RAJASTHAN STATE INDUSTRIAL DEVELOPMENT AND INVESTMENT CORPORATION LIMITED

MINUTES OF: Infrastructure Development Committee
VENUE: Udyog Bhawan, Jaipur
DATE & TIME: 2nd March 2015 at 3.30 P.M.

PRESENT:
Shri C.S. Rajan Chairman
Smt. Veenu Gupta Managing Director
Shri Sanjay Malhotra Principal Secretary Energy
Shri Abhay Kumar Commissioner Industries
Shri Maneesh Chauhan MD, RFC
Dr. Samit Sharma Commissioner Inv. & NRI

Shri D.K. Sharma, Secretary was in attendance. Shri Prakash Tekwani, Financial Advisor; Shri Lalit Kumar, Advisor (Infra); Shri S.K. Sharma, Sr. DGM (P&D) and Shri S.K. Gupta, Sr. DGM (P&D) were also present.

WELCOME OF DIRECTOR

At the outset, the Committee welcomed Shri Sanjay Malhotra, Director, who attended meeting of the Committee for the first time, after his appointment, and expressed hope that Committee will be benefited with his association.

Item 1: Confirmation of the minutes of the last meeting of the Committee held on 20th December 2014.

The minutes of meeting held on 20th December 2014 were confirmed by the Committee and signed by the Chairman.

Item 2: Action Taken Report on the decisions of the previous meeting of the Committee held on 20th December 2014.

The Committee noted the position.

Item 3: Ex-post-facto approval for delegating the powers to Unit Officers for Redressal of Grievace and disposal of pending matters during 16.02.2015 to 15.03.2015.

The Committee discussed the agenda and accorded ex-post-facto approval for delegating some powers of MD to the Unit Heads for a certain period, i.e. 16.02.2015 to 15.03.2015, as under as well as for the office order (9/2015) dated 4.2.2015:

2. Time extension for delay in commencement of activity for which the plot is allotted (except for allotment made under Rule 3(W) of RIICO Disposal of Land Rules, 1979).


**Item 4:** **Partial amendment in the existing provisions of Rule 17(B) (2) and 17(E) of RIICO Disposal of Land Rules, 1979 related to levy of transfer charges for transfer of sub-divided plot.**

The Committee discussed the agenda and accorded approval that transfer fee for transfer of part surplus vacant land (sub-divided plot) under Rule 17(B)(2) and/or transfer fee for sub-divisions of large size industrial plot under the provisions of Rule 17(E), be reduced from 15% to 8% of prevailing rate of allotment of industrial area concerned.

**Item 5:** **Relaxation in the provisions of Continuous Production Incentive Scheme issued in the year 2013.**

The Committee discussed the agenda and accorded approval to amend the existing Continuous Production Incentive Scheme for all sectors including ceramic, in respect of such cases where fixed capital investment made is Rs. 50 cr. or more, to the extent that the eligible industrial plot allottees will be allowed reimbursement of 25% cost of land in one-go, subject to commencement of production within the stipulated period and verification of investment made at site, instead of reimbursement in two stages. However, other eligibility conditions of the said scheme shall remain unchanged.

**Item 6:** **Relaxation in certain terms and conditions of allotment of land made at industrial area, Punayata, Pali.**

The Committee discussed the agenda and accorded approval for allowing transfer of allotted plot in the captioned area after 5 years from the date of allotment, as was earlier done by unit office in case of transfer of 22 plots. The Committee also reiterated its earlier decision taken vide item 4 of meeting held on 29.5.2013 not to regularize unauthorized construction in plot set-backs, however transfer of plot/ change in constitution would be allowed after obtaining an undertaking to the effect that the transferee would remove unauthorized constructions within six months.

**Item 7:** **Partial amendment in one of the terms and conditions of auction of plot related to payment of land cost.**

The Committee discussed the agenda and accorded approval to amend the condition of payment for auction of plots and also replace the existing condition in Circular No.IPI/P-6/IDC/6711 dated 23.07.2010 with amended condition as under:

“The highest bidder, after approval of the bid, has to deposit 25% of the sale amount, after adjusting amount already deposited as per (a) above, within 30 days from the date of issue of demand notice, otherwise amount deposited earlier (on account of earnest money) shall be forfeited without giving any further notice. However the Managing Director may grant time extension for
deposit of such amount with interest upto one month from the scheduled date, depending upon merit of the each case.”

Item 8: **Administrative Sanction for development of Industrial Area, Salarpur, Bhiwadi –II.**

The Committee discussed the agenda and accorded approval for issuing administrative sanction for the development of Industrial Area, Salarpur, Bhiwadi-II at an estimated cost of Rs. 1036.76 Cr., as per the details at Annexure-A of the agenda note.

Item 9: **Allotment of land to Essel Vision Productions Ltd. at Industrial area Sitapura-Ph-IV for setting–up Film Studio in Rajasthan.**

The Committee discussed the agenda and accorded approval to invite sealed bids for auction of newly carved out independent plot having area of 18934 sqm. at Industrial Area, Sitapura Phase-IV by giving 15 days public notice for setting-up film studio. The Committee also decided as below:

(i) To consider the activity of film studio as service industry as defined by MSME and permissible building parameters at par with industrial buildings.

(ii) To carve out an independent plot having area 18934 sqm for this project with building parameters as prescribed for industrial plots at industrial area, Sitapura, Ph-IV as per draft plan prepared by the Town Planning Cell as per Annex.-C annexed to the agenda note.

(iii) Reserve price for auction of the plot to be decided by the constituted committee headed by MD at HO level.

(iv) To recover cost of Boundary Wall as per present valuation from the allottee.

Item 10: **Allotment of land to Jaipur Community and Social Development Trust, Near Gem Park, Tonk Road, Jaipur for establishing proposed educational institution.**

The Committee discussed the agenda in detail and constituted a sub-group of Managing Director, Commissioner Industries and MD RFC to discuss all related issues with Shri Suresh Gupta of Jaipur Community & Research Centre (JCRC) and submit their recommendations to the Committee.

Item 11: **Case of land allotted to Diamond and Gem Development Corporation (DGDC) for Gem Stone Industrial Park, Jaipur.**

The Committee discussed the agenda in detail and decided as follows:

(i) Any non-polluting, noise free, zero effluent discharge industrial activity and permissible commercial activity be allowed in this area, keeping in view of the Master Plan of Jaipur.

(ii) As opined by Advocate, the Corporation is not liable to pay any amount to any Financial Institution as the Corporation was not a
guarantor to any CFI and, accordingly, it was also decided that no liability is to be undertaken by Corporation.

(iii) Unforeseen liabilities to the order of Rs. 744 lac need not be recognized.

(iv) As land issue of Divya Moti Hotels & Resorts Pvt. Ltd. is still under examination, the land matter of khasra No. 242 measuring 3 bigha and 15 biswa will be decided later on.

(v) Notices under the provisions of Public Premises (Eviction of Unauthorized Occupants) Act 1964 be served upon all occupiers at the site.

(vi) In those cases wherein the Corporation has accepted development charges/economic rent from the sub-lessees of DGDC or made allotment itself, a view will be taken at a later stage, depending upon no. of cases, legality and merit of each case.

(vii) To write off from the books outstanding expenses towards maintenance/up-keeping of Gem Processing Park.

The Committee also formed a sub-group of Managing Director, Commissioner Industries and MD RFC to discuss all the related issues of Gem Processing Park, Jaipur and submit their recommendations to the Committee.

**Item 12: Case of land allotted to Additional Development Commissioner (Handicrafts), Ministry of Textile, Govt. of India, Plot No. G-76-77 at EPIP, Sitapura, Jaipur.**

The Committee discussed the agenda and accorded approval for waiver of leviable retention charges for time extension from 1.9.2004 to 31.3.2016 in case of plot G-76-77 at EPIP, Sitapura, Jaipur, as recommended by waiver committee, being a Government of India Enterprise.

**Item 13: Case of Rajputana Industries Pvt. Ltd., Plot No. SP-3 at SKS industrial area Reengus Ext., Sikar regarding time extension for commencement of the production activity.**

The Committee discussed the agenda and accorded approval for the following:

(i) Intermediate milestones for commencement of product-wise production need not be followed.

(ii) Commencement of production of any product, out of the referred three products, would suffice to treat the unit under production, subject to investment of Rs. 23.07 cr. and fulfillment of other required norms as per RIICO Rules.

(iii) 30 months time period to be allowed for commencement of production to be reckoned from the date of actual physical possession given to the allottee, i.e. 04.04.2013.
Item 14: **Permission of sub-division and transfer/sub-leasing of part land in the case of Honda Car India Limited (HCIL), land allottee at industrial Area, Tapukara (Bhiwadi).**

The Committee discussed the agenda and accorded approval for the following, in view of Committee’s similar decisions in the past:

(a) Permitting further sub-division of the allotted land and transfer/sub-leasing of the sub-divided land measuring 30,026 sq. mtrs. as proposed by HCIL, in favour of Honda Majority Owned Company, Honda Motor India Pvt. Ltd. (HMI), by relaxing the stipulations of Rule-17(B) of RIICO Disposal of Land Rules, 1979.

(b) Permitting sub-leasing/transfer of the sub-divided land by recovering requisite sub-division and transfer charges at the allotment rate on which the land was allotted to HCIL, instead of prevailing rate of development.

Item 15: **Case of ELCINA Electronics Manufacturing Cluster Pvt. Ltd. an allottee company for setting up of Electronic Manufacturing Cluster at industrial area Salarpur (Khushkhera Extn).**

The Committee discussed the agenda in detail and directed to issue offer letter for allotment of only 50 acre land to this allottee at thecaptioned industrial area also allowing them time upto 31.3.2015 to deposit balance payment of 15% cost of land (after adjusting deposited 10% keenness money for whole area) as per revised offer, with interest. Remaining 75% cost of land be deposited over a period of 2 years in 7 quarterly installments with 12% p.a. interest. If the allottee company does not accept revised offer or does not deposit the amount by 31.3.2015, then the allotment shall stand cancelled without further notice.

Item 16: **Case of M/s Ramdev Enterprises, plot No. 70(B), industrial Area Jhotwara, Jaipur purchased by Trimurty Colonizers & Builders India Pvt. Ltd. regarding deposition of transfer charges and retention charges on pre-revised rates.**

The Committee discussed the agenda and rejected the request of the applicant to accept payment of transfer charges and retention charges on pre-revised rates.

Item 17: **Case of Anil Special Steel India Ltd. Industrial Area Kanakpura, Jaipur regarding levy of transfer fee.**

The Committee discussed the agenda in detail and directed to place before the next meeting following information:

(i) Whether unit is still running/in-production on the private land.
(ii) Whether ETP was constructed on land allotted by the Corporation and its present status.
**Item 18:** Case of Neemrana Education & Research Charitable Trust, an allottee of institutional Plot No. I-261 at industrial Area, NIC(M) Neemrana.

The Committee discussed the agenda and rejected request of the allottee for allowing upfront rebate in rate of allotment for large size plot and reiterated its earlier decisions dated 4.2.2014.

**Item 19:** Relaxation in the provisions of the policy for sub-division of allotted plot among the partners of the firm - case of M/s Ram Raj Udhyog, Plot No. H1-173(E&F), industrial Area, Behror.

The Committee discussed the agenda and accorded approval for sub-division of allotted plot among two partners by relaxing provisions of Rule 17(B)(ii) of RIICO Disposal of Land Rule, 1979, considering the fact that both the partners have already set up two different manufacturing units and sub-divided plot size is marginally below threshold limit of 500 sqm. The Committee, however, declined to frame a general policy in the matter.

**Item 20:** Case of M/s Sunder Art Exports, Plot No. G-748 measuring 1500 sqm at industrial Area Boranada Phase IV for restoration of cancelled plot.

The Committee discussed the agenda and accorded approval for restoration of cancelled plot looking to the fact that the unit is already in production and this case also falls within the prevailing policy of the Corporation for restoration of cancelled plot which came into force with effect from 07.07.2014. However, the applicable charges shall be payable as per the rules on the prevailing rate of the area.

**Item 21:** Case of M/s Shiv Stone Cutting Industries, Plot No. G-64, Industrial Area Kherda, Sawaimadhopur, regarding levy of transfer premium on pre-revised rates.

The Committee discussed the agenda and rejected the request of the allottee to levy transfer charges on pre-revised rates.

**Item 22:** Case of ARL Infratech Ltd., Plot No. SPL-185, Industrial Area Bagru (Extm), Ph-II, Jaipur regarding levy of retention charges on pre-revised rate of allotment.

The Committee discussed the agenda and accorded approval for levy of retention charges on pre-revised rate of allotment and pre-revised policy for granting time extension for commencement of production activity without observing intermediate mile-stones, with interest from the date of first request for time extension i.e. 31.01.2014, looking to the fact that their application for time extension was pending with the Corporation from January 2014 i.e. prior to revision of rates.
Item 23: Case of Simla Chemicals (P) Ltd., Plot No. E-267 & E-268 at Industrial Area, Kaharani for considering their land allotment as normal allotment in place of preferential allotment under Rule 3(W).

The Committee discussed the agenda in detail and accepted the request of the allottee company for considering their land allotment as normal allotment in place of preferential allotment under Rule 3(W), on deposit of additional cost of land, being difference of highest auction rate of this industrial area and rate on which allotment is made to this allottee, within 60 days from the date of issue of demand notice. Seven quarterly installments, with interest, may be allowed, if opted by the allottee.

Item 24: Case of Bhurji Super-Tek Industries Ltd., Plot No. SP-4(A) and SP-5(B) at Industrial Area, Kaharani.

The Committee discussed the agenda and directed that period of 24 months for commencement of production activity be reckoned from the date of handing over physical possession, i.e. 11.4.2012. It was further decided to waive interest on cost of land payable up to date of handing over physical possession.

Item 25: Case of Rajasthan Corrugators CFC Pvt. Ltd., Plot No. B-157-158 at industrial area Manda Phase-I for not to deduct 10% charges on account of surrender/cancellation of allotment.

The Committee discussed the agenda and rejected request of the allottee company and directed to refund the amount as per rule.

Item 26: Case of Apex Suratgarh Multispecialty Hospital Pvt. Ltd., Plot No. E-16, industrial area, Suratgarh, Sriganganagar regarding transfer of leasehold rights along with change of land use.

The Committee discussed the agenda and accorded approval to the request of the purchaser company to allow change of land use of sub-divided industrial plot for hospital purpose by relaxing the condition of not allowing change in land use of vacant industrial plot, subject to condition that the applicant company will deposit the requisite charges as per rules and will set-up the hospital within 3 years, looking to the need of such hospital in Suratgarh.

Item 27: Case of M/s Hema Khattar, Plot No. B-35 (B-3) at industrial area, Khushkhera regarding exchange of allotted plot.

The Committee discussed the agenda and accorded approval for the following:

a) Allowing exchange of the allotted plot with equivalent area (i.e. 2105 sqm) out of re-planned land having area of 4220 sqm. lying vacant in industrial area Khushkhera.
b) Alloting remaining land (measuring 2115 sqm.) at highest auction rate of Rs. 6700/- psqm., looking to the fact that both the carved out plots are not regular in shape and the Corporation would have to incur expenditure on construction of road besides saleable area would stand decreased.

The meeting concluded with a vote of thanks to the Chair.