Development is a process of planned change with aiming a quality of life in the society of concerned. Meanwhile, there is a global and regional trend of development which can be very common to every country and it will generate similar characteristics in all countries. The intervention of international development agencies such as Asian Development Bank (ADB), World Bank and Japan Bank for International Cooperation has become a major cause to generate these similar characteristics in all developing countries. Sri Lanka is an Asian country which has taken substantial number of loans and grants for infrastructural development in many sectors of development. Road sector development is one of priority sector among both Government of Sri Lanka (GOSL) and ADB.

This study is attempted to identify the nature and the impact of international development agencies' intervention in infrastructural development with special reference to ADB and its intervention in road sector development in Sri Lanka. Ethnographic, comparative and functional methods are utilized in this study and participant observation technique is the main tool used in collection of primary and secondary data. The study is mainly focused on six months working experience at the Road Development Authority as an ADB local consultant in Social development. The GOSL is asked to adopt bank policies and operation manuals in utilization of loans and grants while implementing development activities in order to the existing laws and policies. On the other hand, ADB has supported GOSL to develop policies and operation manuals for project executing agencies. Furthermore, ADB has provided expertise knowledge to capacity building of relevant officers in project executing agencies including the technology. Though, ADB has used their resources to develop and upgrade the existing and new practice, there are several obstacles to reach maximum level of project goals. The study reveals the negative and positive impacts of the ADB interventions in road sector development in Sri Lanka.

**Key words:** international development, road sector, infrastructure, ADB