

【Press release】

**Signing of Exchange of Notes on Japanese ODA Loan of 82.434 Billion JPY
for the Ahmedabad Metro Project (I)**

1. The Exchange of Notes on Japanese ODA Loan for the Ahmedabad Metro Project (I) totaling JPY 82.434 billion, approximately INR 4,456 crore, was signed in New Delhi on November 27th, 2015, between Mr. Yutaka Kikuta, Chargé d'affaires a.i, Embassy of Japan, and Mr. S. Selvakumar, Joint Secretary, Department of Economic Affairs, Ministry of Finance, Government of India.
2. While urbanization has been progressing rapidly and demand for transportation has also been increasing dramatically in India, infrastructure for public transportation in India is not sufficiently developed. Increased demand for transportation in the metropolitan area of Ahmedabad, economic city in the state of Gujarat, western India, has caused severe traffic congestion. Furthermore, related economic loss and air pollution & noise are becoming serious issues.
This Project will provide Japanese ODA loan so as to develop mass rapid transit system in the Ahmedabad metropolitan area. It is expected that this loan will contribute to mitigate the traffic congestion and pollution in the metropolitan area by addressing the increasing demand for transportation. This will also contribute to economic development of India.
3. On the occasion of the Summit Meeting on 1st September, 2014, Prime Minister Modi sought Japan's association with Ahmedabad Metro Project and Prime Minister Abe expressed Japan's willingness to support the project.
4. The loan for this project is provided as part of supporting initiative for emerging countries on the area of climate change. The Government of Japan has been cooperating and will continue to cooperate with India on the issue of climate change in order to develop fair and effective international framework by all countries.

(Terms and Conditions of this yen loan)

- (1) Rate of interest: 1.40% per annum
- (2) Repayment period: Thirty (30) years including the grace period of ten (10) years
- (3) Procurement Conditions: General untied

