

Calcutta Metro Railways (Phase II) Construction Project



A Metro station

Outline of Loan Agreement

Loan Amount / Disbursed Amount	4,800 million yen / 4,671 million yen
Loan Agreement	February 1983
Terms & Conditions	Interest rate 2.75%p.a. Repayment period 30 years (Grace period 10 years)
Final Disbursement Date	March 1992

Project Outline

Support was extended for the construction of technically difficult sections of the metro railway development plan for Calcutta (now Kolkata) in order to expedite completion and contribute to improved transportation within the city.

Results and Evaluation

The project covered the sections of the metro railway development plan, approx. 5km, 5 sections, 6 stations out of a total of 17km (17 sections), where construction was technically problematic and progress slow.

Excavation work, track construction and so on were executed by the local contractor and work was commenced in 1983, targeting completion in 1987. However, there were major delays in implementation due to insufficient preparation by the central and state governments regarding problems with land acquisition, import procedures for construction equipment, underground structures such as sewage mains, and restrictions on construction due to traffic congestion on the roads, and the entire line did not become operational until 1996.

Although passenger numbers on the metro line, which were approx. 70 million in 1997, dropped to 56 million in 1999, and subsequently showed a tendency to increase, rising to 71 million in 2000, then 80 million in 2001, they are only around 10% of planned levels (based on a feasibility study conducted by the former Soviet Union). It is presumed that this is attributed to competition from buses/minibuses operating on the same route as well as to overestimation at the planning stage.

JBIC has recommended some measures to improve the metro railway operations on the basis of a Special Assistance and Project Sustainability (SAPS) study conducted in 1997. The West Bengal State Government and the Railway Board (Metro Railways Calcutta) are cooperating with the relevant government ministries, to investigate altering bus/minibus routes, shortening the intervals between services, reviewing the fares system, and the viability of plans to extend the line, on the basis of these recommendations.