






The Project

Construction of India's first regional rapid transit system (RTS) connecting the National Capital Territory of Delhi with the cities of Ghaziabad and Meerut located in the neighbouring state of Uttar Pradesh.

Project Objectives

-  Shift travel from road to rail, reducing travel time, congestion, and emissions
-  Improve access to jobs and essential services
-  Enhance overall productivity of National Capital Region
-  Support more balanced and inclusive economic development
-  Pioneer a replicable model for high-capacity, low-carbon regional rail across India

Project Highlights

| | |
|-------------------------|--|
| Total Project Cost: | USD 3,759 million |
| Co-financing: | USD 1,549 million (Asian Development Bank, Asia Infrastructure Investment Bank) |
| Grant: | USD 3 million (Japan Fund for Poverty Reduction) |
| Counterpart funds: | USD 1,707 million (Government) |
| NDB Loan Approval Date: | September 29, 2020 |
| NDB Loan Closing Date: | August 31, 2027 |

Use of NDB Financing





NDB loan of **USD 500 million***

*Since reduced to USD 418 million after partial cancellation of USD 82 million





Proceeds from NDB loan were used to finance:

- Rolling stock**
- Signalling, train control, telecommunications, and platform screen door systems**
- Multi-storied staff quarters**

What the project aims to achieve by 2028...

| | |
|--|---|
|  82.15 km long rapid rail corridor constructed and operational |  740,000 average daily passengers |
|  Travel time reduced to ~1 hr (from 3-4 hours) |  ~258,035 tonnes CO ₂ reduced annually |

Achieved by 2025

| | |
|--|---|
|  ~55 km operational (partial corridor) |  41,000 average daily passengers |
|  From two hours to ~42 mins (partial corridor) |  ~24,000-32,000 tonnes CO ₂ reduced annually |

¹ This evaluation was conducted in 2025, and its findings, conclusions and recommendations are based on the data, project status and evidence available at the time of the evaluation.

Key Evaluations Findings

AREAS OF STRENGTH

NDB'S OPERATIONAL EXCELLENCE

- **Rapid loan processing during COVID-19 pandemic**
- Use of country systems supported the "Make in India" initiative

STRONG BORROWER PERFORMANCE

- **Strong institutional ownership** and coordinated leadership by the Government of India and participating state governments
- **Exceptional technical and managerial capability** demonstrated by NCRTC during implementation

TECHNICAL FIRSTS FOR INDIA

- **180 km/h design speed**
- **Use of modern signalling and telecommunications systems – European Train Control system (ETCS) Level 2**

SOCIO-ECONOMIC IMPACT

- **1,800+ jobs** created at peak construction
- **63-70% travel time reduction**, boosting workforce productivity

AREAS FOR IMPROVEMENT

PERFORMANCE GAPS

- Ridership: **41,000 daily passengers vs. 190,000 projected**

LIMITATIONS IN PROJECT'S DESIGN AND MONITORING FRAMEWORK

- **Lack of NDB-financed output indicators** and absence of causal link between NDB outputs to project outcomes

FINANCIAL SUSTAINABILITY

- **Fare revenues insufficient** to fully cover operating and debt-servicing costs
- **Slow progress** in monetisation of non-fare revenues (e.g. commercial development)

NDB ENGAGEMENT

- **Less competitive financing terms** than co-financiers
- **Limited technical assistance** and knowledge support
- **Reduced resource utilisation** efficiency due to loan cancellation of USD 82 million

Recommendations

A. IMMEDIATE ACTIONS



1

Strengthen first and last-mile connectivity to boost ridership

2

Actively facilitate fare and ticketing interoperability to enhance user convenience

3

Phase-in and prioritise non-fare revenue activation to support early operational cost recovery



B. FORWARD LOOKING CONSIDERATIONS



1

Embed a clear theory of change in project design to improve evaluability

2

Expand local- or alternative-currency financing to improve financial competitiveness

3

Strengthen knowledge management and visibility to capture and disseminate lessons

4

Strengthen institutionalised coordination mechanisms in multi-financier projects to improve system-level oversight

5

Strengthen appraisal risk analysis and adaptive risk management to improve financing flexibility and resource utilisation

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