

भारत सरकार / GOVERNMENT OF INDIA
रेल मंत्रालय / MINISTRY OF RAILWAYS
(रेलवे बोर्ड) / (RAILWAY BOARD)

No.2021/LML/25/5



New Delhi, Dated 02.06.2023


महाप्रबंधक, सभी क्षेत्रीय भारतीय रेलें एवं उत्पादन इकाइयां,
The General Managers,
All Zonal Railways & Production Units.

Sub:	कार्गो संबंधित उद्देश्यों हेतु रेल भूमि के लंबी अवधि के पट्टे हेतु मॉडल मानक भूमि पट्टा करार. Model Standard land lease agreement for long term leasing of Railway land for cargo related purposes.
Ref:	Board's letter of even No. dated 04.10.2022.

दिनांक **04.10.2022** को बोर्ड का पत्र देखें "भूमि प्रबंधन नीति" पर मास्टर परिपत्र जारी किया गया है। इस नीति के पैरा 7.2 में निहित है कि रेलवे बोर्ड द्वारा कार्गो संबंधित उद्देश्यों हेतु रेल भूमि के लंबी अवधि के पट्टे हेतु मॉडल मानक भूमि पट्टा करार जारी किया जाएगा।

Master Circular on "Policy for Management of Land" has been issued vide Board's letter dated 04.10.2022. Para 7.2 of the Policy stipulates that Model Standard land lease/licensing agreement will be issued by Railway Board.

रेलवे बोर्ड द्वारा क्षेत्रीय रेलों/उत्पादन इकाइयों एवं पक्षों (पट्टेदार/लाइसेंसी) के बीच कार्गो संबंधित उद्देश्यों हेतु रेल भूमि के लंबी अवधि के लिए होने वाले पट्टे हेतु मॉडल मानक भूमि पट्टा करार को अनुमोदित कर दिया गया है। इस प्रलेख को https://indianrailways.gov.in/railwayboard/view_section.jsp?lang=0&id=0,1,304,366,540,983 (Railway Board Directorates  Land and Station Development  Licencing/Lease of Land) पर अपलोड कर दिया गया है।

Accordingly, a Model Standard land lease agreement for long term leasing of Railway land for cargo related purposes, to be executed between the Zonal Railways/PUs and the party (lessee/licensee), has been approved by Railway Board. The document has been uploaded on Indian Railway's website https://indianrailways.gov.in/railwayboard/view_section.jsp?lang=0&id=0,1,304,366,540,983 (Railway Board Directorates  Land and Station Development Licencing/Lease of Land)

इसे रेल मंत्रालय के वित्त निदेशालय की सहमति से जारी किया जा रहा है।

This issues with the concurrence of Finance Dte. of Ministry of Railways.

DA: As above.


02/06/23

(T P Chawla)

Deputy Director/LML-II

Railway Board

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DRAFT DOCUMENT
LONG TERM LEASING
OF
RAILWAY LAND

Lease Agreement

Between

(Division, _____Railway)

&

(_____) [Party]^[1]

(**Note:** Lessee's name to be inserted)

(Dated DD/MM/YYYY)

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LAND LEASE AGREEMENT

{Note- This agreement is to be used for the cargo related cases }

[To be executed on stamp paper of adequate value]

Agreement No

dated

This Land Lease Agreement ("**Lease Agreement** ") is executed on this.....day of[.] atby and between:

The President of India, acting through Sr.DEN { }, _____ Division, [Zonal] Railway, Government of India, having its head office at _____ (hereinafter referred to as the "**Lessor**", which expression shall, unless excluded by and/or repugnant to the context mean and include its successor, legal representatives and permitted assigns) being party of the First Part;

AND

_____ [The Party] ; [Govt. entity/PSUs/ a company registered under the Company Act 2013/Others], having its registered office at _____ {insert} represented through its _____ {insert designation of the authorized signatory} duly authorized vide resolution of its Board of Directors dated _____ (hereinafter referred to as the "**Lessee**", which expression shall, unless it be repugnant or contrary to the subject or context thereof, be deemed to mean and include its legal representatives, successors and permitted assigns) being party of the Second Part.

The **Lessor** and the **Lessee** are hereinafter collectively referred to as the "**Parties**" and individually as a "**Party**".

WHEREAS:

1. The Railways have proposed to grant lease of the railway land on a long term basis to entities for establishment of _____ [container rail terminals, freight terminals, sidings, other cargo related activities] connected with Railway's working for augmenting additional freight traffic for Railways.
2. The Lessor is the owner of the site described in Annexure-I & II hereunder and now desires to lease the site to the Lessee for the purpose of "Permitted Use" as mentioned in this agreement.
3. The Lessee desires to take the site on lease from the Lessor for the purposes _____ [of developing and operating cargo terminal/ cargo related facilities/other purpose] (the "**Project**").

NOW THEREFORE, in consideration of the promises and covenants herein set forth and for other good and valuable consideration, the receipt, adequacy and legal sufficiency of which are hereby acknowledged, the Parties mutually agree as hereunder.

1. Definitions

1.1 Definitions and Interpretation

In this Lease Agreement, the following words and expressions shall unless repugnant to the context or meaning thereof, have the meaning hereinafter respectively assigned to them:

“Applicable Laws” shall mean all treaties, covenants, laws, bye-laws, statutes, rules, regulations, orders, ordinances, protocols, codes, guidelines, policies, notices, directions, judgments, rulings, rule of law, decrees or other requirements or official directives, clearances, approvals or similar form of decision of any Government Authority or person acting under any Government Authority and /or of any statutory authority in the Republic of India, whether in effect on the date of signing this Lease Agreement or there after including inter-alia the Railways Act 1989, other applicable laws and rules and regulations notified or to be notified there under.

“Applicable Permits” shall mean all clearances, permits, authorizations, consents, and approvals required to be obtained or maintained under the Applicable Laws in connection with the Site and the Project during the subsistence of the Lease Agreement.

“Bank Guarantee” shall have the meaning set forth in Clause 5.1 of the Lease Agreement ;

“Change in Law” shall mean the occurrence of any of the following after the execution of the Lease Agreement:

- (a) Enactment of any new Applicable Law;
- (b) Modification or repeal or re-enactment of any existing Applicable Law;
- (c) the commencement of any Applicable Law, after the execution of the Lease Agreement ; and
- (d) Any change in the interpretation or application of any Applicable Law .

“Cure Period” shall mean a period of 180 days from the date the defaulting Party receives the Event of Default (EOD) Notice from the non-defaulting Party under Clause 7.5. Provided that, the cure period in event of default in payment of Annual Lease Rent shall begin running from the date of default in payment of Lease Rent;

“Encumbrance” shall mean any mortgage, right of way, license, pledge, equitable interest, prior assignment, conditional sales contract, hypothecation, right of others, claim, security interest, title retention agreement, voting trust agreement, interest, option, lien, charge, easement, or other similar condition, commitment, restriction or limitation of any nature whatsoever, including any restriction on use, voting,

transfer, receipt of income or exercise of any other attribute of ownership, whether or not registered and howsoever arising, including by statute or common law;

"EOD Notice" shall have the meaning set forth in Clause 7.5 of the Lease Agreement ;

"Force Majeure" shall have the meaning set forth in Clause 18.1 of the Lease Agreement ;

"Lease Rent" shall have the meaning set forth in Clause 4.1 of the Lease Agreement ;

"Material Adverse Effect" shall mean and include an individual circumstance or a series of circumstances when seen collectively which may or do (i) render ineffective any material right vested in a Party by the terms of the Lease Agreement, or (ii) materially adversely affects or restricts or frustrates the ability of any Party to observe and perform in a timely manner its obligations under this Lease Agreement or the legality, validity, binding nature or enforceability of the same.

"Permitted Use" shall have the meaning set forth in Clause 6.1 of the Lease Agreement ;

"Project" shall have the meaning set forth in Recital of the Lease Agreement ;

"Railway" shall mean the 'Railway or Railway Administration' as defined in the Railways Act, 1989 and shall also include Railways, as defined therein, where the context so demands.

"Site" shall have the meaning set forth in Clause 2.2 of the Lease Agreement ;

"Security Deposit" shall have the meaning set forth in Clause 5.1 of the Lease Agreement ;

"Taxes" shall mean all applicable taxes by whatever name called (including but not limited to service tax, goods and service tax etc. and any fresh taxes), duties, levies, fees, cess etc., whether levied at present or in future, but does not include income tax payable by the Party concerned;

"Term" shall have the meaning set forth in Clause 3.1 of the Lease Agreement ;

"Termination Notice" shall have the meaning set forth in Clause 7.5 of the Lease Agreement .

1.2 Interpretations

In this Lease Agreement, except to the extent that the context requires otherwise:

- (a) the descriptive headings of clauses are inserted solely for convenience of reference and shall have no legal effect and are not intended as complete or accurate descriptions of content thereof and shall not be used to interpret the provisions of this Lease Agreement ;
- (b) the use of words in the singular or plural, or with a particular gender, shall not limit the scope or exclude the application of any provision of this Lease Agreement to any person(s) or circumstances except as the context otherwise requires;
- (c) the terms "hereof", "herein", "hereto", "hereunder" or similar expressions used in this Lease Agreement mean and refer to this Lease Agreement and not to any particular Clause of this Lease Agreement. The terms Clause mean and refer to the Clause of this Lease Agreement ;
- (d) any reference to "writing" includes printing, typing, lithography and other means of reproducing words in a permanently visible form;
- (e) reference to the word "include" or "including" shall be construed to mean include without limitation and shall be followed by "without limitation" or "but not limited to" whether or not they are followed by such phrases;
- (f) the Annexures to this Lease Agreement forms part of this Lease Agreement and will be of full force and effect as though it is expressly set out in the body of this Lease Agreement ; unless the context otherwise requires, any period of time referred to shall be deemed to expire on the last day of such period;
- (g) reference to any legislation or law or to any provision thereof shall include references to any such Applicable Law as it may, after the execution date of this Lease Agreement , from time to time, be amended, supplemented or re-enacted, and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.
- (h) any approval, consent, permit or NOC (means "No Objection Certificate") required to be obtained under or pursuant to the Lease Agreement , shall, unless specifically agreed to by the Parties, be required to be obtained in writing;
- (i) capitalised terms utilised herein but not defined shall, unless repugnant to the context thereof, have the meaning ascribed thereto in the Lease Agreement ;
- (j) Any reference to 'month' shall mean a reference to a calendar month as per the Gregorian calendar;
- (k) The rule of interpretation which requires that an agreement be interpreted against the person or Party drafting it shall have no application in the case of this Lease Agreement ;

- (l) Any reference to any period commencing "from" a specified day or date and "till" or "until" a specified day or date shall include both such days or dates;
- (m) Any obligation not to do something shall be deemed to include an obligation not to suffer, permit or cause that thing to be done. An obligation to do something shall be deemed to include an obligation to cause that thing to be done;
- (n) A right conferred by this Lease Agreement to do any act or thing shall be capable of being exercised from time to time;
- (o) The damages payable by either party under this lease agreement are mutually agreed genuine pre-estimated loss likely to be suffered or incurred by the Party entitled to receive the same and are not by way of Penalty;

2. Grant of Lease and possessions

2.1 The provisions of this Lease Agreement shall take effect and become binding on the Parties on the date of signing of this Lease Agreement.

2.2 In consideration of the Lease Rent, the Lessor grants on lease to the Lessee and the Lessee agrees to accept the lease from the Lessor, free from Encumbrances and/or encroachments, of all that piece and parcel of land as per the description and plan given in the Annexure-I & II respectively (the "**Site**") and to hold, possess, use and enjoy the Site and/or any part thereof, in accordance with "the permitted use" mentioned in provisions of this Lease Agreement.

2.3 The Lessor hereby grants and transfers physical possession of the Site on as is where is basis in terms of this Lease Agreement. For the purposes of this Lease Agreement, the Lessee shall be deemed to have inspected the Site and satisfied itself of the nature and physical conditions of the Site. The Lessee shall also be deemed to have satisfied itself regarding the feasibility of development of the Project on the site including with the right title and ownership of the Lessor. The Lessee shall have no recourse against the Lessor if the Site is found deficient in any manner at a later stage.

3. Term

3.1 The lease granted in pursuance of this Lease Agreement shall be for a period of _____[maximum 35 (thirty five)] years from the date of execution of the Lease Agreement (the "**Term**") unless the Lease Agreement is determined prematurely or renewed in accordance with provisions of this Lease Agreement or in the event land is leased for cargo related purposes under GCT policy, this land lease agreement will be co-terminus with GCT agreement.

3.2 The Lessee shall not derive any right, title or interest in the said Site which shall remain the property of the Railways at all times except as provided in the Lease Agreement. The Lessee will have leasehold and

possessory rights for the Term on the Site which shall be enjoyed and exercised in accordance with "the permitted use" mentioned in provisions of the Lease Agreement and subject to the regular and timely payment of Lease Rent.

3.3 Unless the lease is renewed by the Parties, the Lease Agreement shall expire at the conclusion of the Term of the lease.

3.4 Notwithstanding anything contained in the Lease Agreement, the renewal of Term of Lease Agreement shall be on mutually agreeable terms and conditions between the parties, provided that the land is not required by the Lessor for its own purpose and will be subjected to fulfillment of terms and conditioned of this Lease Agreement including payment of all dues and lease rent.

4. Lease Rent

4.1 Upon execution of the Lease Agreement and in consideration of the Lessor leasing the Site to the Lessee and granting the rights, set forth in this Lease Agreement, the Lessee shall pay to the Lessor in advance an annual lease rent/ entire payable amount on present value basis with discounting of future cash flows at rate of 7% per annum ("Lease Rent") and Taxes, as applicable as per annexure -III. Further, if the site includes existing railway building and useful or of interest to lessee then cost of building will also be suitably incorporated in Lease rent.

4.2 In the event of availing option of annual lease rent, the Lease Rent payable by the Lessee for each financial year shall be due on 1st April. The Lease Rent shall be payable in advance on or before the 10th April of each financial year. Also, Lease Rent of the first financial year in full or part thereof, as the case may be, has been paid simultaneously with the execution of the Lease Agreement vide DD no. _____ dated _____ issued by _____ Bank.

4.3 The Lessor shall also provide GST number to the Lessee.

4.4 If the Lessee fails to pay the Lease Rent as aforesaid, the Lessee shall be liable to pay interest (Compounded annually) for the period of delay calculated at a rate equal to 1% (one per cent) ("**Interest**") per month. It is clarified for the avoidance of doubt that in situations where the period of delay is either more or less than a month, the pro-rata for actual days of delay shall be considered and the month as used herein shall be 30 days.

5. Security Deposit

5.1 The Lessee has deposited an amount equivalent to annual Lease Rent of one years as interest free refundable security deposit (the "**Security Deposit**") prior to signing of the Lease Agreement by way of an unconditional and irrevocable bank guarantee in a mutually agreed form and issued by a Scheduled Commercial Bank (Insert Name of Bank) dated _____ bearing no. _____ ("**Bank Guarantee**") / cash / cheque dated _____ drawn on _____ bank bearing no. _____, or / fixed deposit bearing no. _____ issued by _____ bank dated _____]. The validity of Security

Deposit in the form of Bank Guarantee would be for minimum 18 months & it will be in form of revolving Bank Guarantee. At the time of payment of annual lease rent, the fresh Security Deposit (BG), as per latest annual lease rent, would be deposited & the earlier submitted Bank Guarantee would be released. In case the SD is deposited in the form other than BG the additional amount as per the latest annual lease rent for one year needs to be submitted. The Security Deposit is a security against any default in timely payment of Lease Rent or for breach of any other obligation of the Lessee under the Lease Agreement during the Term. The Bank Guarantee deposited by the Lessee shall remain valid and effective and be maintained in full force until the expiry of the term of the agreement. The Security Deposit/Bank Guarantee shall be applicable in case of annual lease payments only.

5.2 Subject to Clause 7.2(iii), 7.6 and 7.7, the Security Deposit shall be returned to the Lessee within 30 days of the handover of Site by the Lessee to the Lessor on the expiry or early termination of Lease Agreement (as the case may be) and after clearance/ payment of all dues by the Lessee. If any dues, including Lease Rent etc, are payable by the Lessee under the terms of this Lease Agreement then the Lessor has a right to deduct the same from the Security Deposit. Further, in the event such dues are in excess of the Security Deposit the Lessor shall have the right to call upon (by written notice) the Lessee to replenish the shortfall in the Security Deposit within (60) sixty days of receipt of such notice.

5.3 No interest shall be payable by the Lessor on the Security Deposit. However, if any interest accrues on the instrument payable by the issuing authority, the same shall be passed on to the Lessee.

6. Permitted Use of Site

During the Term, the Lessee shall use the Site only for the purpose of the Project and other connected purposes and no other purpose whatsoever ("**Permitted Use**").

7. Termination prior to expiry of Term

7.1 This Lease Agreement may be terminated prior to the expiry of the Term, either by mutual agreement between the Parties in writing or through Termination Notice by a Party under Clause 7.5 due to other Party's Event of Default (Clause 7.3 & 7.4) or in accordance with the provision of Clause 9 (*Exit Rights*) or Clause 18 (*Force Majeure*).

7.2 On early termination of the Lease Agreement **due to Lessee's default under clause 7.3** in terms of this Lease Agreement as mentioned in Clause 7.1 above:

(i) the Site, shall automatically revert to the Lessor free from all encumbrances without the Lessor being required to pay any consideration in respect thereof and the Lessee shall hand over the Site in accordance with the provisions of Clause 7.7 of this Lease Agreement ;