           | 230.82                             |
| Alstom T&D India Limited     | ENE           | 183.00                             |
| Ramky Infrastructure Limited | ENE, TRA, WUS | 169.51                             |
| Larsen & Toubro (L&T) Ltd.   | ENE, TRA      | 138.46                             |
| Others                       |               | 5,683.85                           |
| <b>Total</b>                 |               | <b>6,697.87</b>                    |

ENE = Energy, TRA = Transport, WUS = Water and Other Urban Infrastructure and Services.

### Consulting Services

From 1 January 1966 to 31 December 2014, consultants were involved in 45,584 contracts for consulting services under ADB loan, grant, and technical assistance projects worth \$9.98 billion. During the same period, 2,591 contracts were awarded to consultants from India worth \$632.83 million.

**Table 9. Top 5 Consultants from India Involved in Consulting Services Contracts under ADB Loan, Grant, and Technical Assistance Projects, 1 January 2010–31 December 2014**

| Consultant  | Sector                          | Contract<br>Amount<br>(\$ million) |
|---|---------------------------------|------------------------------------|
| Intercontinental Consultants<br>and Technocrats Pvt. Ltd. | TRA                             | 21.33                              |
| PricewaterhouseCoopers Private<br>Limited India           | ENE, FIN, MUL, PSM,<br>TRA, WUS | 20.36                              |
| Shah Technical Consultants<br>Private Limited             | WUS                             | 18.12                              |
| Aecom Asia Company Ltd.                                   | ANR, TRA, WUS                   | 14.58                              |
| IPE Global Pvt. Ltd.                                      | ANR, TRA                        | 9.09                               |
| Individual consultant/s                                   |                                 | 36.31                              |
| Others  |                                 | 145.25                             |
| <b>Total</b>  |                                 | <b>265.05</b>                      |

ANR = Agriculture, Natural Resources, and Rural Development; ENE = Energy; FIN = Finance; MUL = Multisector; PSM = Public Sector Management; TRA = Transport; WUS = Water and Other Urban Infrastructure and Services.

### Operational Challenges

In order to meet the goals of its Twelfth Five-Year Plan, India needs to focus on removing infrastructure deficits, and improving the quality and coverage of basic social services. The challenge for the country is to do so while recognizing the need for environmental sustainability, particularly given the unprecedented pressures placed on its natural resources by population growth and rapid urbanization.

To support the government's vision of faster, more inclusive, and sustainable growth, the CPS has as its thrust areas: infrastructure development, job creation and access to jobs, regional connectivity, environmental sustainability, and enhancing synergies across sectors. The CPS is operationalized through ADB assistance in the sectors of energy, transport, urban services, and agriculture and natural resources—with crosscutting support from

the finance and education sectors. The ADB program in India also aims to leverage finance and knowledge across sectors of operation, while continuing to build on past efforts toward capacity development and the promotion of development effectiveness.

## Future Directions

ADB will continue to support the Twelfth Five-Year Plan priorities, through the three strategic pillars of the CPS, namely, inclusive growth; environmentally sustainable growth; and regional cooperation and integration.

The proposed 3-year lending program, reflected in the country operations business plan, 2015–2017, will average about \$2.6 billion annually. About 90% of the lending program will contribute to inclusive economic growth, and 72% will support environmental sustainability. Projects under the East Coast Economic Corridor and SASEC, constituting 10% of the program, will support regional cooperation and integration.

## About India and ADB

### ADB Membership

Joined 1966

### Shareholding and Voting Power

|                               |  |
|-------------------------------|--|
| Number of shares held:        | 672,030 (6.359% of total shares)   |
| Votes:                        | 711,460 (5.386% of total membership,<br>8.272% of total regional membership) |
| Overall capital subscription: | \$9.73 billion   |
| Paid-in capital subscription: | \$486.77 million   |

### Contributions to Special Funds Resources

India has contributed to the Asian Development Fund (ADF), which is ADB's window for concessional lending to its borrowing members, and to the Technical Assistance Special Fund (TASF), which provides grants to borrowing members to help prepare projects and undertake technical or policy studies.

|  |                 |
|--|-----------------|
| Contributions to the ADF (committed):  | \$30.00 million |
| Contributions to the TASF (committed): | \$4.49 million  |

**Umesh Kumar** is the Director and **Sharafjon Sheraliev** is the Alternate Director representing India on the ADB Board of Directors.

**M. Teresa Kho** is the ADB Country Director for India. The India Resident Mission was opened in 1992, and provides the primary operational link for activities between ADB and the government, the private sector, civil society stakeholders, and development partners. The resident mission engages in policy dialogue, country partnership strategy development and programming, and portfolio management, while also acting as a knowledge base on development issues in India.

The India government agency handling ADB affairs is the Ministry of Finance.

### About the Asian Development Bank

ADB is a multilateral development bank owned by 67 members, 48 from the region and 19 from other parts of the world. ADB's main instruments for helping its developing member countries are policy dialogue, loans, equity investments, guarantees, grants, and technical assistance (TA). In 2014, lending volume was \$12.92 billion (113 projects), with TA at \$158.88 million (256 projects) and grant-financed projects at \$405.34 million (17 projects). In addition, \$9.24 billion was generated in direct value-added cofinancing in the form of official loans and grants, other concessional financing, and commercial cofinancing such as B loans, risk transfer arrangements, guarantee cofinancing, parallel loans, parallel equity, and cofinancing for transactions under ADB's Trade Finance Program. From 1 January 2010 to 31 December 2014, ADB's annual lending volume averaged \$12.10 billion. In addition, investment grants and TA funded by ADB and special funds resources averaged \$697.97 million and \$156.69 million in TA over the same period. As of 31 December 2014, the cumulative totals excluding cofinancing were \$216.21 billion in loans for 2,729 projects in 44 countries, \$6.87 billion in 256 grants, and \$3.75 billion in TA grants, including regional TA grants.

## Contacts

### India Resident Mission

4, San Martin Marg, Chanakyapuri  
New Delhi 110 021, India  
P.O. Box 5331, Chanakyapuri HPO  
Tel +91 11 2410 7200  
Fax +91 11 2687 0955/2419 4273

### ADB Headquarters

6 ADB Avenue, Mandaluyong City  
1550 Metro Manila, Philippines  
Tel +63 2 632 4444  
Fax +63 2 636 2444

### Ministry of Finance

Government of India  
New Delhi, India  
Tel +91 11 2309 2810/2309 2510  
Fax +91 11 2309 3289/2309 2830/2309 2511

### Useful ADB websites

Asian Development Bank  
[www.adb.org](http://www.adb.org)

Asian Development Outlook  
[www.adb.org/publications/series/asian-development-outlook](http://www.adb.org/publications/series/asian-development-outlook)

Annual Report  
[www.adb.org/documents/series/adb-annual-reports](http://www.adb.org/documents/series/adb-annual-reports)

Depository Libraries  
[www.adb.org/publications/depositories](http://www.adb.org/publications/depositories)

To access a complete list of development and economic indicators, visit:

Statistics and Databases  
[www.adb.org/data/statistics](http://www.adb.org/data/statistics)