

**GOVERNMENT OF INDIA  
RAILWAYS  
LOK SABHA**

UNSTARRED QUESTION NO:2577

ANSWERED ON:30.08.2007

POLICY FOR COMMERCIAL DEVELOPMENT OF RAILWAY LAND

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**Will the Minister of RAILWAYS be pleased to state:**

- (a) whether the Railways have formulated any policy for allotting their unused/vacant land on lease;
- (b) if so, the details of the policy and norms fixed therefor; (
- (c) the zone-wise details of ongoing/pending projects for commercial development of such land; and
- (d) the role of RLDA and IRCTC in this regard alongwith the details of agreements entered into by them with various parties?

**Answer**

MINISTER OF THE STATE IN THE MINISTRY OF RAILWAYS (SHRI R.VELU)

(a): The vacant land is required by the Railways for its future development works. However, till such time, the land is required by Railways for its own operational use, the same is put to various short-term uses like commercial licensing, commercial plantation, retail outlets, Grow More Food (GMF) scheme, etc. In addition, where potential exists, it is proposed to undertake commercial development of land through Rail Land Development Authority (RLDA).

(b): As per the policy, land under commercial plantation & commercial development schemes will be allotted through open tender after following transparent bidding process. Land for retail outlets may be allotted to oil companies operating in the area through Limited offer. Railway land under commercial licensing is given to the interested parties for loading/unloading, stacking purposes etc. In this scheme, parties are required to offer committed traffic to the Railways apart from normal land licence fee. Under GMF scheme, railway land may be licensed to railway employees belonging to Group `C` and `D` employees in identified urban areas only.

(c): The details of 92 sites entrusted to Rail Land Development Authority (RLDA) for commercial development of Railway Land are given in the annexure.

(d): RLDA has been set up as a Statutory Authority by an amendment to Railways Act, 1989 for development of vacant railway land for commercial uses for generating revenue by non-tariff measures. So far, no agreement has been entered into by RLDA with any developer. Indian Railway Catering and Tourism Corporation (IRCTC) has been set up to upgrade, professionalize and manage the catering and hospitality services at stations, on trains and other locations. No role of IRCTC has been envisaged in commercial development of railway land/air-space.

Catering and hospitality facilities like Food Plazas and Budget Hotels for passengers` benefit are being commissioned by IRCTC at or adjoining station area utilizing available space for such purposes. Till now 43 Food Plazas have been licensed and tenders for 20 Budget Hotels have been awarded by IRCTC.