

**GOVERNMENT OF INDIA  
RAILWAYS  
LOK SABHA**

UNSTARRED QUESTION NO:5958

ANSWERED ON:26.04.2001

CLOSING OF ORIGINAL CONTRACT

PRABHUNATH SINGH

**Will the Minister of RAILWAYS be pleased to state:**

(a) whether the CAG had pointed out in its report for the year 1982-83 vide para 15(1) (vii) that due to non-availability of land, the original contract had to be closed and a fresh contract entered into at higher rates subsequently and the Railway Board issued instructions emphasizing the need to foresee all delays and yet the Northeast Frontier Railway entered into a contract resulting into avoidable extra expenditure of Rs.1.03 crore as has been brought out by the CAG in their Report 9 of 1999 (Railways) in Chapter 3: Works and Contract Management and

(b) if so, the action taken against the erring officials of North-East Frontier Railway and the other points taken up by the CAG in the said Chapter and the reaction the Government thereon, point-wise ?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI DIGVIJAY SINGH)

(a): Yes, Sir.

(b): A Statement is attached.

**Statement**

Para No. Particulars Position and Action Taken

3.3.8 Loss due to inefficient contract There is no failure of any individual. However, N.F.Railway vide their circular dated 16.10.98 have advised all the field units about the procedure to be followed for issuing the Railway material to the contractor.

Proper monitoring is being done at Head Quarters' level of zonal Railway to recover the amount from outstanding dues of the contractor wherever recovery is due.

Apart from Para 3.3.8, there are paras included in chapter-3 of C&AG's Report No.9 of 1999 (Railways). As per laid down procedure, Action Taken Notes on paras included in C&AG's Report, duly reviewed by Audit, are submitted to the Public Accounts Committee.