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MINISTRY OF DEFENCE  
(D/Lands)

Subject : LEASE OF LAND IN CANTONMENTS FOR BANKING  
PURPOSES

Reference your U O No. 7078/AT.S dt. 2nd Dec. 1974 on  
the subject mentioned above.

2. There are no Govt. orders prescribing the rates  
applicable to leases for lucrative purposes. Since  
leases for lucrative purposes or otherwise are  
sanctioned by Govt. in each individual case, no general  
orders prescribing the rate of rent/premium have been  
considered necessary.

3. The rates generally adopted are as follows :-

(i) For residential purposes-rent as  
prescribed in the Standard Table of Rents which is  
generally 2 1/2 % of the market value of the land  
and premium 10 times the rent.

(ii) For ordinary commercial purposes-rent is  
double residential rent and premium 40 times the  
residential rent.

(iii) Lucrative purposes - Rent 4 times the  
residential rent and premium 80 times the  
residential rent.

4. In the case of grant of leases of defence land in  
Cantonment by conversion of old grants, rent/premium  
will be chargeable according to the rates laid down in  
this Ministry letter No. 18/48/L/L&C/57/834/D(Lands)  
dt. 20 March 1970 as amended from time to time.

Sd/-  
( T. Jacob )  
Under Secretary.

Office of the C.G.D.A.  
New Delhi-22

MoD UO No. 11013/2/74/D(Lands) dt. 06.12.1974.