GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS
(RAILWAY BOARD)

No.2011/LML/18/17 New Delhi, date 21.08.2012

General Managers,
All Indian Railways,
Production Units & Railway PSUs and RLDA.

Sub: Long term leasing of Railway land – regarding Cabinet approval.

Ref: This office letter No. dated 30.03.2011 & 07.12.2011.

Please connect this office above referred letters regarding Cabinet approval for long term leasing of Railway land. Now the Cabinet Secretariat, New Delhi vide O.M. No. 511/2/1/2010-Cab-III dated 30.07.2012 has issued clarification to its earlier instructions on the subject matter. A copy of said Office Memorandum dated 30.07.2012 is forwarded herewith for information and necessary action.

Encl: as above.

(Ramesh Kumar)
Director/L&A
Railway Board

Copy along with copy of above mentioned O.M. dated 30.07.2012 is forwarded to:

All AMs, Advisers, Executive Directors in Ministry of Railways and PPS to all Board Members for information of Board Members.
F.No. 511/2/1/2010-Cab.III
Cabinet Secretariat
Rashtrapati Bhawan

New Delhi, the 30th July, 2012

OFFICE MEMORANDUM

Subject: Transfer or alienation of land held by Government or Government controlled statutory authorities - Regarding.

Reference is invited to this Secretariat's Instructions, as contained in D.O. letters of even number dated 21st March, 2011 and 21st November, 2011, on the subject cited above.

2. The following relaxations in the instructions circulated vide above said D.O. letters are now approved:

(i) All cases of land transfers from Ministries to statutory authorities or PSUs may be allowed, subject to the requirements of Government of India (Transaction of Business) Rules;

(ii) All cases of land transfer on lease or rent or license to a concessionaire which have been appraised through the PPPAC route and approved by the Finance Minister or by the Ministers concerned or by the Cabinet, as the case may be, depending upon the value of the project;

(iii) Development and use of railway land by Rail Land Development Authority (RLDA) as per provisions of Railways Amendment Act, 2006 and the Rules framed thereunder and in accordance with the prevalent policies and guidelines of the Railway Ministry and the Government.

(Signature)

(Ehsaas Jyoti Sarma)
Deputy Secretary
Tele: 23013662

Secretaries of all the Ministries / Departments of Govt. of India

Copy forwarded for information to the Prime Minister's Office [Shri Krishna Kumar, Director], with reference to their D.O.No. 440/31/C1/2010-ES.I, dated 27.7.2012.

(Signature)

(Ehsaas Jyoti Sarma)
Deputy Secretary
Tele: 23013662
GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS
(RAILWAY BOARD)

No. 2011/LML/18/17

New Delhi, date 24.01.2012

General Managers,
All Zonal Railways,
Production Units & Railway PSUs

Sub: Approval of Cabinet for permitting use of Railway Land for Railways core activities and other related purposes.


1. In supersession to above letters, Railways may continue with the extant policy for use of land for the following purposes:—

(i) providing logistics support/infrastructure to Railway’s core activities;

(ii) for provision of passenger amenities;

(iii) grant permission for use of Railway land to various Government & other bodies for development of public utilities; and

(iv) permission to use railway land by Railway employees to ensure continuous surveillance against encroachment.

2. The use of land would be governed by policy circulars given in Annexure to this letter with the stipulation that the grant of license will be initially restricted to a period of five years, except in case of Mechanized Laundries where it will be for maximum 15 years and in case of leasing to Govt Departments/PSUs where it will be 35 years as per policy of Ministry of Railways.

3. Zonal Railways, Production Units and Railway PSUs are advised to take action accordingly for grant of license/lease in respect of items covered in para 1 above.

4. Any proposal requiring approval of Railway Board may be processed afresh as per prescribed procedure for seeking Board’s approval.

DA: As above.

(J.S. Lakra)
Director (L&A)
<table>
<thead>
<tr>
<th>SN</th>
<th>Subject</th>
<th>Policy Circular No &amp; Date of Issue</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Policy on licensing of railway land for commercial plots, steel yards, coal dumps, oil installation, sidings, shops, depots, city booking agencies etc.</td>
<td>2005/LML/18/8 dated 10-2-2005</td>
</tr>
<tr>
<td>2</td>
<td>Catering Policy 2010 for allotment of static catering units on the platforms and railway premises viz. Base kitchen/Mini base kitchen, food plaza, fast food units, Automatic vending machines (AVM), Refreshment room/Jan Ahar, tea stalls, etc.</td>
<td>2009/TG-III/600/25 dated 21-7-2010</td>
</tr>
<tr>
<td>3</td>
<td>Clarification for management of Miscellaneous Stalls/Trolleys for allotment of miscellaneous articles, stalls pertain to essential and incidental nature to the travelling passengers</td>
<td>2006/TG-III/461/3 dated 17-12-2007</td>
</tr>
<tr>
<td>4</td>
<td>Bookstall Policy-2004 for allotment of bookstalls on the platforms and railway premises</td>
<td>2000/TG-III/464/18/Policy dated 11-6-2004</td>
</tr>
<tr>
<td>6</td>
<td>Chemist stalls – Policy guidelines for award of Medical facilities at important stations</td>
<td>2008/TGIII/463/1 dated 2-12-2008</td>
</tr>
<tr>
<td>7</td>
<td>Tourist facilitation counters given to the State Tourism Corporation at railway stations for promotion of tourism</td>
<td>2006/Tourism/140/1 dated 13-11-2007</td>
</tr>
<tr>
<td>8</td>
<td>Policy for allotment of STD/PCO/ISD/Fax/Internet Booths at Railway stations</td>
<td>2001/TGIV/10/PCO/Review dated 14-5-2004</td>
</tr>
<tr>
<td>9</td>
<td>Installation of Automated Teller Machines (ATMs) at Railway stations on Indian Railways</td>
<td>2006/TG-I/10/ATM dated 11-8-2006</td>
</tr>
<tr>
<td>10</td>
<td>Policy for ‘Pay &amp; Use’ toilet for provision of public conveniences at stations</td>
<td>2005/TGIV/10/SAN/32/Pay &amp; Use Policy dated 7-6-06</td>
</tr>
<tr>
<td>11</td>
<td>Cycle/Motor cycle/Scooter/Car Parking contracts for provision of parking area for passengers/rail users</td>
<td>2004/TGIV/8/P dated 29-10-2004</td>
</tr>
<tr>
<td>12</td>
<td>Setting up of mechanized laundry for linen washing on for cleaning linen being supplied to passengers in trains</td>
<td>2009/M(C)/165/6 dated 14-1-2011</td>
</tr>
<tr>
<td>13</td>
<td>Granting of way leave facilities/easement rights for crossing and use of railway land for public utilities like water, sewerage, drainage, Road over Bridges, Road under Bridges, Oil &amp; Gas pipelines, electrical and communication lines</td>
<td>97/LML/24/3 dated 27-11-2001</td>
</tr>
<tr>
<td>14</td>
<td>Long term leasing of railway land to Govt. Deptts for provision of various public utilities</td>
<td>2001/IML/13/53 dated 4-10-2001</td>
</tr>
<tr>
<td>15</td>
<td>Utilization of vacant Railway land for Grow More Food purposes by Railway Employees for the purpose of protecting railway land</td>
<td>2009/LML/16/3 dated 16-7-2010</td>
</tr>
</tbody>
</table>
GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS
(RAILWAY BOARD)

No.2011/LML/18/17

New Delhi, date: 25.01.2012

General Managers,
All Zonal Railways,
Production Units & Railway PSUs

Sub:- Approval of Cabinet for permitting use of Railway land for Railways core activities and other related purposes.

Ref:- Board’s letter of even number dated 24.01.2012.

(Corrigendum to Board’s letter No.2011/LML/18/17 dt. 24.01.2012).

The phrase “In suppression to above letters” in Board’s letter referred above may be read as “In Partial Modification to above letters”.

Rest of the matter remains unchanged.

(J.S. Lakra)
Director (L&A)
Railway Board
The General Managers,
All Indian Railways & Productions Units.

Subject: Policy on licensing of railway land for commercial plots etc (Master Circular).

Ref:- Board's letter of even number dated 10.02.05

In partial modification of Board's letter referred to above, Para 3 may be read as under:-

3. Rates of licence fee

Licence fee of plots will continue to be fixed as a percentage of the land value, determined as per the procedure detailed in para-5 below. For period prior to 1.4.1995, the license fee will be governed in terms of Board's letter No.83/LM/18/87 dated 17.9.1985. For subsequent periods, the percentage would be as under:-

<table>
<thead>
<tr>
<th>Item No.</th>
<th>Types of Plots</th>
<th>Annual Licence Fee as a Percentage of Land Value (from 1.4.95 to 31.3.04 in terms of Board's letter dated 29.8.95)</th>
<th>Annual Licence Fee as a Percentage of Land Value (from 1.4.04 onwards in terms of Board's letter dated 24.3.04)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a)</td>
<td>Railway related activities such as City Booking offices, Out Agencies etc.</td>
<td>6%</td>
<td>6%</td>
</tr>
<tr>
<td>(b)</td>
<td>Ordinary Commercial Plots – without structures</td>
<td>6%</td>
<td>6%</td>
</tr>
<tr>
<td>(c)</td>
<td>Ordinary Commercial Plots – with temporary structures for stacking/storing</td>
<td>7 ½% for the whole area</td>
<td>(i) 7 ½%</td>
</tr>
<tr>
<td>(c)</td>
<td>(i) Covered area</td>
<td>(i) 7 ½%</td>
<td></td>
</tr>
<tr>
<td>(c)</td>
<td>(ii) Open area</td>
<td>(ii) 6%</td>
<td></td>
</tr>
<tr>
<td>(d)</td>
<td>Steel Yards / Coal Dumps. Bulk Oil Installations etc.</td>
<td>10%</td>
<td>7 ½%</td>
</tr>
<tr>
<td>(e)</td>
<td>Land used to lay private sidings</td>
<td>6%</td>
<td>6%</td>
</tr>
<tr>
<td>(f)</td>
<td>Shops / Retail Depots etc.</td>
<td>20%</td>
<td>10%</td>
</tr>
</tbody>
</table>
Other terms and conditions remain unchanged.

This issues with the concurrence of finance directorate of Ministry of Railways.

(Desh Ratan Gupta)
Director(Land and Amenities)
Railway Board.

No. 2005/LML/18/8
New Delhi, Dated 8-06-05.

Copy forwarded for information to (i) FA&CAO, all Indian Railways and Production Units.

(ii) Deputy Comptroller and Auditor General of India (Railways) (with 46 spares).

Copy to EDTC®, EDF(C), F(C) and F(X)l Branches, Railway Board.
The General Managers,
All Indian Railways & Productions Units

Sub: Policy on licensing of railway land for commercial plots etc. (Master Circular)

Ref: Board’s letter No. 83/II/LM/18/87 dt. 29.8.1995

Policy guidelines for commercial licensing of Railway land last issued vide Board’s letter No. 83/W2/LM/18/87 dated 29.8.1995 in super-session of the earlier policy directives, have been amended from time to time. With a view to bring all such policy instructions under one umbrella, it has been decided to issue a Master Circular combining all the instructions issued so far on the subject. Henceforth, Railways should quote only the present letter for any further reference.

2.0 General

2.1 Leasing of land is not permitted except in cases where it is specifically approved by the Railway Board. Lands for the purpose of commercial use should be given on licensing basis only. In this connection, Board’s letter No. 82/W2/LM/18/116 dt. 22.11.1982 may please be referred to.

2.2 Temporary licensing of railway land to private individuals for the purpose of setting up shops, commercial offices, vending stalls, clinics etc. not connected with the Railway working was stopped in terms of Board’s letter No. 80/W2/18/0/A dt. 7.6.1984. This ban will continue. In exceptional cases, where such licensing may have to be done with the prior approval of the Board, licence fee must be fixed by resorting to public auction/open tenders for getting the maximum revenue.

2.3 Licensing of ordinary commercial plots connected with Railway working, as indicated in para-3 below will be done with the personal approval of General Manager in consultation with FA&CAO. The periodical review may, however, be approved by DRM on the recommendation of Committee of Divisional Heads of Engineering, Commercial and Finance Departments.

2.4 Licenses of existing licencees, not connected with the Railway working as mentioned in Para 3 (f) below may, however, be renewed from time to time so
long as the land is not required by Railway for its own purpose but on new terms and conditions indicated in this letter.

2.5 In each case of licensing, proper agreement must be executed between the Railway Administration and the licencees before the licencee is given possession of the land/plot. This must be strictly followed and for any violation of these instructions, the official handing over land before the execution of agreement, shall be held personally responsible by the Railway Administration.

3. Rates of licence fee

3.1 Licence fee of plots will continue to be fixed as a percentage of the land value, determined as per the procedure detailed in para-5 below. The percentage applicable w.e.f 1.4.04 to various types of plots will be as under:

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<td>Ordinary Commercial Plots – with temporary structures for stacking/storing (i) Covered area (ii) Open area</td>
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<td>Steel Yards / Coal Dumps, Bulk Oil Installations etc.</td>
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<td>10%</td>
</tr>
</tbody>
</table>

4.0 Formation of a Standing Committee

4.1 A Standing Committee of three HODs will be set up at the Headquarters of each Zonal Railway and other Railway Units. The Standing Committee consisting of CE, CCM and FA&CAO shall examine fresh cases connected with railway working as indicated in Para 3 (a) to (e) and submit its recommendations to G.M. for approval.

4.2 The periodical review will, however, be done by DRM on the recommendations of Divisional Heads of Engineering, Commercial and Finance Departments. The Committee will review annually whether the traffic commitments by the licensees of the commercial plots have actually materialised
or not and in case of any deviation, initiate suitable corrective action including de-licensing and vacation as necessary.

5.0 Fixing of land value
5.1 A market value would however, be required to be taken to serve as a base value for working out rental fee payable. This shall be fixed on the basis of the land value of the surrounding area as on 1.1.1985, as determined from the Revenue Authorities and/or from the following:

(a): Evaluation of Town Planning Department;
(b): Actuals as per PWD and CPWD transactions;
(c): Actual Transactions, as per documents filed in the Office of the Sub-Registrar;
(d): Value of land as assessed by professional evaluators of the State and Central Governments.

5.2 The land value as worked out shall be increased every year on the 1st of April, starting from 1.4.1986, at the rate of 10% over the previous year's land value to arrive at the land value for the following year based on which the annual licence, fee shall be fixed. From 1.4.2004 onwards, the land value shall be increased at the rate of 7% every year over the previous year's value.

5.3 However, for fresh cases of licensing of plots, for any purpose(s) defined in Para 3.1 (a) to (e) above, the licence fee shall be fixed after obtaining the current value of land. In very rare cases where it is not possible to obtain the current cost (reasons for which should be brought on record), the updated cost based on 1.1.1985 land price should be adopted.

However, for the Metropolitan towns of Mumbai, Kolkata, Delhi, and Chennai if the HODs' Committee feel that the land rates are widely varying within the City, two or more rates can be utilised for that city. Using this method, arrears of collection of license fee on this account should not be allowed to accumulate.

6.0 Minimum licence fee
6.1 The minimum licence fee in respect of plots covered under this letter should be Rs. 1000/- per annum. For the purpose of determining the minimum license fee, the maximum size of a plot shall be taken as 100 sq. metres. For instance, in case licensing of a plot measuring 250 sq. metres is involved, the minimum license fee chargeable shall be relevant to three plots of 100 sq.m metres each and will work out to Rs. 3000 per annum.

7.0 Revision of licence fee
7.1 As the notional land value will increase by 7% over the previous year's land value as mentioned in Para 5.2 above, the licence fee will automatically go up by 7% over the previous year's fee from the first of April every year. Suitable provisions, with the Schedule of payment due, may be incorporated in the Agreement.
7.2 The termination/renewal date of the Agreement should always be the end of the Financial year so that there is no confusion and a better watch is kept on renewals.

8.0 Powers of licensing and renewal

8.1 Fresh cases of licensing of plots connected with Railway working and mentioned at (a) to (e) of Para 3 above will be approved by GM, on recommendation of the HOD's Committee. As regards plots mentioned at (f) of Para 3, viz. shops, retail oil depots etc., as already stated, the existing ban on fresh licensing for purposes unconnected with Railway working, will continue. Renewal of licences of railway land not connected with Railway working given under para 3 (f) can be done at G.M's level with Finance concurrence.

9.0 Security Deposit and Liquidated Damages

9.1 Instructions contained in para 1025, 1026 and 1027 of the Indian Railways Code for the Engineering Department (1999 Edition) should continue to be strictly followed and any violation of these instructions should be viewed seriously.

10.0 Settlement of pending case:

10.1 The revised instruction would become effective with effect from 1.4.2004. It has also been decided to withdraw the retrospective effect of orders dated 29-8-1995. Thus, the orders of August 1995 would be made applicable for the period 1995-96 onwards and not for the earlier period i.e. from 1-4-1986 to 31-3-1995. Any recovery already effected for the period between 1-4-1986 to 31-3-1995 need not be refunded in cash but should be adjusted against future payments due from the concerned party. Arrears of land licence fee may be recovered in easy instalments.

10.2 In cases pending in Courts of Law, the Law Officer of the Railway should be consulted before arriving at a settlement.

11.0 Having included their provisions in the master circular, the earlier circulars on the subject Nos.

i 83/W2/LM/18/87 dt. 24.3.04
ii 83/W2/LM/18/87 dt. 29.8.95
iii 83/W2/LM/18/87 (Vol. II) dt. 14.3.01
iv 83/LML/18/87 (Vol.II) dt. 5.11.01
v 83/W2/LM/18/87 (Vol.II) dt. 28.4.04
vi

01/LML/18/58 dated 23.9.02, stand withdrawn.

This issues with the concurrence of the Finance Directorate of the Ministry of Railways.

Please acknowledge receipt.

(DESH RATAN GUPTA)
Director (Land & Amenities)
Railway Board.

No. 2005/LML/18/8

New Delhi, Dated 10-02-05.

Copy forwarded for information to (i) FA&CAO, all Indian Railways and Production Units.

(ii) Deputy Comptroller and Auditor General of India (Railways) (with 46 spares).

For Financial Commissioner / Railways

Copy to EDTC®, EDF®, F© and F(X) Branches, Railway Board.
The General Manager,
All Zonal Railways,
(including Production Units).

Sub: Development of shopping complex on railway land through co-operative societies.

Board had decided to allow, development of planned shopping complex as an experimental measure, through cooperative societies of existing shopkeepers at one way-side station on each division. Instructions in this connection have been issued to the Railways vide this office letter of even number dt. 10.7.02, in continuation with letters dt. 8.2.01 & 1.3.01 regarding development of shopping complexes.

Above instructions were further supplemented vide Board’s letter of even number dt. 27.8.02 and Railways were directed to take up at least one station for development of shopping complex through cooperative societies of existing licensees and unauthorised shopkeepers.

The broad guidelines in this connection are detailed below:-

1. One station on each division would be identified for the purpose. Importance of station, extent of congestion due to haphazard growth of shops and the condition of environment surrounding the station be kept in mind while identifying the station.

2. The shopping complex should be so designed that it is aesthetically pleasing, and the layout should be such that approaches to the station are kept clear and adequate circulating area is available for free movement of passengers, vehicles etc.

3. The complex would be constructed at the cost of co-operative society of shopkeepers but would be treated as Railway property licensed to co-operative society. Co-operative society will arrange to pay land licence fee as per the extant instructions. (Board’s letter dt. 29.8.95).

3.1 Allotment of shops to individual shopkeepers will be approved by Railway. Any change in occupants, on account of default of payment of licence fee by individual member of the Co-operative society etc., will require Railway’s approval.

4. The shopping complex could either be constructed through competitive bidding by the Railways subsequent to the deposit of money by the cooperative
society and entering into broad agreement thereon or the society may get it constructed according to plans and specifications approved by Railway.

5. Railways may consider adjustment of the cost of construction of shopping complex against annual licence fee. However, token licence fee per annum should be levied during such period of adjustment as well.

6. Such of unauthorised shopkeepers as are willing to pay the arrears of licence fee will also be eligible to join co-operative society. The antecedents of such shopkeepers be verified from the authenticated records of encroachments (e.g. encroachment register duly signed by THOD).

7. It may not, in some cases, be possible to accommodate all existing shopkeepers in a planned shopping complex. In such a scenario, first priority would be given to licencees who have been paying their dues in time followed by other licencees who had not paid their dues and then followed by others. Such terms can be modified by Railway depending upon the local circumstances.

8. Co-operative society may be formed as per relevant Acts of State/Central Govt. and duly registered with registrar of co-operative societies. Membership of the co-operatives society will have the prior approval of the Railway.

9. Only one society should be permitted at any one station except in cases where commercial complex is required to be built on either side of the station, in which case only a maximum of two societies could be formed.

Hindi version will follow.

(K. K. Gupta)
Executive Director/DM
Railway Board
Government of India
Ministry of Railways
Railway Board

No. 2002/LML/18/33. New Delhi, Dt.: 27.8.2002

[Signature]

Ref: Board’s letter of even no. dated 22.7.2002.

After all the arrangements in continuation of Board’s letter of even no. dated 10.7.2002, the matter was further discussed by Railway Board. It was seen that the development of planned shopping complexes through co-operative societies is an experimental measure. Accordingly, Railway may go ahead with proposal at Raiganj. Board may be advised on the progress of this, periodically.

Based on the experience gained therein standard guidelines can be developed by the Board.

(B.K. Agarwal)
Adviser (Land & Amenities)

抄送: Principal Chief Engineers, All Railways. They may also explore the possibility of taking up such venture at one place on the Railway and if they do so, the experience gained thereby may also be communicated to Railway Board.
The General Managers,
All Zonal Railways &
Production Units.

Sub: Development of shopping complex on railway
Land through cooperative societies.

The matter of improvement of the aesthetic and ambience at approaches to
the railway stations is of great significance in Railways' image building exercise. The need for appropriate thrust in this area has also been underlined by the Hon'ble Minister of Railways.

Board have also observed that at many stations, the approach roads have become narrow due to unauthorised/authorised shops on both sides, the circulating areas have similarly become very narrow, the shops also are generally very shabby and the whole look is very unaesthetic.

In view of this, Board have decided to allow development of planned shopping complex as in Board's letter of even number dt. 8.2.01 and 1.3.01 through cooperative societies of existing shopkeepers at one way-side station each on a Division on experimental basis.

While the broad guidelines in this connection are under finalisation in consultaton with Associate Finance and will be conveyed shortly, in the meanwhile, Zonal Railways are requested to initiate preliminaries like formation of co-operation society of existing shopkeepers who are authorised. In case of some of the shops being unauthorised and wanting to join such co-operative society they should agree to bear arrears of licence fee for the occupation of Railway land.

The Co-operative society would be leased land on annual licence fee; they have to construct shops in a geometrical, aesthetically pleasing shops/design/lay out/symmetry/materials as per the shopping policy in Board's letter referred to and remove all old shops/structures.

Hindi version will follow.

(Desh Ratan Gupta)
Director(Land and Amenities)
Railway Board
All Zonal Railways
Including Production Units.

Sub: Licensing of land to Oil Companies for setting up retail outlets (Petrol Pumps).

A reference had been received in Board’s office regarding policy to be adopted for leasing/licensing of railway land to Oil Companies for purpose of setting up of retail outlets (Petrol Pump installations).

Board have considered the matter and it has been decided that the following procedure shall be adopted for the purpose:

(a) Railway will identify suitable plots for this purpose. After identification of plots, expression of interest from the Oil Companies can be called through Press advertisements to ascertain the potential and interest in the site.

(b) If interest is shown by any oil company suo moto, for a plot of land, then offers should be invited from other oil companies operating in the area for getting their participation and exploring best possible value for the railways.

(c) The period of licence for this purpose would be 20 years.

(d) The oil companies would be asked to quote annual licence fee as a percentage of the current market value of the land. The market value of the land would be indicated by the Railways. However, Railways should ensure that such annual licence fees are not less than 10% of the current market value of the land. The current market value shall be determined from the Revenue Authorities and if the same is not available then from any of sources mentioned in Para 4.1 (a to d) of Board’s letter No. 83WII/LM/18/87 dt. 29.8.95.

The revision of annual licence fee shall be carried out every 3 years based on prevailing market value of land. The licence fee is to be calculated by taking the same percentage (of land value) as was quoted initially by the party (subject to the condition that the amount of original license fee would not be reduced).

(e) A committee consisting of officers of SAG level from Engineering, Commercial & Finance will examine the bids and put up recommendations to AGM for acceptance.
This issues with concurrence of Finance Directorate of the Ministry of Railways.

Hindi version will follow.

Please acknowledge receipt.

(This disposes of Central Railway’s letter No. W/415/L/O/Policy Genl./11 dt. 13.12.01)

(Dupli

(DESHRAJAN GUPTA)
Director/Land & Amenities
Railway Board

No. 2001/LML/18/161

New Delhi, dt. 21.2.02

Copy to: The FA & CAO’s, All Zonal Railways.

For Financial Commissioner/Railways

Copy to F(X) I Branch, Railway Board.
GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS
(RAILWAY BOARD)

No. 2001/LML/13/53
New Delhi, dated 19.10.04

The General Managers (Engg.),
All Indian Railways and Production Units.


***

Vide Board’s letter No.2001/LML/13/53 dated 30.7.03, General Managers have been delegated powers to sanction leasing of railway land having value upto Rs.5 Lakh to Govt. Deptt./PSUs. On the representation from one of the Railways, to grant similar powers to General Managers to relinquish land in exchange, the matter has been considered and it has been decided to delegate powers to General managers to effect exchange of land of equitable value from State Government valuing upto Rs. 5 lakh in terms of Para 1045 of Engineering Code.

This issues with the concurrence of Finance Directorate of the Ministry of Railways.

(This disposes of S.C.Rly’s letter No.W.278/C/10/Vol.II dated 21.05.04)

Please acknowledge receipt.

(Rashmi Bhatnagar)
Deputy Director/Land Management
Railway Board.

Copy to:

(i) Deputy Comptroller and Auditor General of India (Railways),
    New Delhi. (with 46 spares),
(ii) FA&CAO, All Zonal Railways.

Copy to F(X)-I, Railway Board.
GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS
RAILWAY BOARD

No. 2001/LML/13/53

New Delhi, dated 30.7.03

The General Managers (Engg.),
All Indian Railways and Production Units.

Sub: Leasing of railway land to Government Departments- Powers of sanction to General Managers.

Vide Board’s letter No.2001/LML/13/53 dated 4.10.2001 Zonal Railways have been advised that instead of transfer/relinquishment, the land should be leased on long term basis for a period of 35 years, with a provision for renewal for a further period of 35 years, on upfront payment of lease charges equivalent to 99% of the market value of the land along with nominal licence fee of Rs.1000/- per annum.

Board have further decided that General Managers with the concurrence of FA&CAO, will have the power to sanction the leasing of railway land having value upto Rs.5 Lakh (Rs. Five lakh only) in line with powers delegated to GMs for relinquishment / transfer of railway land upto Rs. 5 lakh (Rs. Five lakh only) vide this office letter No.91/LML/13/16 dated 24.04.1992.

This issues with the concurrence of Finance Directorate of the Ministry of Railways.

(G.C. GANDHI)
Deputy Director/Land Management
Railway Board
General Manager(Engg.),
All Zonal Railways.

Sub: Long term leasing of railway land to Government Departments.

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In case of licensing/leasing of railway land to Government Departments, a rate of 6% of the market value of land, as assessed by Revenue authorities, is levied.

2. It has generally been observed that is such cases recovery licence fee has been erratic and large arrears of licence fee exist on most of the Railways. Railways do not have adequate machinery to monitor the recovery of these charges resulting in accumulation of arrears of outstanding licence fee.

It has, therefore, been decided to replace the existing practice by a one time capitalised licence fee alongwith a nominal annual fee during the currency of the agreement.

3. In all fresh cases, instead of transfer/relinquishment, the land shall be leased to the Government Departments (or undertaking) on long term lease basis for a period of 35 years against lumpsum payment of lease charges equivalent to 99% of the current market value of land and a nominal licence fee of Rs.1000/- p.a.. The lease agreement shall be further renewable for a period of 35 years at a nominal licence fee per annum to be decided at that time.

4. Railway should make efforts to bring old cases in line with above instructions as far and as soon as possible.
5. The procedure for approval in terms of Board’s letter No.83/W2/LM/18/87 dated 29.8.95 would continue to apply.

6. This issues with the concurrence of the Finance Directorate of the Ministry of Railways.

Hindi version will follow.

Director/Land & Amenities,
Railway Board.

New Delhi, dated 4.10.01

Copy to:

i) Director of Audit, All Zonal Railways.
ii) FA&CAO, All Zonal Railways.

For Financial Commissioner/Railways

Copy to F(X)I Br., Railway Board.
GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS
RAILWAY BOARD

No. 2000/LML/18/33 Dated 1.3.2001

The General Managers
All Indian Railways/Production Units.

Sub: Licensing of Railway Land for Shopping purposes—Guidelines regarding.

Ref: (i) Board’s letter No. 2000/LML/2/21 dt. 18.5.2000.
(ii) Board’s letter of even number dt. 8.2.2001.

Vide Board’s letter under reference (ii) Zonal Railways have been permitted to develop shopping complexes, under the powers delegated to G.Ms vide letter under reference (i) wherever such development may bring adequate revenues. These powers can also be exercised to cater to day to day needs of railway employees/dependents where either the existing shopping facilities do not exist or are inadequate. Such developments are subject to instructions issued vide Railway Board’s letter No. 2000/LML/2/21 dt. 7.8.2000 and 2000/LML/2/58 dt. 1.02.01.

2.0 In continuation to the above, the modalities for planning and development of shopping in Station areas as well as Colonies shall generally be as under.

3.0 Shops in and around station premises:-

3.1 The Railways may identify stations where there is a commercial potential for setting up shopping facilities in the station area or circulating area. Any shopping facilities proposed at such stations should keep in view future expansion that may be required for station yard, passenger amenities, parking facilities or other service facilities at the developer station as well as convenience of the passenger exiting or entering from such stations.
3.2 While developing new shopping areas at stations, great care should be taken to ensure that such development does not interfere with Railways operations or affects any passenger facility and that future expansion is not adversely affected.

4.0 Shopping in Colonies

4.1 In large colonies where the existing shopping facilities are inadequate or are only marginally adequate, Railways can plan additional shopping facilities in suitably located vacant plots of land within the Colony. Wherever necessary, this may require consultation with the recognised Unions. These areas should be suitably developed so as to afford a pleasant ambience for shopping for the residents of the Colony. (Para 5.0 below).

4.2 While developing such areas, care should be taken that:

a) The sites should be so selected that these do not lead to crowding or congestion or insanitary conditions in the Colony.

b) The shopping premises should be located at a convenient distance from the quarters. It should not lead to a large influx of outsiders into the Colony.

5.0 Modalities for Planning and Development of New Shops.

5.1 Identification of Sites.

While identifying sites for shopping complexes in residential colonies, requisite clearances from local bodies for permitting commercial complexes in such areas may be kept in view. In the event that there is an associated increase in water or power tariffs or annual leviable values for the purpose of payment of service charges, this may be borne in mind while working out the expected returns.

5.2 The site plans of the proposed developments should be prepared, clearly indicating the following:

i) The area demarcated for building of shops;

ii) The area in front of the shops, for the use of the shoppers;

iii) The area reserved for motor vehicles/scooter parking indicating the traffic movement pattern as per need;
iv) The road access from the nearest proposed railway/municipal road; and

v) The green areas to be developed along with the proposed shopping area.

5.3 Development of Shopping Areas

5.3.1 Since the construction of shops shall not be undertaken by the Railways and as these new shopping areas shall be within the Railway premises, there is need to maintain strict development and architectural control. For this purpose the Railway would need to prepare plans/elevations of the proposed developments so that the overall look is in consonance with the station/surrounding architecture and is also aesthetically pleasing. The standards of construction should be fixed keeping in view the overall standard of development in the area, as also the capacity of the prospective lessees to bear the capitalised licence fee.

5.3.2 All authorised shops would need to follow the approved plans/elevations. For this purpose an architectural consultant may be appointed within the powers of the General Manager.

5.3.3 Development of the area as green areas/walkways/parking areas and the provision of lighting/water sewerage and road access shall be planned as a part of the scheme and the work shall be executed and the cost borne by the private Party.

5.4 After the Railway has identified the sites (Para 5.1 and 5.2 above); Railway should make appropriate parcels of the land for auctioning/tendering out to the best advantage of the Railway.

5.5 The parcels of land prepared shall be such that they attract suitable Developers/Entrepreneurs who, remaining within the development controls enunciated by the Railway and the plans/elevations specified could bid for a license for a predetermined period. This period should be adequate to enable the developer to recover their investment and may vary from 10 years to 20 years (by providing consideration money up front and, in addition, pay an annual license fee at pre-determined rates).
5.6 It should be made clear to the would be Developers/Entrepreneur/Prebid Conference, that:

(a) The concept to be followed in the proposed development will be that of Build, Own, Operate and Transfer (BOOT). Thus, on completion of the license period, ownership of the shop constructed shall transfer to the Railways, who shall then be at complete liberty to re-tender / auction the premises as it deems fit.

(b) The expected area development as planned by the Railway (Para 5.3.3 above) shall be executed by and at the cost of the Party as specified in the bid document for the area.

(c) The construction work, though undertaken by the Developer/Entrepreneur/Licensee, would be to the general area plans/elevations prepared by the Railway (para 5.3.2 and 5.3.3 above) and shall be supervised by an authorised representative of the Railway.

(d) Arrangements and the cost for bringing in all necessary services, such as water supply/sewerage/electric supply, etc. into the development area wherever the Railways can not provide these shall be made/borne by the Developer/Entrepreneur/Licensee even though the Railways shall join in and make such applications as are necessary for the purpose.

(e) All municipal/local taxes, as payable, shall be paid by the Developer/Entrepreneur/Licensee.

(f) No shopkeeper/Licensee shall, at any time, indulge in or allow any activity on its premises which violates the laws of the land or which creates/encourages the creation of a public nuisance. In the event of this happening the Railway reserves the right to issue a notice to the offending Licensee to cease such activity forthwith, failing which action to cancel the licence and sealing of the premises shall be taken.

5.7 The arrangement for maintenance and sanitation in the shopping complexes would need to be defined in the agreement with the developers/lessees of the shops. It should be ensured that Railways do not have to incur any expenditure for the purpose.
Collection of revenues

The experience of the Railways in matters of recovery of licence fee annually has generally been dismal and large arrears of licence fee exist on most Railways. It has, therefore, been decided that for new shopping areas being established, the practice of annual licence fee shall be replaced by a one time capitalised licence fee for a specified period to be taken up-front when the plot is licensed. The period of licence should be adequate to enable the developer to recover the investments made by them. Thereafter, a nominal licence fee shall be paid annually.

At the end of the licence period, renewal shall be by open tender with the existing lessees being given a purchase preference (i.e. earlier lessee being given an option to extend the licence at the highest quoted price) while considering the bids obtained during the renewal process.

This issues with the concurrence of Finance Directorate of Ministry of Railways.

(H. K. Jaggi)
Executive Director/Land Management
Railway Board
The General Managers,
All Indian Railways,
Metro Rly, Calcutta,
Production Units

Sub: Development of shopping complex on railway land-powers regarding.


Vide letter under reference, G.Ms were permitted to take up small schemes connected with property development upto a floor area not exceeding 1000 Sq mt. in places other than four Metro cities. Board has now decided that these powers can also be exercised by General Managers for development of shopping complexes where-ever such development brings adequate returns to the Railway. These powers can also be exercised to cater to day-to-day needs of railway employees/dependents where either the existing shopping facilities do not exist or are inadequate.

This issues with the concurrence of Finance Directorate of Ministry of Railways.

(H. K. Jaggi)
Executive Director/Land Management
Railway Board
GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS
(RAILWAY BOARD)

No. 97/LML/18/67

The General Manager,
All Zonal Railways including Production Units.

Sub: Policy regarding extension of plot of land, change of ownership etc.,

Ref: (i) Board's letter of even number dated 25.06.98
(ii) CLW's letter No. PEO/Genl/Policy, dated 11.09.99.

In terms of Board's letter under reference, Board have allowed, as a one time exception, transfer of licence in case where plot holders have been running business on behalf of original licencee on power of attorney. Some Zonal Railways have brought out that in many cases the power of attorney is not from the original licencee resulting in difficulty in implementation of Board's orders under reference.

Considering the magnitude of the problem and huge revenue loss to Railway, in partial modification of Board's letter of even number dated 25.06.98, it has been decided to permit one time opportunity for change of name of allottee, regardless of whether they are legal heirs or not, of the original allottees.

The regularization will be subject to:

(i) Payment of all outstanding payments by the party with 7% simple interest and levy of a conversion charge (i.e. change of name of licencee) equivalent to one year licence fee.

(ii) The period of licensing would be 5 years.

(iii) After 5 years, all shops shall be auctioned afresh and allotted to highest bidder duly giving first right of refusal to the present occupant.
(iv) Modalities of Security Deposit, need of collecting money upfront etc. can be worked out by Railway with concurrence of Associate Finance, keeping in mind the local conditions.

This issues with the concurrence of Finance Directorate of the Ministry of Railways.

Rashmi
23.7.04
(Rashmi Bhatnagar)
Deputy Director/Land Management
Railway Board.

No. 97/LML/18/67
New Delhi, dt. 26.07.04

Copy to:

1) The FA & CAO, All Zonal Railways and Production Units.
2) Deputy Comptroller and Auditor General of India (Railway's), 224, Rail Bhawan, New Delhi (with 46 spares).

For Financial Commissioner/Railways
No. 97/LML/19/67

New Delhi, dt. 25.6.98

General Manager (Engg.),
Chittaranjan Locomotive Works,
Chittaranjan.

Sub: Policy regarding extension of plot of land, change of ownership etc.

Ref: CLW’s letter No. PEO/Genl/Policy dt. 16.10.96.

In view of the circumstances explained in your letter referred to above the matter has been examined. In partial modification of Board’s letter No. 83/W2/LM/18/37 dt. 3.3.87, it has been decided that:

(i) In cases where plot holders are running their business on behalf of original licencees on power of attorney, the present plot holders may be asked to apply afresh for allotment of the same in their name. The rate of licence fee should be fixed at 20% of the market value of land as provided in Board’s letter No. 83/W2/LM/18/87 dated 29.8.95 subject to realisation of all outstanding dues with 7% interest before entering into fresh agreement as a one time exception with the condition that plot/shop should not be transferred or sold on power of attorney to anyone. Any violation in this regard would be viewed seriously.

(ii) In cases where original licencees are medically unfit to perform their functions, the ownership right may be transferred to the legal heir subject to the verification of the unfitness from a Govt. hospital and furnishing of legal heir certificate. The transfer, however, will be as per the latest terms and conditions. Wherever the identity of the legal heir is not established, the licence should be cancelled.

(iii) Regarding extension of area of existing plot/stall, it is clarified that in view of the ban on licensing of land for purposes not connected with Railway working, no further extension can be allowed.

contd... 2/-
2. This issues with the concurrence of Finance Directorate of the Ministry of Railways.

(H.K. JAGGI)
Exec. Dir./Land Management Railway Board.

Copy to: (i) G.M./(Engineering), All Zonal Railways & all Production Units.

(ii) FX (II) Branch, Railway Board.

for Financial Commissioner, Railways.
GOVERNMENT OF INDIA  
MINISTRY OF RAILWAYS  
(Railway Board)  

New Delhi, dated: 5-4-1988.

The General Managers,  
All Indian Railways  
including C.L.W., D.L.W., I.C.F.,  
W & AP/Bangalore  
D.C.W./Patiala

The Director General,  
R.D.S.O./Lucknow.

Sub: Licensing of tanks and borrow pits under the control of the railways to the Co-operative Societies for purposes of pisciculture.


In partial modification of the instructions issued under Board's letter cited above, Board have decided as follows:

While licensing the borrow pits/ tanks for pisciculture, first preference should invariably be given to the cooperative societies formed by the railway employees themselves. In case, the cooperative societies formed by Railway employees do not come forward, the fishing rights for Railways' tanks/borrow-pits may be licensed to the Registered fishermen's cooperative society, having area of operation covering the tank/borrow-pit to be so licensed, through negotiated basis as in the case of co-operative societies of Railway Employees, subject to terms and conditions safeguarding railway's overall financial interests and commensurate with the prevailing market rate. For this purpose, each Division should obtain a list of fishermen's Co-operative Societies formed and operative in its jurisdiction, with well-defined 'area of operation' from the State Governments. Railway will have the unquestionable right to judge the market rate, if in its opinion the rates quoted by the fishermen's cooperative societies are not reasonable and/or other terms and conditions not favourable to Railways.

Please acknowledge receipt.

(A.K. Deb Burman)  
Executive Director, Land Management,  
Railway Board.

Copy to: Jig-I, F(X)II with (5 S/C).

Copy to: Ministry of Agriculture and Rural Development,  
(Deptt. of Agr. & Coopn),  
Krishi Bhawan,  
New Delhi.
GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS
(Railway Board)

No. 81/W2/18/117. New Delhi, dated: 19.1.1987

The General Manager,
All Indian Railways,
including CLW, DLW & ICF,
W & AP/Bangalore,
D.C.W., Patiala.

The Director General,
R.D.S.O., Lucknow.

Sub: Licensing of tanks and borrow pits under the control of the railways to the Cooperative Societies for purposes of pisciculture.

Board have observed that different procedures are being followed by the Railways for licensing of tanks and borrow pits for the purpose of pisciculture. It has been decided that a uniform policy should be followed by the Railways. Accordingly the following guidelines are issued in supersession of all earlier instructions regarding licensing of borrow pits/tanks for pisciculture:

2. While licensing the borrow pits/tanks for pisciculture, first preference shall invariably be given to the cooperative societies formed by the Railway employees themselves, as this will not only encourage the cooperative spirit among the Ry. employees but also be advantageous to the Railway Administration in that they can be easily taken back whenever required for Railway purpose. In case, however, the cooperative societies of Ry. Employees do not come forward, the next best course would be to call 'Limited Tenders' from the Fishermen's Cooperative Societies, who will be required to register their names with the Railway Administration for the purpose. If Fishermen Cooperative Societies borne in the list of approved contractors do not come forth the tanks/borrow pits may be licensed by holding public auction or by inviting open tenders. In such cases, where limited/open tenders are called for, all formalities of preparing briefing notes, tender committee minutes etc. are to be observed by the Railways. The rights for fishing on the railway tanks/borrow pits shall be let out to the highest bidder on the licence fee for a period of one to five years as may be convenient to the railway with a specific provision for taking back tanks/borrow pits even earlier on due notice at any stage.

3. While giving preference to the cooperative societies both the financial return commensurate with prevailing market situation as well as Railway's overall interest should be achieved and safeguarded. The licence fee in such cases should be fixed on merits in each case in consultation with your F&D & O.A.O.

4. While licensing tanks and borrow pits for pisciculture, suitable legal provision be made in the Agreement to protect the railway tanks/borrow pits from accrual of any permanent tenancy rights.
5. Plan/sketch for licensing of tanks and borrow pits in each section shall be prepared for approval of the Divisional Railway Manager. The plan/sketch should invariably show the sizes and number of tanks and borrow pits under the section. On the basis of plans, sketches, tender notice shall be issued by the Senior Divisional Engineer/Divisional Engineers concerned well in advance for licensing of tanks and borrow pits for the purpose of pisciculture. The notice shall also be displayed on the notice boards of the offices of the Divisional Railway Managers, Assistant Engineers, Inspector of Works & Permanent Way Inspectors and important stations.

6. i) In the tender notice, a clear stipulation is to be made for deposit of earnest money by the tenderers along with their tender @ 10% of the anticipated sale value. The tenders un-accompanied with earnest money shall be summarily rejected.

ii) The security money should be 10% of the total bid amount for the fulfillment of the contract. The amount of earnest money of the successful tenderer should be accounted towards 10% security money and short-fall, if any, should be deposited by the successful tenderers to make full 10% security deposit within 7 days from the date of opening of the tenders.

iii) The successful tenderer/bidder shall be allowed 7 days time from the date of opening of the tenders of depositing the full amount of the bid of one year failing which the amount of earnest money shall be forfeited.

iv) In case of contract of fishing rights for more than one year, the bid amount of the subsequent years shall have to be deposited by the contractor by 31st December each year i.e. before 3 months of the commencement of the next season, failing which the contractor's security money should be forfeited and fresh tenders invited.

7. Suitable licence agreement should be executed with the parties before handing over possession of the borrow pits/tanks.

8. In case of any dispute between the contractor and the Railway, the decision of the General Manager shall be final. The General Manager may delegate this power to the Divisional Railway Managers.

9. This issue with the approval of Financial Directorate of the Ministry of Railways.

Add. Executive Director (L.M.)
Railway Board.

Copy to:
Vig. I & F(X)II Branches (with 5 spare copies)