RAJASTHAN STATE INDUSTRIAL DEVELOPMENT AND INVESTMENT CORPORATION LIMITED

MINUTES OF : Infrastructure Development Committee

VENUE : Udyog Bhawan, Jaipur

DATE & TIME : 7th October 2014 at 11.00 A.M.

PRESENT:

Shri C.S. Rajan Chairman

Smt. Veenu Gupta Managing Director

Shri D.K. Sharma, Secretary was in attendance. Shri Prakash Tekwani, Financial Advisor, Shri Lalit Kumar, 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 granted leave of absence to Shri Alok, Secretary Energy and Dr. Prithviraj, Ex-Commissioner (Investment & NRI)

<u>Item 1: Confirmation of the minutes of the last meeting of the Committee held on 6th August, 2014.</u>

The minutes of meeting held on 6^{th} August, 2014 were confirmed by the Committee and signed by the Chairman.

<u>Item 2</u>: <u>Action Taken Report on the decisions of the previous meetings of the Committee held on 6th August, 2014</u>

The Committee noted the position brought out in the agenda note and desired that pending issue of incorporating the suggestions of constituted Committee and KP team in RIICO Disposal of Land Rules be attempted before the next meeting of IDC.

<u>Item 3</u>: <u>Review of the existing policy for allotment/regularization of strip of land/ excess land.</u>

The Committee discussed the agenda and accorded approval for amendment in Rule 12 (B), as under:

12(B-1): <u>Definition of "Strip of Land"</u>

(i) A "strip of land" shall mean a piece of land adjoining one or more existing plots which cannot be put to independent use either because it cannot be planned as an independent plot in conformity with the town planning norms or because there can be no approach to such piece of land. (ii) Any land in possession of an allottee which is in excess of the land actually allotted by the Corporation shall also be deemed to be a strip of land subject to fulfillment of stipulations mentioned in clause (i) above.

12(B-2): Conditions and Modes of disposal of 'strips of land':

- (i) (a) All allotments of strip of land shall be made only for the purpose for which the original plot of the allottee was allotted.
 - (b) Allotment/Regularization of strip of land/excess land will be done only once for any allotted plot.
- (ii) Where any strip of land is so located that it can be used by the owner of only one adjoining plot, such strip of land shall be disposed of by allotment to the owner of the adjoining plot.
- (iii) In above cases, the allotment/regularization of the strip of land/ excess land shall be made as per the following:

No	Category	Rate on which Strip of land/excess land to be allotted/ regularised			Authority
		Industrial/Institu	Residential	Commercial	
		tional			
1	Where the strip of land/excess land in possession is up to 5% of the total area allotted originally.	At the allotment rate with simple interest @ 12% per annum OR prevailing rate of allotment of the industrial area concerned, whichever is higher.	At the allotment rate with simple interest @ 12% per annum OR prevailing rate of allotment of the housing colony OR 2 times of the prevailing rate of allotment of industrial area concerned, whichever is higher.	times of prevailing rate of allotment of the industrial area	Unit Head
2	Where the strip of land/excess	For the first 5% as in (1) above and for the	For the first 5% as in (1) above and	For the first 5% as in (1) above and for	Unit Head
	land in possession	additional land beyond 5% and	for the additional	the additional land beyond	
	is more	up to 10% - At	land beyond	5% and up to	

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up of area allo	n 5% but to 10% the total a tted ginally.	the allotment rate with simple interest @ 12% per annum OR 1.25 times of the prevailing rate of allotment of the industrial area concerned, whichever is higher.	5% and up to 10% - At the allotment rate with simple interest @ 12% per annum OR 1.25 times of the prevailing rate of allotment of the housing colony OR 2.5 times of the prevailing rate of allotment of industrial area concerned, whichever is bisher.	10% - At the allotment rate with simple interest @ 12% per annum OR 5 times of the prevailing rate of allotment of the industrial area concerned, whichever is higher.	
land pos is that of area allo	o of d/excess d in session more n 10% the total	For the First 10% as in (1) and (2) above and for the additional land beyond 10% - At the allotment rate with simple interest @ 12% per annum OR 1.5 times of prevailing rate of allotment of the industrial area concerned, whichever is higher.	For the First 10% as in (1) and (2) above and for the additional land beyond 10% - At the allotment rate with simple interest @ 12% per annum OR 1.50 times of the prevailing rate of allotment of the housing colony OR	For the First 10% as in (1) and (2) above and for the additional land beyond 10% - At the allotment rate with simple interest @ 12% per annum OR 6 times of the prevailing rate of allotment of the industrial area concerned), whichever is higher.	Managing Director

	3 times of
	the
	prevailing
	rate of
	allotment of
	industrial
	area
	concerned,
	whichever
	is higher.

- (iv) Where any vacant strip of land is so located that it can be used by the owners of more than one adjoining plots, such strip of land shall be disposed of by a limited bidding (Sealed) between the owners of all the adjoining plots. For this purpose, the reserve rate of auction will be decided by the competent committee as per their delegation. The strip of land will be allotted to the highest bidder. However, in such auction, if single bid is received than the strip of land shall be allotted by the Unit Head to the bidder at the rate offered by the single bidder subject to condition that the offer rate will not be less than the reserve rate.
- (v) Before disposing of any strip of land, the building line shall be marked which shall be maintained.
- (vi) No strip of land shall be allotted/ auctioned if it endangers the public safety or is against traffic regulation.
- (vii) Service Charges for the Strip of Land/Excess land allotted/regularized shall be recovered as per the prevailing rate of Service Charges applicable on the date of allotment/regularization.
- (viii) A supplementary lease deed will be executed for the strip of land/excess land allotted/ regularized and the stamp duty shall be paid by the allottee.
- (ix) No excess land/strip of land will be allotted/ regularized in RoW of road.

The existing policy in the rule 12(B) of the RIICO Disposal of Land Rules, 1979 shall stand amended accordingly.

Item 4: Partial amendment in the policy decision taken for withdrawal of rebate in the rate of allotment for large size plots and rebate linked with investment in RIICO Disposal of Land Rules, 1979.

In partial modification to the decision taken vide Item 3 of its meeting held on 17.6.2014, the Committee accorded approval to amend the same to the extent that issue of additional 10% rebate in rate of allotment admissible due to making required investment within 5 years from the date of allotment shall be decided as per the policy in-force at the time of allotment.

Item 5: Ex-post-facto approval of the decision taken by the management relating to partial amendment in the policy for change of land use of allotted plots from one use to other use (Rule 20-C of RIICO Disposal of Land Rules, 1979).

The Committee discussed the agenda and accorded ex-post-facto approval to withdraw the provision made in the amended policy for change in land use in EPIP and other Special Parks such as SEZ, Agro Food Park, IT Park, IID Centres etc. and accordingly approved office order issued on 14.08.2014 in this regard.

Item 6: Preferential allotment of land to private developer for providing "plug and play" facility for industrial use at Japanese Zone, NIC(M) Neemrana.

The matter was discussed and deferred with the observation that written consent of JETRO has not been received so far.

Item 7: Cases of allotment of land made to three different companies of JPM Group under Rule 3(W) of RIICO Disposal of Land Rules 1979, at industrial area Kaharani.

The Committee discussed the agenda and accorded approval to the decision taken by the Constituted Committee under Rule 3(W) RIICO Disposal of Land Rules 1979, in its meeting held on 19.2.2013, with a minor change that in case of plot SP-6(E) and (F) a period of two years shall be allowed from the date of allotment for commencement of production without levy of any charges except annual charges. Further extension upto 12.09.2015 will be allowed on payment of applicable charges as per the prevailing policy of the Corporation under Rule 3(W). In case of SP-6(D) two years time period was allowed for commencement of production, from the date of shifting of power line, without levy of any charges except annual charges.

Item 8: Insertion of new proviso in the RIICO Disposal of Land Rules, 1979 for granting time extension without retention charges in various situations on merit in favour of general allottees – Case of Panchsheel Global Pvt. Ltd., Industrial Area Growth Centre, Abu-Road.

The Committee discussed the agenda and accorded approval as follows:

- to grant time extension upto 15.09.2015 for commencement of production activities without retention charges due to delay in obtaining Environment Clearance in favour of Panchsheel Global Pvt. Ltd.
- b. delegating powers to the Managing Director for considering time extension without retention charges in favour of general allottees as per merit of the case in the situations as below, on the lines of provision made for the preferential land allottees under rule 3(W) and to insert a provision in the relevant rules:
 - (i) Possession of plot could not be handed over by RIICO free from encumbrances.

- (ii) Delay in obtaining Environment Clearance by the Corporation for the industrial area concerned or delay in obtaining Environment Clearance by the allottee subject to condition that the allottee having fulfilled all requirements for obtaining Environment Clearance.
- (iii) Construction could not be commenced due to court stay/pending litigation.
- (iv) The plot is affected substantially due to passing of high tension power line.

Item 9: Case of M/s. Sunrise Welfare Society, Institutional Plot No. IP-1, Industrial Area Taranagar, Churu for allotment of 7840 sqm. additional land.

The Committee discussed the agenda and accorded approval for allotment of additional 1000 sqm. land on the prevailing rate of allotment of the area, in view of clarification given by CBSE vide letter dated 28.01.2014 which provides for minimum 1.5 acre compact campus area for establishing a school, at Taranagar, Distt. Churu, seeking affiliation with the Board. However, period for commencement of activity shall be reckoned as per the terms and conditions of original allotment.

Item 10: Case of M/s. Narain Industries Plot No.E-10 measuring 5389 sqm. at Industrial Area, Tonk, Sawaimadhopur for levy of regularization charges for warehouse on pre-revised rates and as per earlier policy.

The Committee discussed the agenda and accorded approval to regularize subletting of constructed building to RSBCL for godown purposes as per the pre-revised policy of the Corporation on prevailing rate of allotment in view of the fact that the application of the allottee was pending with the Corporation even before the change in policy.

Item 11: Case of M/s. Hanuman Udyog, Plot No.E-578, E-579 & F-580 to F-584 measuring 19959 sqm, at Industrial Area, Karni Extn., Bikaner for change in constitution from proprietorship to Pvt. Ltd., Company.

The Committee discussed the agenda and accorded approval for change in constitution of the allottee proprietorship concern to Private Limited Company before coming into production, by relaxing provision of Rule 3(W), looking to the fact that the proprietor is holding 55% share in new company and shall always remain majority shareholder of the Company.

Item 12: Case of Shekhawati Art Impex, Plot No.G-55 measuring 1500 sqm. at Industrial Area Ramgarh Shekhawati, Sikar for regularization of excess land.

The Committee discussed the agenda and accorded approval for regularization of excess land measuring 823 sqm. on the highest auction rate or two times of the prevailing rate of allotment of the area, whichever is higher, as per the pre-revised policy of the Corporation. The request was

considered looking to the fact that the allottee has already constructed a shed on the excess land.

Item 13: Case of restoration of cancelled plot No.F-1159 (B) at industrial area Bhiwadi and to leave passage through this plot for the residents behind this plot.

The Committee discussed the agenda and accorded approval as follows:

- 1. To leave passage of 6 mtr wide out of the plot F-1159 (B) as shown in the Annexure- C to the agenda note.
- 2. To restore the part area of cancelled plot measuring 202 sqm. (after leaving aforesaid passage area) in favour of applicant Smt. Shanti Devi for industrial use on payment of outstanding dues along with interest and on payment of restoration charges as per policy of the Corporation to be calculated on the part area of plot being restored.
- 3. To grant maximum time extension of 3 years from the date of restoration of part area of the plot for setting up industrial unit. The retention charges will be leviable from the scheduled date of commencement of production activity to the extended period as per applicable retention charges.

Item 14: Case of Narayani Tor (P) Ltd., Plot No. A-56, Growth Centre, Bhilwara regarding calculation of retention/transfer charges on pre-revised rate of allotment.

The Committee discussed the agenda and accorded approval to calculate the amount of retention/transfer charges on pre-revised rate of allotment looking to the fact that the applicant had submitted application for transfer of leasehold rights prior to revision of rate of allotment of the area and to levy interest on the said amount up to the date of payment.

In order to address the similar issues, the Committee also took a policy decision to make a rule providing for deposition of restoration/ transfer/sub-division charges along with the application as an advance deposit. In case of rejection of the request, the amount so deposited will be refunded without interest.

<u>Item 15</u>: <u>Ex-post-facto approval for allotment of 2350 sqm. land for 33/11 KV GSS at Growth Centre, Hammirgarh, Bhilwara.</u>

The Committee discussed the agenda and accorded ex-post-facto approval for allotment of 2350 sqm. land for 33/11 KV GSS at Growth Centre, Hammirgarh, Bhilwara on a token price of Rs.1/-.

<u>Item 16</u>: <u>Review of the existing rates of conversion charges for change of land use</u> (Rule-20-C) of RIICO Disposal of Land Rules, 1979.

In partial amendment to the decision taken in its meeting held on 13.5.2014 vide item 22, the Committee accorded approval for the following:

S. N.	From	То	Proposed conversion charges	
1	Industrial	A. Commercial i. Commercial complex (Shops & Offices) ii. Hotel iii. Cinema iv. Multiplex v. Petrol pump and filling station (Petrol/Diesel/Gas) vi. Weigh bridge vii. Hostel (For Kota Only)	2 times the prevailing rate of allotment of industrial area concerned irrespective of category of industrial area.	
		 B. Commercial i. Commercial Warehousing on full allotted plot (storage of raw material/ finished goods for other than captive use) ii. LPG Cylinder Godown on full/part plot 	0.75 times the prevailing rate of allotment of industrial area concerned irrespective of category of industrial area.	
		iii. Modern warehousing	1.0 time of the prevailing rate of allotment of industrial area concerned irrespective of category of industrial area.	
2	Industrial	A. Institutional i. Hospital ii. Nursing Homes B. Institutional i. Educational Institutes (as defined in the rules) ii. University iii. Institutes imparting certificate courses/ vocational courses	0.75 time of the prevailing rate of allotment of industrial area concerned No Change. It will be 0.10 time the prevailing rate of allotment of industrial area concerned	
3	Commercial	Industrial	No Change. It will be 0.10 times the prevailing rate of allotment of industrial area concerned	
4	Commercial	Institutional	No Change. It will be 0.10 times the prevailing rate of allotment of industrial area concerned.	

5	Commercial (specified use)	Other Commercial use	2 times the prevailing rate of allotment of industrial area concerned minus the rate paid at the time of allotment or 25% of the prevailing rate of allotment of the industrial area concerned, whichever is higher.
6	Institutional	Industrial	No Change. It will be 0.10 times the prevailing rate of allotment of industrial area concerned.
7	Institutional	Commercial	2 times the prevailing rate of allotment of industrial area concerned.
8	Institutional (specified use)	Another Institutional use (i) Hospital/Nursing Home	0.75 time the prevailing rate of allotment of industrial area concerned.
		(ii) Other than Hospital/ Nursing Home	No Change. It will be 0.10 times the prevailing rate of allotment of industrial area concerned
9	Residential	Industrial	No Change. It will be 0.10 times the prevailing rate of allotment of industrial area concerned.

As regards 13 cases of change of land use which have been approved by the constituted CLU Committee in its meetings held on 22.8.14 and 30.9.14, the Committee decided that, in order to maintain parity, in all these cases the rate of conversion charges shall be as per the amendments made in the rule as above.

Item 17: Request for restoration of cancelled plot No.E-287 which was allotted to Jyoti Stone Pvt Ltd., at Industrial Area, Growth Centre, Phase-I, Abu Road.

The Committee discussed the agenda and noted the rejection of appeal at the level of Unit head. Further, the highest bidder has also taken refund of his EMD. In view of above, the Committee decided that appeal filed by the allottee Company on 10.6.2014 may be treated as fresh appeal and same may be disposed off by the Appellate Authority (MD) after giving due opportunity of personal hearing to the Appellant.

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