

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

**MINUTES OF** : Infrastructure Development Committee  
**VENUE** : Udyog Bhawan, Jaipur  
**DATE & TIME** : 29<sup>th</sup> May 2012 at 11.30 A.M.

**PRESENT :**

Dr. Purushottam Agarwal	PSI & Chairman and Commissioner (Inv. & NRI)
Shri Yaduvendra Mathur	CMD RFC
Shri Rajendra Bhanawat	Managing Director

Shri D.K. Sharma, Secretary was in attendance. Ms. Aparna Sahai, Financial Advisor, Shri Chetan Deora, Advisor (Infra), Shri M.L. Meena, Addl. Chief Engineer, Shri S.K. Sharma, Sr. RM (P&D) and Shri S.K. Gupta, Sr. RM (P&D) were also present.

**LEAVE OF ABSENCE**

Leave of absence was granted to Shri Rajhans Upadhyay, Commissioner Industries and Shri Naresh Pal Gangwar, Secretary Energy.

**Item 1: Confirmation of minutes of the last meeting of the Committee held on 26<sup>th</sup> April 2012.**

Minutes of the last meeting held on 26<sup>th</sup> April 2012, were confirmed and signed by the Chairman.

**Item 2: Action Taken Report on the decisions of the previous meeting of the Committee held on 26<sup>th</sup> April 2012.**

The Committee noted the position. The Committee also directed as under:

1. To induct the Managing Director as member of the Sub-group formed to examine the issue of acquired private land for industrial area Amberi, Udaipur. It was also decided to induct MD RIICO as a member of the Sub-Group, wherever presently MD is not a member.
2. Sub-group meeting may be called at an early date to consider draft RIICO Disposal of Land Rules 2010.
3. Pending a final decision on de-acquisition of 0.98 hectare private khatadari land of village Kukas, Jaipur; development works on the remaining land be taken up.

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**Item 3: Recommendation of the Sub-Group constituted by the IDC in the matter to frame a policy laid down the norms for allotment of land to set up vocational institute/skilled development centers.**

The Committee discussed the agenda. As regards the definition of 'vocational education or vocational education and training/skill development' the Committee approved that the competent authority may be guided by the broad definition proposed in Annexure-3 (reproduced below) to the agenda note to determine whether an institute is providing 'vocational education or vocational education and training/skill development'. The definition as in Annexure 3 of the agenda is as follows:

**'Vocational education or vocational education and training (VET) is an education that prepares trainees for jobs or careers at various levels from a trade to a craft or a position in engineering, accounting, nursing, medicine and other healing arts, architecture, pharmacy, law etc. Craft vocations are usually based on manual or practical activities, traditionally non-academic, related to a specific trade, occupation, or vocation. It is sometimes referred to as technical education as the trainee directly develops expertise in a particular group of techniques.**

The Committee also accorded approval for enlarging the scope of definition of educational institute under Rule 3(E)(i) of RIICO Disposal of Land Rules, as below:

**"The expression education institution shall be that institution which imparts primary/secondary education or degree/diploma as recognized by the State/Central Government or Agencies set up by these Government for monitoring such educational institutions excluding Private Universities, and also those institutes/centers to be established for skill development/vocational training/institutes imparting certificate courses".**

The Committee also accorded approval for change of land use from industrial to institutes/centers established for skill development/vocational training institutes, the conversion charges may be levied @ 25% of prevailing rate of development charges of the industrial area concerned, instead of existing provision of 3 times the prevailing industrial rates.

**Item 4: Agenda in compliance to the General Observation of IDC to provide a paper giving details of non-functional Water Supply Scheme in Industrial Areas.**

The Committee discussed the agenda and made following observations:

1. Wherever the Corporation plans to develop an industrial area, the availability, source, distribution of water may be examined/ensured looking to the nature of industries proposed to be set up in that area and their water requirement.

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2. Development and acquisition of surface water sources be preferred wherever feasible.
3. Water supply be integrated in the planning/development of industrial area in future.
4. Generally, individual industrial units may not be permitted to develop its own underground source of water within the allotted land. Instead, RIICO should develop common supply sources.
5. Rain water harvesting, ground water re-charging and re-use of water be encouraged.
6. The Corporation may explore the possibility to procure long term bulk water supply from reliable sources and plan its distribution.

**Item 5: Dealing with cases wherein land was allotted during the specific period without any obligation for completing construction and commencing production activity on the allotted land within the stipulated period.**

The Committee discussed the agenda and also perused the opinion of Advocate General, Rajasthan. The Committee accorded approval for inserting following new provision in the Rule 21 of RIICO Disposal of Land Rules, 1979:

**"In cases of plot/land allotments made during 13.11.2000 to 31.3.2001, 24.11.2001 to 31.3.2002 and 24.2.2003 to 31.3.2003 wherein land allotment was made without any specific condition on the allottee for completing construction and commencing production activity on the allotted land/plot within the stipulated period would now be required to complete construction and commencing production activity within a period of 3 years in non NCR Region and within 2 years in NCR Region from 1.6.2012."**

The above amendment may also be publicized in the newspaper besides individual written intimation to the affected allottees.

**Item 6: Regularization of unauthorized construction in allotted industrial plots at industrial area, Phalodi.**

The Committee discussed the agenda and noted that the reported unauthorized construction in the setbacks areas have been done by the cited three plot allottees to protect their raw material/finished products from contamination and to maintain hygiene of salt manufactured by them. The Committee, keeping in view facts and circumstances of these cases, as peculiar cases, accorded approval for regularizing complete unauthorized construction falling in setbacks of plot Nos. E-89, E-98 and E-99 at industrial area Phalodi, provided that total covered area is within the permissible limit as per the rules. The regularization/compounding will be done at 5 times of the prevailing rate of development charges in front setbacks and 2.5 times of

the prevailing rate of development charges in side/rear setbacks for ground floor unauthorized construction as per office order No.27/2005 dated 22.11.2005.

**Item 7: Amendment in existing building bye-laws/parameters related to industrial plot allotted in EPIP, Sitapura, Jaipur.**

The Committee discussed the agenda and observed that the issue relates to permitting/regularizing the unauthorized construction made in the service block of the plots at EPIP Jaipur. An opinion of Chief Town Planner, Rajasthan, obtained on this issue was perused by the Committee which inter-alia states that present provision of service area is sufficient to meet the requirement as mentioned in the bye-laws and therefore no further construction should be allowed through compounding. Accordingly, the proposed amendments were not found acceptable.

**Item 8: Revision in Administrative Sanction for development of Industrial Area Kekri Phase-I & II.**

The Committee discussed the agenda and accorded approval for revised administrative sanction for development of industrial area Kekri Phase-I & II, at an estimated cost of Rs.22.81 lacs, as per the cost sheet at Annexure 'A' to the agenda note.

**Item 9: Revision in Administrative Sanction for development of IID Centre, Nagaur.**

The Committee discussed the agenda and accorded approval for revised administrative sanction for development of IID Centre, Nagaur at an estimated cost of Rs.1026.17 lacs, as per the cost sheet at Annexure 'A' to the agenda note.

**Item 10: Case of Maruti Zip Fastners Pvt. Ltd. Plot No. F-20(B) Malviya Industrial Area, Jaipur regarding regularization of unauthorized use of industrial plot for hotel.**

The Committee discussed the agenda, perused the site inspection report of Additional Chief Engineer and observed that substantial portion of the construction has to be demolished which may not be feasible, cause an accident and will not be safe also. Further, the open area available in the plot is reported to be more than what is prescribed and also hotel now is a permissible industrial activity.

In view of totality of facts and circumstances of the case, the Committee accorded approval for regularization of un-authorized construction/use of industrial plot for hotel, subject to the condition that allottee will furnish an undertaking to the effect that no new construction will be ever done by them in front/side setbacks in future. The regularization/compounding will be done at 5 times of the prevailing rate of development charges in

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front setbacks and 2.5 times of the prevailing rate of development charges in side/rear setbacks for ground floor unauthorized construction.

**Item 11: Regularization of unauthorized structure constructed in violation of prescribed set backs in case of Agarwal Marble & Industries (P) Ltd. plot No. B-73, VKIA, Jaipur.**

The Committee discussed the agenda and accorded approval for regularization of unauthorized structure constructed in violation of prescribed setbacks in case of Agarwal Marble & Industries (P) Ltd., Plot No.B-73, VKIA Jaipur. The regularization/compounding will be done at 5 times of the prevailing rate of development charges in front setbacks and 2.5 times of the prevailing rate of development charges in side/rear setbacks for ground floor unauthorized construction.

**Item 12: Case of M/s. Tarun Industries (Hotel Rawat Palace), Plot No.H1-49-50, Industrial Area, Dausa regarding relaxation in prescribed setbacks and waiver of regularization charges.**

The Committee discussed the agenda. The case is similar to one in item No.10. The Committee accordingly, accorded approval for regularization of unauthorized construction/use of industrial plot for hotel, subject to the condition that allottee will furnish an undertaking to the effect that no new construction will be ever done by them in front/side setbacks in future. The regularization/compounding will be done at 5 times of the prevailing rate of development charges in front setbacks and 2.5 times of the prevailing rate of development charges in side/rear setbacks for ground floor unauthorized construction.

**Item 13: Exchange of plot to M/s. Shri Ram Industries, an allottee of plot No.SP-1 at industrial area Mandore, Jodhpur.**

The Committee discussed the agenda and noted that the decision of the IDC taken vide item No.20 of its meeting held on 30.7.2010 according approval for allotment of alternative land to M/s. Shri Ram Industries may not be implemented due to court stay order. The IDC, therefore, decided that the allottee may either await the decision of the court or take an alternative plot in a block of 10 nos. of vacant industrial plots (measuring 19086 sqm.) in the same industrial area, which is reported to be free from encumbrances.

**Item 14: Review of policy for preferential allotment of land under rule 3(W) of RIICO Disposal of Land Rules, 1979 - Status of application as on 5.12.2011.**

The Committee discussed the agenda and noted that in a similarly situated case of M/s. Shivdeep Industries, the Constituted Committee under Rule 3(W) has

approved allotment of land on 28.10.11 whereas the application of M/s. Hanuman Udyog dated 11.10.11 was also pending on that date.

In view of above, and to maintain uniformity of decision in all the similarly situated cases, the Committee accorded approval for allotment of land to M/s. Hanuman Udyog at industrial area Karni (Extn.), Bikaner, subject to fulfillment of the eligibility criteria under Rule 3(W) as applicable at the time of making application i.e. 11.10.2011 and justification for area of land.

**Item 15: To implement orders of the State Government to bear amount exceeding Rs. 5 crore and upto Rs.10 Crore (i.e. Rs.5 crore), with respect to production incentive package under Tribal Area Regional Industrial Promotion Scheme 2009-10.**

The Committee discussed the agenda and accorded approval to contribute additional amount to the maximum extent of Rs.5.00 crore under the cited scheme.

**Item 16: Relaxing the minimum constructed area requirement as prescribed in the rule (Rule 21) for fabrication of Towers and Agro Fuel Coal Brickets units.**

The Committee discussed the agenda and accorded approval for allowing relaxation in minimum 20% built up area requirement for the units Fabricating Towers and manufacturing Agro Fuel Coal Brickets.

**Item 17: Policy for change in land use from Nursing Home/Hospital to Educational Institute.**

The Committee discussed the agenda and noted that conversion of Nursing Home/Hospital plots for Educational Institute purpose is conversion from higher to lower use as per classification in the Corporation. The Committee, therefore, accorded approval for allowing the change of land use from Nursing Home/Hospital to Educational Institute without levy of any charges as, for Nursing Home/Hospital, payable charges are more compared to educational institute. In case of unauthorized use of a Hospital/Nursing Home plots for Educational Institute purpose then a penalty amount equivalent to 25% of the prevailing rate of development charges may be levied.

**Item 18: Defining the term "commencement of production activity" in case of industrial units and utilization of the plot allotted for non industrial activity.**

The Committee discussed the agenda and defined the term 'commencement of production activity' as under:

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- a. construction of requisite built up area as per rule, and
- b. compliance of any one of following:
  - (i) in case of units which are liable to deposit Sales Tax, CST or VAT – the date on which the unit makes the first payment of Sales Tax, CST or VAT.
  - (ii) in case of units not paying Sales Tax, CST or VAT – any other tax paid for the first time to the State Government.
  - (iii) for those sectors which do not pay any taxes to the State Government in respect of investment to which subsidy/exemption is linked – bill of commercial transaction (receipt of deposit of fee/charges etc.).

However, in those cases where preferential allotment has been made under Rule 3(W) in such cases 'commencement of production' will be deemed only after investment of the envisaged amount as per the project submitted by the allottee at the time of approval of allotment by the constituted Committee, besides compliance of above cited stipulations.

This shall come into force w.e.f. 1.6.2012.

In case of non-industrial plots/project/building 'commencement of activity' shall be considered as per the existing rules.

**Item 19: Recommendation of the Sub-Group constituted by the IDC in its meeting held on 17.5.2012.**

The Committee discussed the agenda and accorded approval to the suggested general policy for sub division of large size industrial plot as recommended by the Sub-Group in its meeting held on 17.5.2012 as annexed at Annexure 'A' to the agenda note. The case of Aksh Optifibre Ltd. may be decided as per the above general policy.

**Item 20: Permission for change of land use from IT Industry to Non IT use such as Hotel, etc. at Industrial Area Kanth Kalwar, Jaipur.**

The Committee discussed the agenda and formed a Sub-Group of Commissioner (Inv. & NRI), CMD RFC and MD to examine the broader issue of converting industrial area Kanth Kalwar from industrial to institutional and review of the ceiling of 15% for supportive infrastructure facility.

**Item 21: Proposal for considering allotment of undeveloped land measuring 1000 acres to Bhartiya Jan Kalvan Trust, New-Delhi, out of the land under acquisition at Tapukara, Bhiwadi.**

The Committee discussed the agenda and also heard the view point of the representatives of the Trust. The Committee while acknowledging the

importance for shifting of industries from Delhi to Rajasthan in large numbers also reviewed the status of availability of land at industrial area Tapukara (Ext.) and proposed acquisition for industrial Khushkhera (Ext.) and letter of comfort/reservation so far issued. It was also noted that the land in question is not yet under possession of RIICO and EC is yet to be obtained. It was also observed that formation of SPV and availability of grant under Integrated Infrastructure Up-gradation Scheme (IIUS) is yet to be finalized.

In view of above, the Committee decided to earmark 250 acre land at industrial area Khushkhera (Ext.) for Cluster Development for re-location of industries from Delhi.

**Item 22:** Allotment of undeveloped land measuring 100 hectares to M/s. Shri Nath Mega Texprocess Cluster Pvt. Ltd. for setting up of common cluster production center under Bhilwara Powerloom Mega Cluster Scheme.

The consideration of the agenda item was deferred.

**Item 23:** Proposal for ex-post-facto approval for allotment of additional 6 acre land and allowing rebate in the development charges for Solar PV Power being promoted by DMICDC Ltd. at new industrial complex (Japanese Zone), Majrakanth, Neemrana.

The Committee discussed the agenda and accorded ex-post-facto approval for allotment of additional 6 acre land to DMICDC at 50% rebate of development charges (i.e. Rs.1000/- per sqm. on the basis of present development charges) payable in 20 equal annual interest free instalments for setting up of 6 MW Solar PV Power project at new industrial complex, (Japanese zone), Majrakanth, Neemrana.

**Item 24:** Ex-post-facto approval of the decision taken by the management for allotment of land at token price of Re. 1/- to:

1. Balotra Water Pollution Control & Research Foundation Trust for setting up of a RO Plant at Industrial Area Balotra Ph-III.
2. Matsya Jal Parishodhan Trust, Alwar for setting up of CETP at MIA, Alwar.

The Committee discussed the agenda and accorded ex-post-facto approval for allotment of about 15000 sqm. land of the service area at industrial area Balotra, Phase-III at a token of Re.1/- to Balotra Water Pollution Control & Research Foundation Trust for setting up of a RO Plant.

The Committee also accorded ex-post-facto approval for allotment of 20000 sqm. land at a token of Re.1/- to Matsya Jal Parishodhan Trust, Alwar for setting up of CETP at MIA, Alwar.

Both the Trust would however pay economic rent, service charges as per rules. The cost of establishment of CETP would be met by the Trustees themselves.

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**Item 25: Approval of the recommendations of the Committee formed in respect to market rate determination of private land under acquisition for expansion of industrial area Kohala.**

The Committee discussed the agenda and accorded approval to the recommendation of the Constituted Committee with respect to market rate determination of private land under acquisition for expansion of industrial area Kohala dated 9.5.2012 and making the same available to the Land Acquisition Officer for further necessary action.

**Item 26: Regarding surrender of 35 bigha government allotted land of village-Baggad, Tehsil-Bhim (Rajsamand).**

The Committee discussed the agenda and accorded approval to surrender 25 bigha allotted government land of khasra no.2944 & 2945 in favour of the State Government as recommended by the District Collector vide letter dated 17.5.2012.

**Item 27: To authorize Unit Head Sitapura to execute the Bond cum Legal Undertaking on behalf of RIICO jointly with the Development Commissioner and Specified Officer, SEZ, Sitapura as per requirement of SEZ Act/Rules.**

The Committee discussed the agenda and accorded approval for authorizing the unit head, Sitapura for execution of Bond-cum-Legal Undertaking under Rule 12(5) of SEZ, Rule, 2006 jointly with Development Commissioner and Specified Officer, SEZ, Sitapura on behalf of the Corporation. The Committee also authorized Secretary of the Corporation to affix the Common Seal of the company on this document.

**Item 28: Change in nomenclature of 'Development Charges' to 'Allotment price of Land' to avoid misinterpretation.**

The Committee discussed the agenda and accorded approval for change in nomenclature from 'Development Charges' to 'Allotment Rate' for the cost of land leased by the Corporation in order to appropriately represent consideration for the allotment of land.

**Item 29: Revised administrative sanction for development of industrial area, Jurehra Distt. Bharatpur.**

The Committee discussed the agenda and accorded approval for making revision in the administrative sanction for development of industrial area Jurehra from Rs.96.73 lacs to Rs.302.75 lacs as per Annexure 'A' to the agenda note.

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With the permission of Chair, following agenda item was taken up for consideration:

**Item 30: Review of existing provisions of Rule 3(W) of RIICO Disposal of Land Rules, 1979.**

The Committee discussed the issue relating to considering request for allotment of land in those industrial areas which are not opened/notified for allotment. It was observed that consideration of request for allotment of land, even before opening of an area for allotment, is considered desirable in order to give some short of assurance to the prospective big investors so that they may formalize their plan to set up manufacturing unit in the State.

The Committee decided that in such industrial areas where land has come in possession of the Corporation, but due to requirement of environment clearance (EC), the area could not be developed and opened for allotment; management may, with prior approval of IDC, consider application for preferential allotment under Rule 3(W) for reservation of land in such area, subject to following conditions:

1. a 'letter of reservation' will be issued once the case is approved under Rule 3(W), whereas 'letter of allotment' would be issued after opening of the area.
2. allotment rate as applicable at the time of opening of the area for allotment shall be charged. However, application should be accompanied with deposit of such application amount as determined while notifying the area.
3. possession would be handed over only after opening of the area.
4. a public notice to this effect will be issued to give equal opportunity to the concerned. Any application received before issuance of public notice shall not be entertained.
5. reservation/allotment under Rule 3(W) will be made upto 70% of total saleable area and the balance 30% area would be allotted after development of industrial area by following the laid down procedure in this regard.

The Committee could not consider the other issues due to paucity of time.

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**GENERAL OBSERVATION:**

The Committee was informed that the minutes are hosted on the website of the Corporation immediately after its approval by the Chairman; therefore, the decisions come into public domain immediately without awaiting issuance of office order. In supersession to its earlier decision, the Committee, therefore, decided that **the effective date for the decision shall be the date of hosting of minutes on the website** and the same shall also be mentioned in the office orders issued in this regard.

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

