Government of India (भारत सरकार)

Ministry of Railways (रेल मंत्रालय)

(Railway Board रेलवे बोर्ड)

No.TC-I/2018/201/5 New Delhi,Dt. 9 .10.2018

Chief Commercial Manager/FM
Eastern Railway

Sub: Advance stacking at Railway goods shed
Ref: (i) ER's letter No: C.189/0/Policy/M&S/Pt.II dt.18.09.2018
(ii)Rates Master Circular/Demurrage-Wharfage-Waiver/2016/0

Please refer to ER letter under reference(i) wherein Railway has forwarded draft guidelines for licensing/allotment of godowns to enhance the volume of rail borne traffic.

The matter has been examined and it is to state that policy regarding licensing of railway land for commercial purpose are already laid down vide L&A Dte.'s letters No.2005/LML/18/8 dt.10.02.2005 and dt.08.06.2005(copy enclosed).

Further, guidelines regarding advance stacking at railway premises are also stipulated vide Para 7.0 of Chapter-II of Rates Master Circular under reference (ii) to facilitate loading activity at goods sheds.

ER may take further necessary action duly keeping in view extant policy guidelines.

DA: *as above*

9.10.18

(Barjesh Dharmani)
Exec.Director, Traffic Commercial (Rates)
Railway Board

M201new

Unique No- 2005/LML/

GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS
(RAILWAY BOARD)

No. 2005/LML/18/8 **New Delhi,dt. 10 .01.2005**

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/WII/LM/18/87dt. 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:

Item No.	Types of Plots	Annual Licence Fee as a Percentage of Land Value
(a)	Railway related activities such as City Booking offices, Out Agencies etc.	6%
(b)	Ordinary Commercial Plots – without structures	6%
(c)	Ordinary Commercial Plots – with temporary structures for stacking/storing (i) Covered area (ii) Open area	 (i) 7 ½% (ii) 6 %
(d)	Steel Yards / Coal Dumps. Bulk Oil Installations etc.	7 ½%
(e)	Land used to lay private sidings	6%
(f)	Shops / Retail Depots etc.	10%

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 instructions 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

2/c

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) I Branches , Railway Board.

S.No. 2

GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS
RAILWAY BOARD

No.2005/LML/18/8 New Delhi, 8 06.05

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/W2/LM/18/87 dated 17.9.1985. For subsequent periods, the percentage would be as under:-

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

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).

For Financial Commissioner / Railways

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