Sub: Policy for allotment of land on lease/sub-lease basis to Trusts/SPVs for setting up of ZLD based CETPs.

An agenda item (4) was placed before the Infrastructure Development Committee of the Board of Director in its meeting held on 28.04.2017. The IDC has accorded approval to amend rule 3(G)-20 for allotment of land for CETPs and existing provisions shall be replaced by the provisions mentioned below for allotment of land for CETP/ZLD based CETP to the Trusts/SPVs:

(A) **Methodology of Planning of Land:**

(a) **Greenfield Industrial Areas** – In upcoming industrial areas, land shall be planned and earmarked for setting up of CETP as part of the scheme of the industrial area.

(b) **Brownfield Industrial Areas** – For existing industrial areas where sufficient/suitable land is not available for setting up of new CETPs/expansion/up-gradation, then land will be acquired by RIICO or it will be got allotted from the State Government or to be taken on lease from Local Authority concerned.

(B) **Area of Land:**

(i) 5 acres for capacity of 5 MLD CETP
(ii) 10 acres for capacity of 10 MLD CETP
(iii) In case of ZLD based CETP, 2 acres extra.

(C) **Modalities of Land Allotment:**

(i) Allotment of land to Trusts/SPVs will be made on lease/sub-lease basis, as the case may be, for an initial period of 31 years subject to condition that it will be renewed for further period as mutually decided by RIICO and Trust/SPV concerned.
(ii) Allotment of land will be made at a token premium amount of Rs. 1/- only, irrespective of type of industries. The actual land premium paid by RIICO against either acquired or allotted or leased land shall be treated as RIICO's contribution for making industrial areas environment friendly.

(iii) Initially this allotment would be made on provisional basis and shall be valid for two years. Final allotment shall be made subject to submission of DPR, 'Environment Clearance' and 'Consent to Establish' issued by competent authority/department.

(iv) No annual service charges will be levied upon the Allottee Trusts/SPVs by the Corporation. However, Economic Rent shall be paid by Trusts/SPVs as per rules and any other charges after applicability of GST laws.

(v) Trusts/SPVs shall pay other Taxes/Duties/Cess/ water charges/ electricity charges etc. as applicable/imposed from time to time by Corporation or other statutory bodies. RIICO shall not be liable to make payment of such amount in any manner.

(vi) Trusts/SPVs and its member industries shall abide by all the orders/ directions pronounced by various Courts/ NGT/ Tribunals and also abide by all the Acts /Rules/ Regulations /Guidelines/Orders of State/Central Government /MoEF /CPCB / RSPCB/ CGWA/ and all other statutory agencies.

(vii) No change of land use of the allotted land shall be permitted and the land will be used by Trusts/SPVs exclusively for the purpose of setting up the CETP.

(viii) No change in shareholding of the Trusts/SPVs will be permitted without prior permission of the Corporation.

(ix) Trusts/SPVs will be allowed to mortgage the allotted land by deposition of title deed in favour of the Financial Institution for obtaining financial assistance. However, in the cases of land given on sub-lease basis to Trusts/SPVs where land has been leased to the
Corporation by Local Authorities, then prior permission for mortgaging the sub-lease shall be obtained from concerned Local Authorities.

(x) The period for utilization of allotted land will be as below:

(a) If land to be leased by RIICO - Completion of construction and operation of CETP within 3 years from the date of handing over of possession or from the date of issuance of final allotment letter, whichever is later.

(b) If land to be sub-leased by RIICO - Completion of construction and operation of CETP within the period as stipulated in the allotment letter/lease deed of land to RIICO by the Local Authority. However, if time extension is required beyond this period due to any reason, then it will be allowed with prior permission of the Local Authority concerned.

The terms and conditions imposed by allotting local authority concerned at the time of allotment shall mutatis- mutandis shall apply on Trust/SPV.

(xi) Other modalities of land allotment can be decided by the Managing Director, if required, from time to time.

The IDC has also accorded approval for allowing transfer of leasehold rights of land allotted to the Trust/Society for setting up CETP in favour of SPV, to be formed as per norms of RSPCB without payment of transfer charges. However, stamp duty etc. shall be borne by the parties concerned for such conveyance.

(Vijai Pal Singh)
Advisor (Infra)

Copy to:
1. FA/Advisor (A&M)
2. Secretary
3. CGM (BP)/CGM(SEZ)