

**PRESS INFORMATION BUREAU
GOVERNMENT OF INDIA**

**GOVERNMENT SIGNS LOAN AGREEMENT WITH ASIAN DEVELOPMENT
BANK (ADB) FOR \$60 MILLION FOR JAMMU AND KASHMIR URBAN SECTOR
DEVELOPMENT INVESTMENT PROGRAM**

New Delhi, December 30, 2014
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The Government of India signed an agreement with Asian Development Bank (ADB) here today for a \$60 million loan that will help improve urban services, including water supply and urban transport infrastructure, in two key cities of Jammu and Kashmir. This loan from the ADB's Ordinary Capital Resources has a 25-year term including a grace period of five years.

The third tranche loan under the Jammu and Kashmir Urban Sector Development Investment Program will supplement the urban infrastructure up-gradation program initiated under Project 1 and Project 2. About half-a-million people in Srinagar and Jammu will benefit from improved access to water supply, functional drainage systems, and better transport infrastructure

Shri Tarun Bajaj, Joint Secretary, Department of Economic Affairs at the Ministry of Finance, signed the agreement on behalf of Government of India, and Shri Rajeev Singh, Officer-in-Charge of ADB's India Resident Mission, signed the agreement on behalf of ADB. The project agreement was signed by Shri Tahseen Mustafa, Chief Executive Officer, J&K ERA on behalf of Government of Jammu & Kashmir and Ms. Shagufta Qazi, Director Finance J&K Economic Reconstruction Agency on behalf of J&K ERA.

Speaking on the occasion, Shri Bajaj said that the project will support the state in ensuing increase average water supply, from 90 liter/day/capita to 135 liter/day/capita through rehabilitation and improvement of infrastructure. This would also help in substantial reduction of water logging in project areas.

Shri Rajeev Singh, Officer-in-Charge of ADB's India Resident Mission said that the capacity development programs will be run for the concerned state government departments and representatives of urban local bodies to enable them to provide better urban services and bring efficiency and accountability in their functioning.
