

**EXTRACTS TAKEN FROM RAILWAY CONVENTION COMMITTEE (SEVENTH REPORT)
PRESENTED TO LOK SABHA ON 5.11.1982 LAID IN RAJYA SABHA ON 5.11.1982.**

63. The Committee accordingly recommend that dividend at the following rates may be paid by the Railways to General Revenues for the period 1980-84:—

- (i) a rate of 6 per cent may be adopted for payment of dividend on capital invested upto 31.3.1980 (inclusive of 1.5 per cent on capital invested up to 31.3.1964 for payment to States in lieu of passenger fare tax etc.)
- (ii) a mean percentage of 6.5 may be adopted for payment of dividend on the capital invested in the Railways, after 31.3.1980.
- (iii) the amounts to cover payments to States in lieu of passenger fare tax etc. may be found by computing dividend at 1.5 per cent instead of the existing 1 per cent of the capital upto 31.3.1964 less subsidy element out of which Rs.23.12 crores may be passed on to the States in lieu of passenger fare tax and the balance utilised to assist the States in providing their portion of the resources required for financing safety works as at present. Further increase could be considered on the basis of the recommendations of the Eighth Finance Commission.

Enclosure to letter No. 80-B(RCC)4213/I dated 27.4.1983 from Joint Director, Finance (BC), Railway Board to the Secretary, Finance Commission, New Delhi.

Copy of Resolution passed by Lok Sabha on 21.3.1983.

"That this House approves the recommendations made in paragraphs 63,64, 67 70 contained in the Seventh Report of the Railway Convention Committee, 1980, appointed to review the rate of dividend payable by the Railway Undertaking to General Revenues as well as other ancillary matters in connection with the Railway Finance and General Finance, which was presented to Parliament on the 5th November, 1982.

That this House further directs that the action taken by the Government on the other recommendations made in this Report should be reported to the Committee".

Copy of Resolution adopted by Rajya Sabha on 23.3.1983.

"That this House approves the recommendations made in paragraphs 63, 64, 67 and 70 contained in the Seventh Report of the Railway Convention Committee, 1980, appointed to review the rate of dividend payable by the Railway Undertaking to General Revenues as well as other ancillary matters in connection with the Railway Finance and General Finance, which was presented to the Parliament on the 5th November, 1982; and

That this House further directs that the action taken by Government on the other recommendations made in this Report should be reported to the Committee".