

# **CABINET APPROVES REDEVELOPMENT OF RAILWAY STATIONS BY IRSDC AS NODAL AGENCY, THROUGH SIMPLIFIED PROCEDURES AND LONGER LEASE TENURE**

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Cabinet

**Cabinet approves Redevelopment of Railway Stations by IRSDC as Nodal Agency, through simplified procedures and longer lease tenure**

**Redevelopment of railway stations will pave the way for large scale modernisation and ensure world class infrastructure**

**Railways to provide state-of-the-art amenities for passengers by allowing commercial development of its land and air space in and around stations**

**Improved and simpler program design including longer lease period upto 99 years, multiple sub leasing, simplified bid procedures**

**Redevelopment will lead to creation of State-of-the-art smart stations that will function as mini smart cities**

**Redevelopment of railway stations will have a multiplier effect in the economy with increased job creation and improved economic growth**

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The Union Cabinet chaired by Prime Minister Shri Narendra Modi has approved the redevelopment of Railway Stations by Indian Railway Stations Development Corporation Limited (IRSDC) as Nodal Agency and main Project Development Agency, through simplified procedures adapting various business model and for longer lease tenure of upto 99 years. Thus, paving the way for large scale modernisation and ensure world class infrastructure.

Redevelopment of major stations across the country is planned by leveraging commercial development of land and air space in and around the station. This program will help provide state-of-the-art amenities for passengers, generate additional revenues and will be overall at least cost neutral to Ministry of Railways (MoR) over a basket of stations. Furthermore, redevelopment of railway stations across the country will have a multiplier effect in the economy with increased job creation and improved economic growth.

IRSDC being the Nodal agency will prepare the overall strategic plan and business plans for individual or a group of stations ensuring cost neutrality of this program. Upon approval of business plans by MoR, IRSDC or other Project Development Agencies will take up the work of station redevelopment. Railway/RLDA/IRSDC will be planning and development authority for Railway land in consultation with urban local bodies, DDA or other UTs, to transfer land on free hold basis to Railways. This would enable Ministry of Railways to accelerate the redevelopment of major stations across the country on an overall cost neutral basis. These redevelopment efforts will lead to creation of State-of-the-art smart stations that will function as mini smart cities.

Railway passengers and Industry shall be benefited at large. Passengers will now get amenities at par with international railway terminals and a large number of local job creation is expected as a positive external outcome of this program.

#### **Background:**

A Cabinet approval was obtained on 24<sup>th</sup> June 2015 to redevelop 'A1' and 'A' category stations by Zonal Railways through Cabinet approved procedures and for a lease period of 45 years. However, insufficient interest was visible amongst the prospective bidders. During various interactions with developers, investors and other stakeholders, various issues including multiple sub leasing, simplified bid procedures etc. were repeatedly raised. Therefore, an improvised and simpler program design including these issues and under a specialized executing agency (IRSDC), incorporating suitable structural, process and parameters changes, has been adopted to revamp the station redevelopment program.

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