

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:7847  
ANSWERED ON:17.05.2002  
WORLD BANK LOAN TO KARNATAKA  
GOWDAR MALLIKARJUNAPPA;IQBAL AHMED SARADGI;SHASHI KUMAR

**Will the Minister of FINANCE be pleased to state:**

- (a) whether the Government of Karnataka is likely to get Rs. 5000 crores over the next few years from the World Bank to undertake various projects in the State;
- (b) if so, the main projects on which this amount is likely to be utilized; and
- (c) the terms and conditions of the loan?

**Answer**

The Minister of State in the Ministry of Finance ( Shri GINGEE N. RAMACHANDRAN)

(a) & (b): During the years 2001-02 and 2002-03, following projects worth US\$ 1160 million (approx. Rs. 5500 crores) have been posed, negotiated or signed with the World Bank for Karnataka:

1. Karnataka Economic Restructuring Loan -1- US\$ 150 million (IDA credit + mRD Loan)
2. Karnataka Economic Restructuring Loan n - US\$ 100 million (IDA credit + mRD Loan)
3. Karnataka State Highways Project- US\$ 360 million (mRD Loan)
4. Karnataka Comprehensive Watershed Development Project- US\$100 million (IDA credit)
5. Second Karnataka Rural Water Supply and Sanitation Project -US\$ 151 million (IDA credit)
6. Karnataka Community Based Tank Management Project-US\$ 99 million (IDA credit)
7. Capacity Building of the Urban Local Bodies - US\$ 200 million (IDA credit)

(c) The IDA credit is repayable in 35 years including 10 years grace period. The mRD loan is payable in 20 years, including 5 years of grace and annuity principal repayment at six month LmOR for USD plus variable spread for Variable-Rate Single Currency Loans.