

**GOVERNMENT OF INDIA
EXTERNAL AFFAIRS
LOK SABHA**

UNSTARRED QUESTION NO:4110
ANSWERED ON:25.08.2004
AGREEMENT FOR DEVELOPMENT OF RAILWAYS
Meghwal Shri Kailash

Will the Minister of EXTERNAL AFFAIRS be pleased to state:

- (a) whether any agreement has recently been signed between India and Myanmar regarding development of railways;
- (b) if so, the details thereof; and
- (c) the extent to which this agreement will help strengthen the relations between the two countries?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI RAO INDERJIT SINGH)

(a) Yes, Sir.

(b) On July 27, 2004, an MoU was signed between the Government of India and the Government of the Union of Myanmar on `Cooperation in the Field of Railways`. The main feature of the agreement was upgradation of the Ynagon-Mandalay railway trunk line for which India extended a line of credit for US dollars 56.358 million. The project was operationalised through a separate agreement on the same day between the designated agencies, EXIM Bank of India and the Myanmar Foreign Trade Bank. The scope of the agreement, under the general rubric of upgradation of passenger facilities on the Yangon-Mandalay trunk route, includes upgrading the maintenance facilities of workshops, track and signaling system as well as supply of locomotives to Myanmar. Work on these components has been entrusted to the RITES of India. Progress of the work is already underway.

(c) India and Myanmar share close neighbourly relations based on cultural affinities and shared historical experiences. The conclusion of the agreement has created considerable goodwill, and will contribute to strengthening bilateral relations between India and Myanmar.