

**GOVERNMENT OF INDIA
RAILWAYS
LOK SABHA**

UNSTARRED QUESTION NO:2134

ANSWERED ON:13.03.2008

RAIL VIKAS NIGAM LTD.

Patel Shri Kishanbhai Vestabhai; Sai Shri Nand Kumar

Will the Minister of RAILWAYS be pleased to state:

- (a) whether Rail Vikas Nigam Ltd. has signed a traffic guarantee agreement with SAIL;
- (b) if so, the salient features of the said agreement;
- (c) the details of equity contribution of Rail Vikas Nigam Ltd. for development of railway line under the said agreement; and
- (d) the steps taken for timely completion of all requirements of the said agreement ?

Answer

MINISTER OF STATE IN THE MINISTRY OF RAILWAYS(SHRI R. VELU)

(a)&(b): Agreement among the shareholders of Haridaspur-Paradip Railway Company Limited (HPRCL), RVNL and East Coast Railway has not been initialed indicating the corrective intention to sign the legally vetted draft. Steel Authority of India Limited (SAIL) is one of the partners and has offered guaranteed traffic of 0.5 Metric Tonne Per Annum (MTPA) on the project line. The Traffic Guarantee Agreement provides for guaranteed traffic by the offerors and evacuation of traffic by the Railways.

(c): Equity contribution is not a part of the traffic guarantee agreement. RVNL has committed a contribution of Rs.133.20 crore as equity in Haridaspur-Paradip Railway Company Ltd. for implementation of Haridaspur-Paradip new railway line on East Coast Railway.

(d): The draft Traffic Guarantee Agreement has already been sent to Ministry of Law for vetting.