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FROM : D(CLAN-DS)MOD

FRX NO. : 01123014410

23 Jul. 2020 4:24PM FI

No. 11015/2/2012/D (Lands) (pt)
Government of India
Ministry of Defence

New Delhi
Dated, 23rd July, 2020

To

1. The Chief of Army
2. The Chief of Air Staff
3. The Chief of Naval Staff
4. The Director General Defence Estates
5. The Chairman, Ordnance Factory Board, Kolkata
6. DG QA, New Delhi
7. DRDO, New Delhi

Subject: Transfer of Defence land for Public utilities and Public Infrastructure Projects.

Sir/Madam,

I am directed to refer to the Ministry of Defence policy letter No. 11015/2/2012/D(Lands) dated 2nd February, 2016 and to say that the following amendment is hereby carried out in Para 5 (B) of the said policy:-

For:-"Para 5(B) Transfer of land on lease- When the land is neither required permanently nor its ownership rights are required to be transferred, it may be transferred on lease hold basis, as per the requirement, on payment of an annual rent and on time premium. Rent and premium would be charged by adhering to the following general principles:-

- a) For public projects being implemented by the Central or State Government or by organisations/bodies owned or fully controlled by it and by local bodies with Government funding, rent will be calculated at normal rates i.e. 2.5% of value of land computed on the basis of STR, in case of Defence land situated within the limits of Cantonment. For Defence land located outside the Cantonment, rent will be calculated @ 2.5% of value based on Circle/guidelines rates notified by the State Government. If this is not available, value of land will be calculated by taking average sales statistics of the past three years. No premium shall be charged for grant of lease in the above cases. These concessional terms will only be available if such projects are providing services to the Public or to Defence organisations free of cost or at concessional rates. These terms will also be applied where surface rights on the land being leased remains with the MoD as in the case of Under Ground section of Metro projects, Petroleum and Gas main pipelines etc."

Read:-"Para 5(B) Transfer of land on lease- When the land is neither required permanently nor its ownership rights are required to be transferred, it may be transferred on lease hold basis, as per the requirement, on payment of an annual


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rent and on time premium. Rent and premium would be charged by adhering to the following general principles:-

- a) For public projects being implemented by the Central or State Government or by organisations/bodies owned or fully controlled by it and by local bodies with Government funding, rent will be calculated at normal rates i.e. 2.5% of value of land computed on the basis of STR, in case of Defence land situated within the limits of Cantonment. For Defence land located outside the Cantonment, rent will be calculated @ 2.5% of value based on Circle/guidelines rates notified by the State Government. If this is not available, value of land will be calculated by taking average sales statistics of the past three years. No premium shall be charged for grant of lease in the above cases. These concessional terms will only be available if such projects are providing services to the Public or to Defence organisations free of cost or at concessional rates. These terms will also be applied where surface rights on the land being leased remains with the MoD as in the case of underground sections of Petroleum and Gas main pipelines etc. In case of underground tunneling of metro projects, no lease rent will be charged subject to the condition that the indenting agency will ensure deepening and strengthening of the said section to allow further use of the surface by the land owning agency."

2. This issues with the concurrence of Ministry of Defence (Finance) vide their UO No 122/ Fin/ W-I/ 2020 dated 23.07.2020.

Yours faithfully,


(Pankaj Srivastava)
Director (L&C)

Copy to:-

1. The CGDA, Delhi Cantonment
2. Ministry of Defence (Finance Division/W-I), New Delhi
3. The DGA (DS), L-II Block, Brassey Avenue, New Delhi
4. QMG Branch/PIg (Lands)
5. D(Air-I)
6. D(Navy-III)
7. D(Q&C)
8. D(R&D)
9. D(QA)
10. D(GS-III)
11. DMA, HQ IDS
12. OG BRO
13. Dir (Infra), Coast Guard
