Officer Order (25/2014)

Sub: Amended policy for change of land use of allotted plots from one use to other use (Rule 20-C of RIICO Disposal of Land Rules, 1979).

An agenda item (22) was placed before the Infrastructure Development Committee of the Board of Directors of RIICO in its meeting held on 13.05.2014. The Committee has accorded approval for the following categories for change in land use of allotted plots and the conversion charges:

<table>
<thead>
<tr>
<th>S. N</th>
<th>From</th>
<th>To</th>
<th>Conversion charges</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Industrial</td>
<td>A. Commercial</td>
<td>3 times the prevailing rate of allotment of industrial area concerned irrespective of category of industrial area.</td>
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<td></td>
<td></td>
<td>i. Commercial</td>
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<td></td>
<td></td>
<td>complex (Shops</td>
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<td></td>
<td></td>
<td>&amp; Offices)</td>
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<td></td>
<td></td>
<td>ii. Hotel</td>
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<td>iii. Cinema</td>
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<td>iv. Multiplex</td>
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<td></td>
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<td>v. Petrol pump and filling station (Petrol/Diesel/Gas)</td>
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<td>vi. Weigh bridge</td>
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<td>B. Commercial</td>
<td>1.5 times the prevailing rate of allotment of industrial area concerned irrespective of category of industrial area.</td>
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<td></td>
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<td>i. Commercial</td>
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<td>Warehousing on full allotted plot (storage of raw material/finished goods for other than captive use)</td>
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<td>LPG Cylinder</td>
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<td></td>
<td>Industrial</td>
<td>Godown on full/part plot</td>
<td>A. Institutional</td>
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<td></td>
<td></td>
<td></td>
<td>i. Hospital</td>
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<td></td>
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<td>ii. Nursing Homes</td>
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<td></td>
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<td>B. Institutional</td>
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<td>i. Educational Institutes (as defined in the rules)</td>
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<td>ii. University</td>
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<td>iii. Institutes imparting certificate courses/vocational courses</td>
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<td>One time the prevailing rate of allotment of industrial area concerned</td>
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<td>0.10 times the prevailing rate of allotment of industrial area concerned</td>
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<td>3</td>
<td>Commercial</td>
<td>Industrial</td>
<td>0.10 times the prevailing rate of allotment of industrial area concerned</td>
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<tr>
<td>4</td>
<td>Commercial</td>
<td>Institutional</td>
<td>0.10 times the prevailing rate of allotment of industrial area concerned</td>
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<tr>
<td>5</td>
<td>Commercial (specified use)</td>
<td>Other Commercial use</td>
<td>Three times the prevailing rate of allotment of industrial area concerned minus the rate paid at the time of allotment or 25% of the prevailing rate of allotment of the industrial area concerned, whichever is higher</td>
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<td>6</td>
<td>Institutional</td>
<td>Industrial</td>
<td>0.10 times the prevailing rate of allotment of industrial area concerned</td>
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<tr>
<td></td>
<td>Institutional</td>
<td>Commercial</td>
<td>3 times the prevailing rate of allotment of industrial area concerned.</td>
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<tr>
<td>8</td>
<td>Institutional</td>
<td>Another Institutional use</td>
<td>One time the prevailing rate of allotment of industrial area concerned.</td>
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<tr>
<td></td>
<td>(specified</td>
<td>(i) Hospital/Nursing Home</td>
<td>0.10 times the prevailing rate of allotment of industrial area concerned.</td>
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<td>use)</td>
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<td></td>
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<td>(ii) Other than Hospital/Nursing Home</td>
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</tr>
<tr>
<td>9</td>
<td>Residential</td>
<td>Industrial</td>
<td>0.10 times the prevailing rate of allotment of industrial area concerned.</td>
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</table>

A) Following riders/conditions will be observed while considering the change in land use:

i. No change in land use of allotted plots will be permitted for residential purpose.

ii. No change in land use of vacant industrial plot would be allowed. In other words, the allottees of industrial plot who have not set up an industry will not be permitted change in land use for non-industrial purposes. However, change in land use of part vacant sub-divided plot would be allowed subject to condition that the leasehold rights of the sub-divided plot are held by the allottee of integrated plot.

iii. No change in land use of allotted institutional plots will be allowed in the dedicated Institutional Areas for any other purpose.

iv. No change in land use of plots allotted under the provisions of Rule 3(E) and 3(W) of RIICO Disposal of Land Rules, 1979 will be permitted.

v. Change in land use of plot allotted for non-industrial use will be allowed for vacant plot subject to payment of 15% of the prevailing rate of allotment as additional charges.

vi. Change of land use of the allotted plots for commercial/institutional purposes as permitted under this rule will be considered only for the plots located on the roads having right of way of 18.00 mts and above (total road
width. However, in the land use conversion cases wherein
the criterion of minimum road width of 24 mtr or above is
specified in the building regulations/parameters then the
same will be observed while considering the cases of the
land use conversions.

vii. Land use for non-industrial purpose may be restricted up to
15% of the total scheme area of the industrial area
concerned.

viii. Marriage Hall/Garden and an independent Banquet Hall will
not be permitted while considering change in the land use
for commercial purposes even if the same are proposed as
allied activity of a hotel (attached to the hotel).

ix. Allottee of plots in an industrial area (including EPIP, SEZ,
IT park, Agrofood Park) desirous of change of land use will
clear all the outstanding dues of the Corporation and will
have to submit the application in prescribed format along
with prescribed processing fee, site plan showing the
measurement of plot/part plot proposed for change of land
use along with project report. The project report shall
contain details of proposed use, cost of project,
implementation time schedule, plans etc. However, in case,
plot is located in industrial areas which have been notified
under Industrial Park Scheme, 2002 for availing income tax
exemption under section 80 IA of Income Tax Act 1961, then
same shall be considered within the permissible limits.

x. Allottee of the plot shall submit original Lease deed/sale
deed with the application for change of land use. In case
plots are mortgaged with financial institutions then allottee
shall have to submit 'No objection certificate' from the
financial institutions for proposed change of land use.

xi. The change of land use of part area of allotted plot shall be
considered subject to withstanding with provisions of Rule
17-(B) (ii) and 17(E) related to sub-division of plot and any
changes made there-upon. However, for change in land use
for Petrol pump/filling station and weigh bridges in part
area of plot will be considered notwithstanding with the
requirement of rule 17-B (ii) which inter-alia provides that
the smallest sub divided plot should be of size equal to
minimum 25% area of original plot.

xii. The allottee shall follow all prescribed building parameters
of Building Regulations. Building line shall be maintained
looking to the other plots in particular row.
xiii. Weigh bridges in allotted industrial plot for captive use will be considered without change of land use. Construction of Weigh-bridge platform may be allowed within setback area. However, weigh bridges for captive use will be permitted only in industrial plot having area more than 1500 sq.mts. without charges by the committee constituted for change of land use.

xiv. Change of land use from allotted residential plot to industrial purpose will be considered on merit subject to fulfillment of following conditions:
   a) The plot in question is situated in isolation of the residential block of industrial area.
   b) Social facilities (Viz. Park, hospital, school etc.) for residential uses are not planned in the vicinity.
   c) The changed use plot for industrial use shall strictly be permitted only for establishment of non-polluting industry.

xv. Change of land use for LPG Cylinder Godowns shall be subject to approval/license from Petroleum Safety Organization.

xvi. Statutory and requisite approval such as, Food/Bar License, Fire NOC, Airport Authority, Forest Deptt. Clearance, Environmental clearance etc. from the competent authority shall be obtained by the applicant at his own level.

xvii. Time period for utilizing the converted plot will be as under:
   a) If change of land use is of vacant plot – Same as allowed/ available for the allotted plot.
   b) If change of land use is after utilization of plot – 3 years from the date of issue of final permission.

xviii. The change of land use will be approved by a Committee headed by Executive Director and with Advisor (Infra), concerned Unit head and Manager (Planning)/DTP as members.

xix. Regularization of unauthorized use of an industrial plot and its change of land use will be considered as under:
   a) Allottee shall apply to the concerned unit office for regularizing the existing activity on industrial plot along with existing layout and building map.
   b) After receiving the application, the case will be forwarded to the Head Office Committee as constituted for deciding cases of change in land uses. In case existing building/structure is not found as per the applicable bye
laws, the applicant would be advised to make suitable changes.

c) If the case is found suitable, the applicants will be required to pay the additional conversion charges equivalent to 25% of the prevailing rate of allotment of the industrial area concerned, or applicable conversion charges whichever is lower, as regularization charges besides the normal conversion charges applicable as per rules.

d) Building norms/regulations etc. relevant for changed use will be made applicable to such cases of regularization also and will be observed while regularizing the unauthorized use of the industrial plot for the changed purpose.

e) Plot cancelled due to unauthorized use, shall be restored on the recommendation of change of land use committee.

xx. In case of change in land use of allotted plot, an option may be given to the allottee to use the existing construction for other use, subject to fulfilling requirements of ground coverage, FAR, parking, fire fighting etc., as applicable for changed land use. Guidelines mentioned in point 3.2.19 will be followed.

xxi. If earlier permission was given on industrial plot for Petrol Pump/Weigh Bridge/ Hotel and for commercial warehouse without change in land use then in such cases the use of plot will be treated as industrial for the purpose of further change in land use of the plot.

xxii. For change in land use of part plot, sub-division charges as applicable under the policy/rules for sub-division of plots will be charged in addition to applicable conversion charges.

xxiii. Cases in which permission for change in land use has been granted and part/full conversion charges have been deposited, then request of the allottee for subsequent change in land use of the plot for original use before commencing any activity will be considered on payment of conversion charges equivalent to 0.10 times of the prevailing rate of allotment of the industrial area concerned. The amount of conversion charges already deposited will be refunded after deducting the said amount of conversion charges.

xxiv. In case of transfer of plot after change of land use, the transfer charges will be leviable as under;

a) If plot is utilized before change in land use – At the rate prescribed in the rule for transfer of plot after utilization.
b) If plot is vacant before change in land use and transferred without utilization as per norms – At the rate prescribed in the rule for transfer of vacant plot.

c) If the part converted plot is transferred without utilization – At the rate prescribed in the rules for transfer of vacant plot.

xxv. The payment schedule for conversion charges will be as under:

(a) A letter will be issued by the unit office for conveying provisional/in-principle permission for land use with the condition to deposit 25% conversion charges in 30 days and remaining 75% conversion charges within 120 days from the date of issue of letter.

(b) On payment of 100% conversion charges, final permission for change in land use will be issued and building plans will be approved as per prescribed norms.

(c) Time extension for 75% conversion charges beyond 120 days of issue of provisional permission can be granted up to 24 months with interest @ 18% per annum by the Managing Director.

(d) After approval of time extension, final permission for change in land use will be issued only after deposition of 100% conversion charges with interest. Party will not be permitted to commence any construction activity on the plot and no building maps will be approved by the Corporation till deposition of full conversion charges.

(e) If the allottee fails to deposit the conversion charges within the scheduled/extended period, the provisional/in-principle permission for change in land use will be withdrawn and deposited conversion charges refunded after deducting payable dues and charges equivalent to 0.10 times of prevailing rate of allotment.

(f) In cases wherein permission for change in land use has already been given as on date and time extension for deposition of conversion charges has been granted by the competent authority with interest, then further time extension for deposition of conversion charges beyond 90 days shall be considered up to overall & maximum period of 2 years (including earlier time extensions) with interest @14% per annum by the Managing Director with the condition that no sub leasing of built up area will be made by the party till deposition of entire conversion charges.
xxvi. The allottee of the plot will be required to execute supplementary deed / correction deed after permission for change in land use.

B) The amended provisions for warehousing activity on industrial plot will be as under:

a. Warehousing for captive use will be allowed along with industrial activity without any charges.

b. Storage of raw material/finished goods on part/full industrial plot, for other than captive use, will be treated as commercial warehousing. For allowing commercial warehousing on industrial plot where an industrial unit has already been set up on the plot, following provisions shall apply:

i. If only part industrial building maximum up to 40% of the plot area is permitted for commercial warehousing – subletting of the building will be allowed by charging one month rent as agreed between the parties for each year of subletting and will be paid in advance for entire sub-letting period. Regularization of the unauthorized commercial warehousing will be allowed by charging 1.25 times of the one month rent as agreed between the party for each year of past subletting on the date of regularization. This provision will be inserted in sub-letting rules.

ii. If commercial warehousing on full allotted plot is to be allowed – the allottee will be required to apply for change in land use of the allotted plot from industrial to commercial warehousing purpose.

The existing rule 20-C and relevant rule of sub-letting of RIICO Disposal of Land Rules, 1979 will be submitted amended accordingly.

(Lalit Kumar)
Advisor (Infra)