



## EIB sanctions second tranche of Rs. 1,350 crore loan for Pune Metro

The Government of India (GoI) and European Investment Bank (EIB) on 7.5.2021 signed the finance contract for second tranche of Euro 150 million (about Rs 1,350 crore) for Pune Metro Rail project through a virtual ceremony. Maharashtra Metro Rail Corporation Ltd. (Maha Metro) led by its managing director Dr. Brijesh Dixit is the implementing agency for this project.

The signing ceremony was held in the presence of Mr Francisco Andre, Secretary of State for Foreign Affairs and Cooperation, Portugal and Mr. Werner Hoyer, President EIB. Shri K. Rajaraman, Additional Secretary, Department of Economic Affairs, Ministry of Finance, signed the loan on behalf of Government of India and Mr. Christian Kettel Thomsen, Vice-President, signed the loan on behalf of EIB.

Commenting on the development, MD Dr Brijesh Dixit said, "This fund is very much to keep the pace of Pune Metro project." He further thanked the Ministry of Finance, GoI, and Government of Maharashtra (GoM) for the wholehearted support.

EIB had approved the total loan of Euro 600 million (about Rs 5,400 crore) to fund the Pune Metro Rail project. The Finance Contract for first tranche of Euro 200 million was signed between GoI and EIB on 22.7.2019. The project aims to provide efficient, safe, economic and pollution-free Mass Rapid Transit System in densely populated area in the city of Pune served with heterogeneous traffic options.

The financing from EIB will help to fund construction and operation of Corridor 1 (North-South) - Pimpri Chinchwad Municipal Corporation (PCMC) to Swargate and Corridor 2 (West-East) –Vanaz (Kothrud) to Ramvadi, totaling about 31.25 kilometers (km) and related purchase of a related fleet of metro cars. Further, the project will serve large population which consisting working class in providing urban mobility for their livelihood.

The total cost of the Pune Metro Rail project is INR 11,420 crores. Pune Municipal Corporation (PMC) and Pimpri Chinchwad Municipal Corporation (PCMC) each are sharing 5% cost while GoI and Government of Maharashtra (GoM) are sharing 20% cost each. The remaining 50% cost (INR 5831.5 crores) is to be met through loan by EIB and Agence Francaise de Developpement (AFD).