

MEMORANDUM OF UNDERSTANDING

BETWEEN

THE GOVERNMENT OF THE REPUBLIC OF INDIA

AND

THE GOVERNMENT OF THE PEOPLE'S REPUBLIC OF BANGLADESH

FOR

DEVELOPMENT OF RAILWAY INFRASTRUCTURE

TO

ESTABLISH RAIL LINK

BETWEEN AGARTALA (INDIA) AND AKHAURA (BANGLADESH)



Government of the Republic of India (hereinafter referred to as GOI) and Government of the People's Republic of Bangladesh (hereinafter referred to as GOB);

Bearing in mind the friendly relations existing between the two countries and their peoples;

In pursuance of the Joint Communiqué issued in January 2010, where the two Prime Ministers agreed on the need to operationalize various areas of cooperation including transportation and connectivity for mutual benefit;

Desirous of cooperating and strengthening the development of transport sector in Bangladesh;

Noting the need to establish railway link between Akhaura and Agartala;

Have reached the following understanding.

ARTICLE-I

GOI and GOB shall cooperate in the development of necessary railway infrastructure between Agartala (India) and Akhaura (Bangladesh) for which the Joint Committee constituted by GOI and GOB and under the Joint Communiqué agreed on the alignment, design, and cost of the railway link (hereinafter referred to as "Project"). The details of the alignment and preliminary estimated cost of the Project approved by the two governments is annexed hereto and forms part of this Memorandum of Understanding.

ARTICLE - II

The Project shall be implemented with complete financial and technical assistance from the GOI - i.e. by grants from GOI - based on the Engineering, Procurement and Construction (EPC) model. Indian Railway shall be responsible for the construction of the Indian portion and Bangladesh Railway shall be responsible for the construction of the Bangladesh portion of the project.



ARTICLE-III

GOB shall appoint a Project Director at the functional level from Bangladesh Railway. The Project Director shall keep the Ministry of Railways, GOB, and the Project Steering Committee (PSC) informed of the progress of work and problems which require intervention at a high level.

ARTICLE - IV

1. There shall be Project Steering Committee (hereinafter referred to as "PSC") with the following composition, to monitor, supervise and give policy guidelines in the implementation of the Project.
 - a) One representative of Ministry of Railways, GOB.
 - b) One representative of Ministry of Foreign Affairs, GOB.
 - c) Project Director, Bangladesh Railway, GOB.
 - d) Deputy Commissioner, Brahmanbaria, GOB.
 - e) One representative of Economic Relations Division (ERD), Ministry of Finance, GOB.
 - f) One representative of Bangladesh, Sri Lanka, Myanmar and Maldives (BSM) Division, Ministry of External Affairs, GOI.
 - g) One representative of Development Partnership Administration (DPA) Division, Ministry of External Affairs, GOI.
 - h) Officer-in-Charge of Railway Wing of the High Commission of India, Dhaka.
 - i) One representative of the State Government of Tripura.
 - j) Chief Engineer (Construction), Northeast Frontier (NF) Railway, Ministry of Railways, GOI.
2. The PSC may co-opt additional members with the approval of respective Government.
3. The PSC shall meet alternately in Dhaka and Agartala with regular periodicity to ensure constant reviewing of the progress and address bottlenecks affecting the pace of Project's implementation. The timing of meetings shall be decided as and when required. The

PSC shall however, meet at least twice a year until the completion of the project.

ARTICLE - V

For the part of Project within the territory of Bangladesh, GOB shall make available necessary land and ancillary facilities, etc., to the implementing firm. GOB shall make arrangements to provide land free from all encroachments and encumbrances and make necessary arrangement for the implementing firm and their teams' entry and access to the land and property, including private land and property for the purpose of implementation of the Project. Rent for temporary use of land shall be borne by appointed contractor.

ARTICLE - VI

The recruitment of labour, administrative, technical and other personnel for the project shall be confined to the nationals of India and Bangladesh only. Bangladesh Railway shall facilitate issuance of work permit for the Indian nationals as required under law.

ARTICLE - VII

1. Taxes, levies, VAT, etc related to the project and royalty of any kind shall be governed as per existing laws, rules and regulations.
2. Temporary import of machinery with a view to re-exporting at the end of the Project shall be exempted from customs duties in accordance with the Customs Act, 1969 and rules thereunder. However, if such material, machinery or equipment is not re-exported and sold by the implementing firm in Bangladesh, all taxes or duties as applicable shall be recovered in accordance with the customs law/prevailing rules.
3. The Income Tax will be imposed on any Indian National or Indian Firm in accordance with the existing agreements between India and Bangladesh on Income Tax.
4. Project vehicle, plant and machinery of any Indian firm and their team, if applicable, related to Project shall be allowed to move

freely without payment of duties/levies/taxes of Local Government. Project vehicle, plant and machinery of the Indian firms, if applicable, which need license for operation or movement including driving license, shall be issued temporary license in accordance with the prevailing law in Bangladesh, on the basis of valid license issued by the competent authority of India and certified by the High Commission of India in Dhaka. Bangladesh Railway shall facilitate expeditious issuance by the competent authority in Bangladesh.

ARTICLE - VIII

- (i) GOB will assist to arrange space for appropriate office / residential accommodations at or near the site(s) of the project execution. Rent of the said office or residential accommodations including furnishing and telecommunications shall be borne by the user or users.
- (ii) Security required for ensuring an environment conducive for execution of the project for the implementing firms and their teams and at related project sites shall be provided by GOB without any cost chargeable to estimate of the project.
- (iii) The cost of electricity, power, water, for the project, shall be borne by the users. Bangladesh Railway shall assist in obtaining supply of electricity / power and water for implementation of the Project.
- (iv) GOB shall make available free of cost necessary topographical, geological and geotechnical data of the project area available with GOB. Arrangement of necessary survey and drilling machineries, other machineries/equipments shall be the responsibilities of the implementing firm of the project.
- (v) Bangladesh Railway shall expeditiously arrange all administrative, environmental, legal, technical and other clearances before commencement of construction and



- (vi) Bangladesh Railway shall make provision, free of cost, of all reference documents including maps etc. for the execution of the project, through the Project Director of Bangladesh Railway to the implementing firm.

ARTICLE-IX

The Indian personnel of GOI or the firms and their team, if applicable, working on the project in Bangladesh, shall at all times, respect the laws of Bangladesh. However, no suit, prosecution or legal proceedings shall be instituted against any such person or anything done or purported to be done in good faith for the successful and expeditious implementation of the Project except for such acts as constitute gross negligence, willful misconduct, crimes under the laws of India as well as the laws of Bangladesh

ARTICLE-X

Indian Railway and the Bangladesh Railway will facilitate expeditious entry into or exit from India and Bangladesh of the project related personnel including appointed firms and their teams, as and when required, in the course of the Project's implementation. Applications for multiple entry visas for the above persons shall be considered only if submitted through GOI to Bangladesh High Commission, Delhi, and GOB to Indian High Commission, Dhaka respectively.

ARTICLE-XI

All such assistance and facilities as committed above by GOI and GOB shall be provided in a timely and prompt manner for smooth implementation of the project.

ARTICLE-XII

Assets created by the project in the territory of Bangladesh shall be vested in Bangladesh Railway, which shall be responsible for its operation and safeguard.



ARTICLE- XIII

Any differences regarding the interpretation or application of any provision of this MOU shall be resolved through mutual discussions.

ARTICLE- XIV

This MOU may be amended or modified from time to time by mutual consent

ARTICLE-XV

Laws of Bangladesh shall apply to that part of the project which is executed within the territory of Bangladesh.

ARTICLE- XVI

The MOU shall come into force from the date of its signing and shall remain in force till the completion and commissioning of the Project.

On commissioning of the railway link a separate MOU shall be entered into between Northeast Frontier Railway (Indian Railway) and Bangladesh Railway for Train Operations and Maintenance of Rolling Stock.

IN WITNESS WHEREOF, the undersigned duly authorized thereto by their respective Governments have signed this MOU.

Signed on this Sixteenth day of February Two Thousand Thirteen at Dhaka in two originals in English language.

For the Government of the
Republic of India



(Pankaj Saran)

High Commissioner of India
to Bangladesh

For the Government of the
People's Republic of Bangladesh



(Md. Abul Kalam Azad)
Secretary,
Economic Relations Division,
Ministry of Finance

Annexure

The following are the brief of the Project :

I. Alignment

Sl.No.	Stations		Approx Length(Km)	Remarks
	From	To		
1	Agartala (India)	Transshipment Yard (India)	4.700 (BG)	Extension of Single Broad Gauge (BG) Line
2	Transshipment Yard (India)	Gangasagar (Bangladesh)	5.700 (MG)	Extension of Meter Gauge (MG) Single Line
3	Gangasagar (Bangladesh)	Akhaura (Bangladesh)	4.600 (MG)	Doubling of existing Meter Gauge (MG) single Line
4	Transshipment Yard (India)	Transshipment Yard (India)	5.200 (MG) 2.000 (BG)	4 MG new loop lines 2 BG new loop lines
5	Gangasagar (Bangladesh)	Gangasagar (Bangladesh)	2.750 (MG)	3 additional Loop Lines (MG)
6	Imambari (Bangladesh)	Imambari (Bangladesh)	1.500 (MG)	2 additional loop Lines (MG)
TOTAL			26.450 Km	19.750 Km (MG) 6.700 Km (BG)

II. Cost of the Project

The Project will include development of such infrastructure as, among others, boundary wall and fencing, railway tracks, bridges/ culverts, goods sheds, transshipment points, signaling and telecommunication system, buildings for the IBH (Intermediate Block Hut), customs and immigration points, offices, including acquisition of land etc. and provision of other amenities, sanitation, drinking water and drainage etc. All facilities required for the smooth operation of passenger and goods traffic on this line will be chargeable to the project. Abstract estimated cost of the project to be financed from the grant of GOI is given below:



(Figure in US Dollars)

Sl.	Description of Item	Indian Portion	Bangladesh Portion	Total
1	Preliminary, Final Location Survey & Detail Engineering Survey	441,601.35	514,060.05	955,661.40
2	Land	7,059,933.84	4,785,644.09	11,845,577.92
3	Structural Engineering works (Formation)	4,684,019.55	6,102,458.26	10,786,477.81
4	Structural Engineering Works (P.Way)	7,101,071.90	6,855,704.58	13,956,776.48
5	Structural Engineering Works (Bridges)	7,657,483.21	3,286,337.36	10,943,820.56
6	Structural Engineering Works (Building)	654,334.09	0.00	654,334.09
7	Electrical, Installation, Equipment, Plants & Machineries	451,467.27	383,747.18	835,214.45
8	Signaling & Telecommunication	1,611,625.62	3,136,798.51	4,748,424.13
9	Engineering Facilities	0.00	677,200.90	677,200.90
10	General Charges (Establishment)	2,372,922.93	2,059,356.07	4,432,279.01
11	General Charges (other than Establishment)	296,615.37	250,647.49	547,262.87
	Grand Total	32,331,075.12	28,051,954.49	60,383,029.62