

**RAJASTHAN STATE INDUSTRIAL DEVELOPMENT AND INVESTMENT
CORPORATION LIMITED**

MINUTES OF : **Infrastructure Development Committee**
VENUE : **Udyog Bhawan, Jaipur**
DATE & TIME : **4th February 2014 at 11.00 A.M.**

PRESENT :

Shri C.S. Rajan	Chairman
Smt. Veenu Gupta	Managing Director & Comm.(Inv.& NRI)
Shri Vinod Ajmera	Commissioner Industries

Shri D.K. Sharma, Secretary was in attendance. Smt. Archana Singh, Executive Director, Smt. Shruti Bhardwaj, Advisor (Infra), Shri S.K. Sharma, Sr. RM (P&D) and Shri S.K. Gupta, Sr. RM (P&D) were also present.

LEAVE OF ABSENCE:

The Committee allowed leave of absence to Shri Yaduvendra Mathur, CMD, RFC.

Item 1: Confirmation of the minutes of the last meeting of the Committee held on 22nd January, 2014.

The minutes of meeting held on 22nd January 2014 were confirmed by the Committee and signed by the Chairman.

Item 2: Action Taken Report on the decisions of the previous meetings of the Committee held on 22nd January, 2014.

The Committee noted the position brought out in the agenda. As regards the pending issues, the Committee directed that these be taken up in a time bound manner and, if required, Nodal Officer may be appointed for each issue.

Item 3: Review of existing provisions of Rule 3(W) of RIICO Disposal of Land Rules, 1979.

The Committee discussed the agenda and appreciated the need to review the existing provisions of Rule 3(W). After discussions, the Committee accorded approval for the amendments in existing provisions of Rule 3(W), as per the amendments given at Annexure-C to the agenda note with the following changes:

- (i) that time extension for commencement of production shall be maximum upto one year from the stipulated date of commencement of production, for the allotments made after 01.01.2014. In such cases of allotment, no time extension shall be permissible beyond one year.

- (ii) In case of FDI the minimum employment shall be according to the size of plot and investment instead of minimum of 100 persons.
- (iii) Plot allotment cancellation approval authority under rule 3(W) in respect to all the cases of allotment will be the Managing Director.
- (iv) Any appeal in the matter shall lie with the Chairman.

The Committee also accorded approval for cancellation of allotment of existing defaulter plot allottees. The cancellation order will be issued by the Unit Head with the approval of Managing Director in the following cases:

- (a) In cases wherein the allottee has not deposited full 75% cost of land even after expiry of 180 days.
- (b) In cases wherein the allottee has already defaulted more than three installments of land cost and plot is vacant.
- (c) In cases wherein plot is lying vacant and scheduled/extended time period has already expired.

The amendments made hereinabove shall be applicable on all pending applications received through SWCS for allotment of industrial land under Rule 3(W).

Item 4: Partial amendment in the existing policy for sub-division of large size industrial plots.

The Committee desired that the issue be further deliberated at length in-house.

Item 5: Review of existing provisions related to period of show cause notice and period of filing review application against cancellation.

The Committee discussed the agenda and accorded approval for enhancing the period of existing provisions related to period of show cause notice and period of filing review applications against cancellation from the existing 30 days to 45 days.

Item 6: Policy for charging application fee with the applications for allotment of land in various industrial areas.

The Committee discussed the agenda and accorded approval to prescribe application fee, as under, to be taken from each applicant who applies for allotment of land for industrial and institutional purpose, which will be non-refundable and shall be in addition to requisite security/keeness money:

Size of plot (Sqm)	Industrial Areas of Jaipur Distt. & NCR (Rs.)	Other Industrial Areas (Rs.)
Upto 500	2000/-	1000/-
501-1000	4000/-	2000/-
1001-4000	6000/-	3000/-
4001-10000	8000/-	4000/-
10001 and above	10000/-	5000/-

The above amendments be suitably inserted in the relevant Rules of RIICO Disposal of Land Rules, 1979.

Item 7: To extend benefits of the Tribal Area Regional Industrial Promotion Scheme 2009-10 to transferee who have purchased plots from original allottee and commenced production activity within prescribed time limits of the scheme.

The Committee discussed the agenda and decided that the benefit of the scheme be also extended to the transferees who have purchased plot(s) from original allottee and commenced production activity within prescribed time limits of the scheme.

Item 8: Insertion of new proviso in RIICO Disposal of Land Rules, 1979 regarding forfeiture of security money on transfer of vacant plot by an allottee and to recover new security money from the transferee of the plot.

The Committee discussed the agenda and accorded approval for inserting following new provisions in the relevant RIICO Disposal of Land Rules, as under:

- (i) Security deposit of the allottee will be forfeited consequent upon transfer of the plot without commencement of production activity.
- (ii) Fresh security deposit has to be made by the transferee in whose favour the leasehold rights of the plot is transferred without commencement of production.
- (iii) In the cases where fresh security deposit has already been got deposited from the transferee, the same will not be refunded.

Item 9: Review of existing provisions related to deduction of cost of land on cancellation of allotment/surrender of allotted plot.

The Committee discussed the agenda and, in order to simplify the existing rules, accorded approval that in cases of cancellation/surrender of plot, the deduction of land cost shall be made @10% of the net cost of plot/land where the rate of allotment was upto Rs.2000/- per sqm. and @ 6% of the net cost of plot/land where the rate of allotment was more than Rs.2000/- per sqm., irrespective of plots allotted by normal procedure or through auction and whether the industrial area is saturated/unsaturated. The above provision be made applicable in all cases in which refund has not been made so far after cancellation/surrender except in the cases of plot sold by auction wherein specific condition of deduction of land cost @ 6.25% is mentioned in the allotment letter as per terms and conditions of auction.

The above amendments be suitably made in the relevant RIICO Disposal of Land Rules.

Item 10: Change of land use from residential to industrial in case of Gajakarma Buildwell Pvt. Ltd., allottee of Plot No.GH-1 at Industrial Growth Centre, Khara Distt. Bikaner.

The Committee discussed the agenda and accorded approval for change of land use of Group Housing Plot No.GH-1 at Industrial Growth Centre Khara from residential to industrial use without levy of any charges, relaxing the condition of not allowing change of land use of vacant plot.

The Committee also decided that similar cases of change of land use from allotted vacant residential plots to industrial purpose be considered by the competent committee for finalization of change of land use (CLU), without levy of any charges. The CLU Committee will decide the matter on merit considering the following:

- a) The plot in question is situated in isolation of the residential development of the Corporation.
- 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.

Item 11: Exempting GAIL from permission charges for laying of CS/MDPE Gas Pipeline along with OFC/Duct for supply of Natural Gas to various consumers at Industrial Area, Neemrana.

The Committee discussed the agenda and accorded approval for exempting GAIL (India) Ltd. from the payment of permission charges for laying of CS/MDPE Gas Pipeline along with OFC/Duct for supply of natural gas to the consumers at Industrial Area, Neemrana. As regards deposit of restoration charges, the Committee decided that a refundable security deposit of Rs.50.00 lac be taken from GAIL which shall be refundable, without interest, after restoration of the existing infrastructure to the satisfaction of the Corporation. Accordingly the demand dated 20.8.2013 raised by the Unit office on GAIL be amended.

Item 12: Permission for change of land use from Beawar Udyog Mandal Ltd., Beawar to their allottees.

The Committee discussed the agenda and accorded approval to make applicable RIICO's policy of land use change allowing upto 15% Non-industrial use in an industrial area to sub-lessees of the industrial area developed by Beawar Udyog Mandal Ltd. Individual proposals for change in land use will be decided upon by the Committee constituted for this purpose as per rule 20-C of RIICO Disposal of Land Rules, 1979. The conversion charges will be levied from the sub-lessee by RIICO as per rules which shall be computed on the basis of rate of allotment of nearby industrial area.

Item 13: Cases of allotment of big chunks of undeveloped land to Rajasthan Integrated Apparel City (RIACL) and Bhartiya Jan Kalyan Trust (BJKT) at Industrial Area, Karoli, Bhiwadi.

The Committee observed that allotment of 250 acres undeveloped land was approved in favour of RIACL in its meeting held on 28.12.2011. In spite of repeated requests the allottee has even not deposited the 10% payment towards the keenness money. Similarly, BJKT in whose favour 200 acres undeveloped land was reserved in its meeting held on 29.5.2013 have also not deposited the keenness money.

In view of above, the Committee decided to withdraw the offer of allotment/reservation of land made in both cases.

Item 14: Case of M/s. Neemrana Education & Research Charitable Trust, allottee of institutional plot No.I-261 at NIC(M), Neemrana.

The Committee discussed the agenda. In view of the fact that condition No.4 of EOI document, which inter-alia states that in case of enhancement of rate of land upto finalization of decision by the Committee, the revised rate of allotment shall be applicable, which was agreed upon by the applicant, the Committee rejected the request of the applicant for charging pre-revised rate of allotment of Rs.2000/- per sqm. The Committee, however, agreed to allow admissible rebate for large size plot but the same shall be reimbursed to the allottee only when the college is made operational. It was also directed that the unit office shall issue a notice to the allottee for not commencing construction activity on the allotted plot.

Item 15: Withdrawal of cancellation order and sanction time extension without retention charges to allottees of plot No.S-1 to S-5 at Industrial Area, Arbuda, Abu Road.

The Committee discussed the agenda and directed to seek a factual report from SDM, Mount Abu as regards to payment of land compensation.

Item 16: Case of M/s. Kamal Industries, Plot No.F-3(J), Industrial Area, Kaladera, Jaipur regarding sub-division of plot and transfer charges to be levied.

The Committee discussed the agenda and accorded approval for regularizing sub-division and transfer of plot. However, the transfer charges shall be leviable @ 18.75% of the prevailing rate of allotment.

Item 17: Case of Ridhi Sidhi Infra Project Pvt. Ltd. Industrial Area, Silora, Kishangarh, regarding restoration charges.

The Committee discussed the agenda and accorded approval for amendment in rule 24 (3) (A) (i) and (ii) of RIICO Disposal of Land Rules 1979 as under:

Rule 24(3) (A) (i):

Cancellation of plot due to default in payment of 75% cost of land or three or more consecutive installments; restoration of plot shall be done on payment of outstanding dues towards cost of land along with interest and additional charges @ 1/3rd of difference in prevailing rate of allotment at the time of approval of restoration and net effective rate of allotment at which allotment of land was made.

Rule 24(3) (A) (ii):

Cancellation of plot due to default in payment of less than 3 consecutive installments; restoration of plot shall be done on payment of outstanding dues towards cost of land along with interest and additional charges @ 10% of difference in prevailing rate of allotment at the time of approval of restoration and net effective rate of allotment at which allotment of land was made.

The Committee also endorsed the decision of the management not to refund additional development charges recovered from Ridhi Sidhi Infra projects Pvt.Ltd. towards the restoration charges.

Item 18: Case of M/s. Somani & Company Industries, Plot No.E-18, Industrial Area, Bichhwal-I, Bikaner – regarding exchange of industrial plot in upcoming industrial area, Gajner, Bikaner.

The Committee discussed the agenda and, looking to the fact that numerous opportunities had already been given in the past to the allottee for exchange of plot and the deposited money has been forfeited as per the then applicable rules, decided to reject the request of the applicant for exchange of plot.

Item 19: Case of M/s. Goyal Industries, Plot No.C-330 (C), IPIA, Kota regarding permission for transfer of part sub-divided plot.

The Committee discussed the agenda and rejected the request of the allottee for transfer of part sub-divided plot.

Item 20: Case of M/s.Vijayvargiya Food Processing Industries, Plot No.H1-323(A), IPIA, Kota regarding permission for sub division of allotted plot.

The Committee discussed the agenda and rejected the request of the allottee for transfer of part sub-divided plot.

Item 21: Appeal of J.D.World Wide Export-Import (P) Ltd. against cancellation order dated 09.08.2012 pertaining to additional land admeasuring 12650 sqm. at Industrial Area, Sitapura, Jaipur for Hotel Project.

The Committee was briefed about the facts of the case. After detailed discussions the Committee decided as under:

- (i) Upholding the decision of the Managing Director for cancellation of additional land measuring 12650 sqm.

- (ii) Rejecting the appeal of the allottee for restoration of cancelled plot.
- (iii) Directing Unit office to take effective action for vacation of stay granted by the Hon'ble Delhi High Court.

Item 22: Taking policy decision on the various issues as cropped up out of the case of existing land allottees which are not covered under existing rules/policy.

The Committee perused the recommendations of the in-house group dt. 30.10.13 and accorded approval as under:

1. Seller of the plot to be made liable for arrears of various charges relating to the plot:

All outstanding dues/arrears have to be recovered from the purchaser of the plot only, as it is practically difficult to hold the seller liable after registered sale deed is executed.

2. Purchaser not reporting purchase of the plot to RIICO and subsequently plot is cancelled after serving notices to the seller.

Recovering retention charges for the period of delay/extension involved in the case at double the normal rate of retention charges (as a penalty) including restoration charges as per rules.

3. An allottee transferring a plot violating the rider that plot can not be transferred without commencing production in the unit.

Purchaser will pay additional charges equivalent to 0.25 times of normal rate of transfer charges as applicable for transfer of vacant plot by a defaulter allottee in such cases.

4. Advisory Suggestions:

All unit offices must put a sign board at suitable location in their office warning that before purchasing any plot from existing allottees, the purchaser should ensure its present status and pending liabilities from the unit office concerned. The same may also be uploaded on RIICO website to facilitate 'informed decision' of purchase by the purchaser.

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

