

**Rajasthan State Industrial Development & Investment
Corporation Ltd., Udyog-Bhawan, Tilak-Marg, Jaipur-302005**

No: IPI/P-5/2013/46/136
Dt: 03. April, 2019

CIRCULAR

As per provisions in RIICO Disposal of Land Rules, 1979, the land/plot is allotted by the Corporation on 99 years lease basis and the allottee of the plot is required to pay annual service charges and economic rent for the land area as per the Lease-Agreement executed with the allottee concerned. These annual Service Charges & Economic Rent are being recovered at the rates prescribed by the Corporation from time to time. In case of delay in payment of above dues within the stipulated time period, the allottee is liable to pay interest for the delayed period at the rate of interest prescribed by the Corporation from time to time.

In a matter referred to HO, it has been observed that part area of allotted plot has been acquired by any Government Agency (NHAI/PWD/Railway etc.) for construction of Road/Railway line/Pipelines etc. due to which the allotted area is reduced to the extent of part land area acquired by such agencies. Due to the above situation, such plot allottee is requesting to levy service charges & economic rent on net available area. The matter has been examined and it has been observed that unit offices are not following the uniform principle to levy service charges/economic rent from such plot allottees inspite of the decisions taken in this regard earlier by the Management of the Corporation and Office Orders issued from time to time. Some unit offices are levying service charges & economic rent on the actual allotted area whereas some unit offices are recovering these dues on the reduced area, may be without executing supplementary lease agreement with the allottee for amendment in the original lease agreement consequent upon reduction in the area.

In order to deal with such cases uniformly, following directions are issued to the Unit Offices;

1. As soon as the allottee(s) inform to the unit office regarding reduction in the allotted area, the actual area remains with the allottee(s) will be re-measured and re-planning of the industrial area concerned will be got approved from the competent authority so that revised total saleable area may be ascertained due to reduction in the saleable area of the plots.
2. A supplementary Lease Agreement will be executed with the allottee for making amendment in the area of the plot mentioned in the original lease agreement. The said supplementary lease agreement will be got registered at his own expenses by the allottee.
3. Once the supplementary lease-agreement has been executed and registered by the allottee, thereafter, the service charges and economic rent will be levied on the plot area amended as per supplementary lease agreement. Such Service Charges and Economic Rent will be levied from the date of execution of such supplementary lease agreement.
4. In case the service charges and economic rent on the originally allotted area has been recovered prior to execution of supplementary lease agreement despite of the fact that at the time of recovery of such charges, the area of the plot was reduced then in such cases, the amount recovered for short area will not be refunded.
5. In case earlier, supplementary lease agreement has been executed for the amended area, however, the service charges and economic rent are being deposited as per the original allotted area then under such circumstances, adjustment of amount of service charges and economic rent already deposited for the acquired land area of the allotted plot from the date of execution of supplementary lease agreement will be made in favour of allottee against future dues and interest on this amount upto the date of such adjustment by the Corporation shall be computed as per the rates prescribed from time to time. Presently the rate of interest are as under:-

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|----|---|---------------|
| 1. | If amount remains with the Corporation for a period less than 1 year | @ 5.50 % p.a. |
| 2. | If amount remains with the Corporation for a period of 1 year and above | @ 6.00 % p.a. |

However, the amount of service tax/ GST already paid to the concerned Govt. Taxation Department on the said amount shall not be refunded.

10/05/19
(Gaurav Goyal)
Managing Director

Copy to:

1. FA/Advisor (A&M)/Advisor (Infra)
2. Secretary
3. CGM(Inv)/ GM(BP)
4. GM (Infra/Fin/PR)/ GM (Civil)
5. OSD (Land)
6. DGM (IT)- for uploading on website.
7. Sr. DGM (Law)
8. STP, Planning Cell
9. All Unit Heads -----
10. P&D Cell Officers:
Addl. DGM (P&D) / Sr.DGM (P&D)/Sr.RM (P&D) (SL/(SJ)
11. Sr.RM (M&C)/RM(P&D)/ Dy. Mgr (P&D)
12. SI (AK)

Copy also to:

- (i) PS to Chairman, RIICO
- (ii) PS to MD, RIICO

Advisor (Infra)

