GOVERNMENT OF INDIA
MINISTRY OF SKILL DEVELOPMENT AND ENTREPRENEURSHIP
RAJYA SABHA
UNSTARRED QUESTION No. 2040
ANSWERED ON 05.08.2026

IMPLEMENTATION AND UTILISATION OF THE SANKALP WORLD BANK LOAN

2040 SMT. JEBI MATHER HISHAM:

Will the Minister of SKILL DEVELOPMENT AND ENTREPRENEURSHIP be pleased to state:

(a) the total amount disbursed by the World Bank under the first tranche of the Skill Acquisition and Knowledge Awareness for Livelihood Promotion (SANKALP) loan and the amount utilised as on date;

(b) the year-wise details of the unutilised loan amount, interest and commitment charges, if any, paid or accrued thereon;

(c) whether Government has sought restructuring, extension or revision of the loan period from the World Bank due to underutilisation of the loan, details thereof; and

(d) whether Government has assessed the reasons for the underutilisation of the loan, fixed responsibility for the shortfall and taken any corrective action, if so, details thereof?

ANSWER

THE MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF SKILL DEVELOPMENT AND ENTREPRENEURSHIP

(SHRI JAYANT CHAUDHARY)

(a) The World Bank disbursed USD 219.72 million (equivalent to ₹1,648.44 crore) under first tranche of the SANKALP loan. As on 31 March 2025, ₹1,287.75 crore has been incurred.

(b) Under the scheme, the first tranche of approved loan amount was USD 250 million, out of which USD 219.72 million has been disbursed by the World Bank. Hence, USD 30.28 million remained undisbursed. As of March 2025, ₹15.04 crore had been paid as commitment charges on the undisbursed loan balance.

(c) The SANKALP loan underwent four restructurings in consultation with the World Bank. However, the restructurings were not undertaken solely due to under-utilization of the loan. The first restructuring aligned the Disbursement Linked Indicators, verification protocols and implementation arrangements with changes in the institutional and regulatory framework. The second restructuring revised the results framework and reallocated funds in view of COVID-19-related disruptions and emerging skilling requirements. These two restructurings did not change the loan closing date. The third restructuring, approved in March 2023, extended the loan closing date from 31 March 2023 to 31 March 2024 to facilitate completion of the remaining activities. Under the fourth restructuring in March 2024, the undisbursed loan amount of USD 30.28 million was cancelled due to exchange-rate-related savings, non-achievement of certain targets and low expenditure under the Technical Assistance component.

(d) The Government has assessed the reasons for under-utilization, which primarily included COVID-19-related disruptions, delays in transferring funds from State Treasuries to Single Nodal Agency accounts, delayed submission of Utilization Certificates, invoices and claims, and challenges in onboarding executing agencies and training partners. The delays were attributable to implementation constraints across multiple stakeholders. Corrective measures included regular review of physical and financial progress, MIS-based monitoring, flexibility to States/UTs to revise unviable activities, performance-linked release of the second tranche of State Incentive Grants, and sustained follow-up for utilization and remittance of unspent balances and interest to the Consolidated Fund of India.

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