

MINISTERIAL ORDER

MINUTES OF THE MEETING HELD IN THE ROOM OF JS (P&W) AT DELHI ON 11.3.1980 REGARDING REVIEW OF POLICY FOR GRANT OF LEASE OF DEFENCE LAND TO INDIAN OIL CORPORATION.

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Present :-

Ministry of Defence

1. Shri B.B. Sahay - Joint Secretary (P&W)
2. Shri P.S. Ratnam - Director (Works)
3. Shri M.S. Sokhanda - JS (Lands)
4. Shri M.P. Raghavan - SO (Lands)

Ministry of Finance (Defence)

1. Shri V.D. Kher - DFA(W)
2. Shri J.L. Tikkoo - Desk Officer

QMG's Branch

1. Lt. Col. J.S. Bedi - AQMG/3L(Central)

D.G.R.

1. Col. B.S. Ailawadi - Director S.E.

DG DL&C

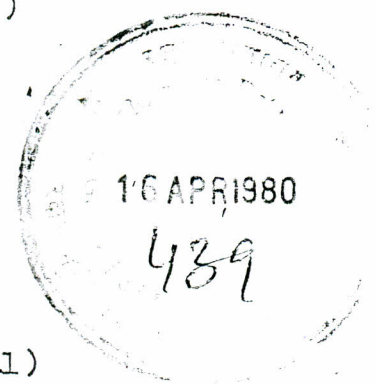
1. Shri Hans Raj - DDG
2. Shri K. Subramaniam - ADG

Initiating the discussion, JS(P&W) stated that the policy of leasing of Defence land to I.O.C. for retail outlet/service stations needed to be rationalised. DFA(W) stated that the discussions should be related to petrol pump/filling stations and not gas/kerosene oil agencies as was mentioned in the brief circulated,

2. Discussions then ensued on the following items relating to allotment of Defence land to Ex-servicemen who are able to secure agencies from I.O.C. etc. for petrol pumps/filling stations :-

DFA(W) stated that I.O.C. is giving the dealership of 'B' category only, wherein except for pump and storage tax awardees of dealership have to arrange for procurement of sites and their development, construction of building facilities for servicing vehicles etc. which, not all particula. ex-servicemen whose monthly income from all sources does not exceed Rs. 600/-- can afford. He also stated that Ministry of Petroleum and Chemicals have done away with the policy of

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concessions to ex-servicemen in the matter of award of dealership and every aspirant including ex-servicemen to dealership had to compete in the open market to obtain the said dealership. Such ex-servicemen, according to DFA(W) did not deserve concessions from Ministry of Defence.

JS(P&W) intervened to say that the number of ex-servicemen who would be coming forward to run the dealership is very negligible and some concession should, therefore, continue to be given to them. Director(Wo-rks) and ADG DL&C also stated that merely because Ministry of Petroleum had done away with concessions to ex-servicemen, it should not be the criterion for denying concessions in the allotment of Defence land to the ex-servicemen by the Ministry of Defence who had certain responsibility towards these personnel, especially disabled soldiers and war widows etc.

Director, S.E./DGR explained that the idea of giving concessions in the scheme of dealership was to help rehabilitation of ex-servicemen and various categories like officers disabled in war, war widows, officers disabled during peace times and dependants of officers/men killed in action etc., and hence there was every justification for continuing the existing concessions.

(I) INCOME LIMIT

The representatives of QMG's Branch and D.G.R. stated that limit of Rs. 600/- p.m. as proposed by DG DL&C and the Ministry of Defence is low and should be fixed at Rs. 1000/- p.m. as there have been increases in pension of ex-servicemen since the policy was last formulated. After discussion it was decided that cases may be considered on merits at the time of renewal or grant of lease.

(II) PERIOD OF LEASE

After some discussion, it was decided that the period of initial leases and their renewal should be fixed at 10 years and 5 years respectively.

(III) RENT AND PREMIUM

It was agreed that renewal of existing leases in the cases of persons other than ex-servicemen/war widows etc., will be at normal terms, i.e. 4 times of residential rent and the premium related to period of lease. In the cases of persons belonging to the excepted categories, concessional terms with reference to income limit will be relevant only if the income from all sources is less than Rs. 1000/- p.m. as recommended by DGR/Army Headquarters and those cases will be considered on merits. Such cases are not likely to arise as income out of the venture alone is likely to exceed this limit.

In respect of fresh leases, Director, S.E./DGR stated that servicemen who get the dealership are already paying the prescribed rentals and the concession proposed is confined only to premium. He as also AQMG/Q3L(Central) pleaded for retention of nominal premium of Re.1/- per month.

Representatives of DG DL&C explained that the premium equal to 9 years rent, as recommended by them, was with reference to the lease period of 15 years and not with reference to the period of 10 years.

Director(Works) stated that the present concession may be extended for another 3 years and reviewed thereafter. DFA(W) did not agree to this suggestion. JS(P&W) cautioned that concession in the matter of lease of Defence land for petrol pumps is one of the items regarding which statements have been made by the Government in the Parliament and its abrupt withdrawal may attract adverse comments.

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