

**GOVERNMENT OF INDIA
RAILWAYS
LOK SABHA**

UNSTARRED QUESTION NO:7025
ANSWERED ON:12.05.2005
MOU BETWEEN IRCON AND MALAYSIAN GOVERNMENT
Dhanaraju Dr. K.

Will the Minister of RAILWAYS be pleased to state:

- (a) whether under the exchange programme any MoU was signed between the Indian Railway Construction Company International Limited (IRCON) and the Malaysian Government regarding contract work for edible Palm Oil;
- (b) if so, the details thereof along with the terms and conditions of the MoU;
- (c) whether the work on the said project was executed;
- (d) if so, the details thereof; and
- (e) if not, the reasons therefor?

Answer

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

(a)&(b): Yes, Sir. An MOU was signed in May 2001 between IRCON International Limited and Ministry of Transport, Government of Malaysia to execute a Railway Project in Malaysia with the payments having a 'Counter Trade Obligation', in Palm Oil products. Based on this MOU, a 'Letter of Intent' was issued by the Government of Malaysia in June 2001, according to which the Government of Malaysia and IRCON would conclude a Counter Trade Obligation agreement involving Palm Oil products for execution of the aforesaid project. The MOU was in force till 31.03.2002.

(c)&(d): No work was executed on the said project.

(e): Due to some re-thinking on the part of the Government of Malaysia, the Letter of Intent issued by the Government of Malaysia was withdrawn in October 2003.