

**GOVERNMENT OF INDIA  
URBAN DEVELOPMENT  
LOK SABHA**

UNSTARRED QUESTION NO:7777  
ANSWERED ON:16.05.2000  
LOAN FOR LAYING NEW PIPELINE  
KOLUR BASAVANAGOUD

**Will the Minister of URBAN DEVELOPMENT be pleased to state:**

- (a) whether Japan has agreed to provide loan for the laying of new pipeline from Cauvery river to Bangalore for the Bangalore Water Supply and Sanitation improvement programme project;
- (b) if so, the amount of loan to be provided;
- (c) the details of repayment schedule and the interest to be charged thereon;
- (d) whether the Union Government have agreed to provide any financial assistance to Karnataka for repaying the loan and interest; and
- (e) if so, the details thereof?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF URBAN DEVELOPMENT ( SHRI BANDARU DATTATREYA )

- (a): Loan assistance for the Bangalore Water Supply and Sewerage project was agreed to by the Overseas Economic Cooperation Fund (OECF - now known as JBIC), Japan in January, 1996. Bangalore Water Supply & Sewerage Board has reported that the project includes several components, including laying of transmission, trunk and feeder mains under the Cauvery Water Scheme Stage-IV, phase-I.
- (b): The amount of loan to be provided is Yen 28,452 million (Rs.804 crores approximately).
- (c): As per available information, loan repayment will commence from 20.1.2006 with interest @ 2.1% per annum on the principal amount disbursed and outstanding loan amount.
- (d)&(e): The Union Government is responsible for repayment of the loan and interest thereon to the Japanese Govt. External assistance received by the Union government is passed on to the State Govt. in the ratio of 70% loan and 30% grant. There is no scope for giving any further financial assistance to Karnataka.