OFFICE ORDER (4/2016)

Sub: Revised policy for allotment of land for setting-up of warehousing & logistics and partial amendment in the provisions related to change in land use from Industrial to Warehouse.

The IDC vide item (4) of its meeting held on 13.02.2016 has accorded approval for revision in the existing policy for land allotment for Warehouse and adoption of revised policy for land allotment for the purpose of Warehousing & Logistics as under.

(A) Allotment of land for setting-up of Warehousing & Logistics.

1. Definition:

Warehouse and logistics mean to develop warehouses for storage of goods (Raw & finished material) and management of the flow of goods and materials, between the point of origin and the point of destination in order to meet certain requirements of the industries/customers such as integration of information flow, material handling, packaging, inventory management and transportation.

2. Rate of allotment:

Warehousing and Logistics is classified as service enterprises. Land allotment for this purpose will be made at 1.5 times of prevailing rate of allotment of concerned industrial area in unsaturated industrial areas. However, if land allotment is made in saturated industrial areas then the reserve rate of auction (sealed bids) will be decided by Reserve Price Fixing Committee headed by the Managing Director.
3. Procedure for land allotment:
   
   (a) **In unsaturated industrial areas:** Applications will be invited after advertising the availability of plot in the news papers. In case there being more than one applicants then allotment of plot will be made through draw of lots.
   
   (b) **In saturated industrial areas:**
       
       In saturated industrial areas, allotments will be made through auction by way of inviting sealed bids, keeping the reserve rate as decided by the 'Reserve Price Fixing Committee'.
   
   (c) **Allotment of land to Central/State Warehousing Corporations:**
       
       Allotment of plot to Central/State Warehousing Corporations in all categories of industrial areas (unsaturated/saturated) will be made on preferential basis at **1.5 times** of prevailing rate of allotment of concerned industrial area.

4. **Planning of plots and Building Parameters:**

   Suitable plot(s) for the above purpose shall be planned/earmarked on the roads having ROW 18.00 mtr and above in upcoming industrial areas as well as in existing industrial areas depending upon the demand and location of the industrial area. The building parameters will be applicable as applicable to industrial buildings in the rules. However, the area of plots allotted for warehousing and logistic use will not be included in the ceiling of 15% of non-industrial use in an industrial area.

5. **Approval of Building Plans:**

   The land allottee shall be required to get the building plans approved from RIICO before commencement of construction. The Committee headed by MD and having Advisor (Infra), STP/DTP and Unit Head, concerned as members, will approve the same after examination in Town Planning Cell.
6. **Project implementation period:**

   The allottee will be required to complete construction and commence the activity of warehousing and logistics within three years from the date of possession or execution of lease deed, whichever is earlier, as per prevailing RILCO Disposal of Land Rules, 1979. However, in such allotments, utilization of the land would be deemed if the construction of warehouses are completed and ready for functional use. For adjudging completion of construction, construction of warehouses in atleast 20% of the total plot area on ground or permitted FAR will be necessary and shall be verified by the Unit Head, concerned.

7. **Sub-letting of the warehouses:**

   Sub-letting of the warehouse buildings by the allottee will be permitted for the same purpose without any charges/premium etc. observing the relevant Act of the State. However, no sub-leasing of the warehouse building shall be permitted.

8. **Transfer of Plot:**

   Transfer of allotted plot shall not be allowed for other purpose except for 'Warehousing & Logistics' facility and provisions of the relevant rules as applicable for transfer of industrial plots shall be applicable for such plots.

9. **Parking of vehicles /trucks:** The allottees shall be required to submit an undertaking that the vehicle/trucks transporting the material shall be parked within the parking area to be provided by the allottees within its own premises and maximum of two vehicles at a time shall be allowed to be parked for loading/unloading in front of the premises of the unit. Idle parking of truck/vehicle shall not be allowed on the road and/or in the front of the industrial plot/unit. In case of violation on this account, penalty as decided by Corporation on year to year basis, shall be payable, besides taking corrective action.
10. **General terms and conditions of the land allotment:**

Other general terms and conditions will be the same as applicable to industrial plots as per RIICO Disposal of Land Rules, 1979.

The Committee further accorded approval for partial amendment in the existing provisions related to change in land use, from industrial to warehouse (Rule 20-C), as under:

**(B) Partial amendment in the provisions related to CLU from industrial to warehouse (Rule- 20-C)**

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Existing provisions</th>
<th>Prevailing rate of conversion charges</th>
<th>Amended provision</th>
<th>Amended rate of conversion charges</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>(i) Industrial to commercial warehousing on full allotted plot (storage of raw material / finished goods other than captive use) (ii) LPG Cylinder Godown on full/part plot</td>
<td>0.75 times the prevailing rate of allotment of industrial area concerned irrespective of category of industrial area.</td>
<td>(i) Industrial to warehousing and logistics / commercial warehousing on full allotted plot (ii) Industrial to LPG Cylinder Godown on full plot</td>
<td>0.5 times the prevailing rate of allotment of industrial area concerned irrespective of category of industrial area.</td>
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</table>

**Note:** Warehousing and logistics/ commercial warehousing use of plot will not be included in 15% ceiling of non -industrial use in an industrial area.

Accordingly, the existing provisions of Rule 3(R) and 20-C will stand replaced with the revised/amended provisions in RIICO Disposal of Land Rules, 1979.

(Lalit Kumar)
Advisor (Infra)