

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

Minutes of : 4/2018 –Infrastructure Development Committee
Venue : Udyog Bhawan, Jaipur
Date : 9th July 2018
Commencement/Completion time of meeting : 11.00A.M. /1.00P.M.

Present :

Shri Rajeeva Swarup	Chairman & MD
Smt. Manju Rajpal	MD, RFC
Shri Krishna Kunal	Commissioner Industries and Commissioner (Inv. & NRI)

All the above directors were present throughout the meeting.

Shri D.K.Sharma, Secretary was in attendance. Ms. Anupama Sharma, Financial Advisor; Shri Vijai Pal Singh, Advisor (Infra.); Shri Ravindra Limba, GM(Finance); Shri Rajendra Singh, GM(Civil); Shri S.K. Gupta, Addl. GM (P&D); Shri Ajay Kumar, SE (Power); Shri Laxman Singh Shekhawat, OSD (Land); Shri Vineet Gupta, Sr.RM, Jodhpur; and Shri Kuldeep Dadich, RM, Boranada were also present.

LEAVE OF ABSENCE

The Committee granted leave of absence to Shri Ajitabh Sharma who had intimated his inability to attend the meeting.

Quorum:The Chairman was present. As the quorum was present, the meeting was called to order.

Notice as well as agenda notes were circulated at a notice of less than seven days, therefore, the Directors present in the meeting unanimously agreed to waive the minimum notice period and took up all the items for consideration.

Item 1: To note the minutes of the last meeting of the Committee held on 30th April 2018.

The minutes of the last meeting of Committee held on 30th April 2018 were noted.

Item 2: Action Taken Report on the decisions of the previous meeting of the Committee held on 30th April 2018.

The Committee noted the position brought out in the agenda note.

Item 3: (1) Insertion of new provision in Rule 3(G) of RIICO Disposal of Land Rules, 1979 regarding allotment of land to DoIT&C, GoR for erection of RF Tower.
(2) Ex-post-facto approval of the decision taken for allotment of land to DoIT&C for erection of RF Tower at Brij Industrial Area, Bharatpur.

The Committee discussed the agenda and accorded approval for the following :

- (i) To insert a new provision in Rule 3(G) for allotment of land measuring upto 60 sqm. to DoIT&C, GoR, free of cost for erection of RF Tower in RIICO industrial areas.
- (ii) Ex-post-facto approval of the in-principle decision taken by the management for allotment of land measuring upto 60 sqm. free of cost to DoIT&C, GoR, for erection of RF Tower at Brij Industrial Area, Bharatpur after re-planning of services area.
- (iii) DoIT&C will pay one time Economic Rent for 10 years i.e. Rs.1000/- and no Service Charges shall be leviable.

Item 4: To take an appropriate view on the existing provisions of Rule 3(L) and 3 (M) of RIICO Disposal of Land Rules, 1979 related to allotment of land to IT Industries in IT Parks/designated IT Zones and allotment of land to Bio Tech and Bio-Informatics Industries in BT Parks and other selected industrial areas respectively in context of State Government IT/ITeS Policy & Biotechnology policy issued in the year 2015.

The Committee discussed the agenda and accorded ex-post-approval of the decision taken by the management to suspend the provisions of Rule 3 (L) and 3 (M) from RIICO Disposal of Land Rules 1979 to delete the provisions with immediate effect in view of the facts that benefits for investment on this sector are already provided under RIPS 2014 and the respective sector-specific policies, namely, Rajasthan E-Governance IT&ITeS Policy 2015 and Rajasthan Bio-Technology Policy 2015.

Item 5: Issues related to production verification of shifting units at Industrial Area Punayata, Pali.

The Committee discussed the agenda in detail. It was informed that there were 3 conditions required to consider a unit in production, namely, commercial operation, 20% constructed area of the plot, and construction of rainwater harvesting system (RWHS). Of these, relaxations have subsequently been provided in context of RWHS and hence the same is no longer relevant in the present context.

Accordingly, the Committee decided as follows:

- (1) As regards commercial operations, in case any specific report is not available with the unit of an earlier date, then the date be reckoned as per the survey list of 5-12-2011 and 10-4-2013. In case the same is not available for any unit, then any subsequent date when such report is available.

- (2) As regards constructed area, it was the duty of the unit office to survey the plot under production and verify compliance of the condition pertaining to constructed area. However, the same was not done by the Unit office and survey lists of 5-12-2011 and 10-4-2013 mentioned only about commercial production. Such survey was initiated only from 2015-16 onwards. The allottees have claimed that they had complied with the condition of built up area at the time of production. In view of above situation, there is no way that their contention can be disputed. Keeping in mind the fact that there has been mistake on part of the Unit in not verifying the constructed area at the appropriate time or even during the survey of 2011 and 2013, and, with a view to resolve a long-standing dispute, the Committee decided to accord a one-time special relaxation for the Units that shifted from Pali city to Punayata, on the directions of the Hon'ble High Court. In this instant case, if no site verification report is available for an earlier period, then the construction of 20% built up area of a unit will be considered on the basis of the first such available site report with the unit, and such construction would be deemed from the date of commercial operation as per the record available with the Unit, on the condition that only construction as permissible under the RIICO building bye laws would be considered and not any unauthorized construction in the set back area of the plot etc.

- (3) As regards the proposal to exempt certain processing units doing job work for the textile units, like washing, bleaching, dyeing etc. which require more open land for the processes concerned and drying, the Committee directed that a specific agenda item be submitted for including such units under the relaxation provided in Rule 21-3-1-B.

Item 6: Third party inspection of Civil and Electrical works at Industrial Areas of the Corporation.

The Committee discussed the agenda and, in view of the fact that independent monitors lack requisite organizational and infrastructure support as is possessed by the engineering colleges, the Committee accorded approval for replacement of the following amendment in respect to its earlier decision dated April 15, 2008, as follows:

'The Central Government/State Government Agency/Organization or State Government Universities' Engineering Colleges, excluding private engineering colleges, be associated for survey, investigation, design, preparation of project reports, the third party inspection of works, and testing of material / works samples. For all works entailing cost of Rs. 50.00 lac or more, third party inspection through the above-specified engineering colleges be got carried out and compliance of their observations be ensured before acceptance of work. Electrical works of the Corporation, which are to be handed over to DISCOM Companies, the supervision should be got carried out from respective DISCOM authorities and compliance of their observations be ensured before acceptance of the work.'

Item 7: Administrative Sanction for development of new Industrial Area, Mau, Shrimadhapur, Sikar and fixation of Allotment Rate for industrial plots thereof.

The Unit head, in a meeting held at the level of the MD, had clearly indicated that, in spite of local demand, it will not be possible to sell land at a rate more than Rs. 2000/- per sq. mtr. The Committee discussed the agenda. The Committee was apprised of the rates of nearby industrial areas as follows:-

Name of Industrial Area	Distance from proposed new I/A	RIICO's Prevailing Allotment Rate (Per Sq.mtr)	DLC Rate (Per Sq.mtr)
Shri Madhopur	05 KM	500	728
Ajeetgarh	25 KM	800	728
Reengus	25 KM	1300	1300

It was also informed that there is local demand of industrial land from stone based/agro based industries of small/micro segments and nearest industrial area Shri Madhopur is fully allotted. However, MSEs will not be able to procure industrial land in that region at a rate that is several times higher than the prevailing market rate.

The agenda was discussed in detail. The Committee appreciated the fact that the proposed allotment rate, as per the formula approved by the IDC, was several times higher than the prevailing market rate for industrial land in close vicinity, and was not viable for the MSEs. It would also not be appropriate to either defer development of the industrial area, on account of non-viability, keeping in view the local demand and need to promote MSEs in that area, or to modify the approved formula for rate determination.

After detailed discussions, the Committee approved the following:

- (a) Administrative Sanction for development of new Industrial Area Mau, Sikar at Rs.2562.15 lakh as per cost sheet enclosed at Annexure-A to the agenda note.
- (b) Fixation of allotment rate of Rs 2900/- per sq m for 25% of total saleable area(3.80 hectare/9.41 acre) with rebate of Rs 900/- as early bird upfront incentive. This rebate will be subject to following conditions:
 - (i) Allottees will have to commence production within 2 years from date of allotment. In case of such failure, the upfront rebate of Rs 900/- per sq. mtr. will be recoverable along with applicable interest and same will have to be deposited by the allottees with the Corporation
 - (ii) The allottees will have option of choosing either early bird incentive of Rs 900/- per sq. mtr. or concession/rebate available to various categories of applicants as per Rule (3) of RIICO Land Disposal of Land Rules 1979.Hence,

allottees will not be entitled for both the rebates/ concessions.

- (iii) Other terms and conditions of allotment of plots will remain same.

It was also decided that such rebate scheme for industrial area Mau is being approved only for the reason that it is an exceptional situation, as stated above. This will not be a precedence for other general cases.

Item 8: Administrative Sanction for development of new Industrial Area, Kishangarh-VI, Distt. Ajmer and and fixation of Allotment Rate for industrial plots thereof.

The Committee discussed the agenda and accorded approval for the following:

- (a) Administrative Sanction for development of new industrial area Kishangarh-VI, Distt. Ajmer at an estimated cost of Rs.20296.88 lakh as per cost sheet enclosed as Annexure 'A' to the agenda note.
- (b) Fixing the allotment rate of industrial plots @ Rs.5350/- per sqm as per the cost sheet placed at Annexure 'B' to the agenda note.

Item 9: Ex-post-facto approval for revision in Administrative Sanction for development of Industrial Area IID Center, Newai, Sawai Madhopur.

The Committee discussed the agenda and accorded ex-post-facto approval for revision in administrative sanction for development of Industrial Area, IID Center, Newai, Sawai Madhopur Unit Office, at an estimated cost of Rs.2105.74 lakh, as per cost sheet enclosed at Annexure-I to the agenda note.

Item 10: Policy decision for allotment of 25% developed industrial land to the khatedars/interested persons in lieu of cash compensation of their respective acquired land for setting up of new Industrial Area Kakani, Tehsil-Luni (Jodhpur).

This decision was discussed after agenda item No. 11, since it was, in a way, also linked with the issues at stake in Jodhpur.

The Committee discussed the agenda and the issues entailed in detail and perused the lay out plan showing the area where possession has been taken and the balance area affected by litigation.

It was brought to the notice of the Committee that against the land acquisition proceedings, seven writ petitioners are pending in the Hon'ble Rajasthan High Court, Jodhpur wherein similar type of issues have been raised by the petitioners as taken in the writ petitions pertaining to land acquisition proceedings of Boranada. It was also apprised to the Committee that Hon'ble High Court, Jodhpur has quashed and set aside the land acquisition proceedings of Boranada (Extension) qua the writ petitioners and this decision might have effect on pending writ petitions.

It was also informed that without resolving the dispute of land of Kharabera Purohitan, RIICO would not be able to undertake development works at site despite of planning of the area and issuance of the Administrative Sanction, resulting thereof commitment made to the Hon'ble NGT for early shifting of textile units running in non-confirming area could not be fulfilled and due to prolonged delay, project cost of the area would be enhanced.

The Committee deliberated that though there is already a provision in the Award dated 04.08.2015 for allotting 20% developed residential/ industrial + 5% commercial developed land in lieu of cash compensation of acquired land to the khatedars whereas the demand of the khatedars is to allot 25% developed industrial land. It was discussed that from the contents of the Circular dated 24.03.2008 of the State Government, it is evident that the new provisions i.e. 20% developed residential/industrial + 5% commercial developed land was introduced **in addition** to the existing provision of allotting 25% developed industrial land and same provision of 25 % developed industrial land was not revoked by the State Government while allowing 20% developed residential/industrial + 5% developed commercial land. Provision of the allotting 25% developed land has been given in the Award by the LAO.

However, the only issue for consideration is whether to extend the date of accepting these options, since the stipulated time limit of two months given in the Award has already been expired. As stated in the agenda note, such date has been extended in previous cases of land acquisition and also such directions have been given by the Hon'ble

Rajasthan Court in certain cases where litigation was pending in respect of land acquisition proceedings.

Hence, looking to the reasons mentioned in the agenda note, it would be in the interest of RIICO to enter into out-of-court settlement with the litigants, whereby RIICO, with prior consent of the State Government, agrees to provide 25% developed industrial land in lieu of cash compensation for the acquired land, strictly on terms and conditions of the approved policy in this regard and in accordance with the RIICO Land Disposal Rules 1979.

Accordingly, the Committee approved the proposal for seeking State Government approval for making an offer only to the litigants of village Kharbera-Purohitan, wherein they may be permitted to submit their option for receiving 25% developed industrial land, or such combination, within the parameters of the approved policy of the State Government and the Corporation and RIICO Land Disposal Rules, 1979, within a period of two months subject to withdrawal of writ petitions filed by such khatedars against the land acquisition proceedings pending before the Hon'ble RHC Jodhpur and also handing over the possession at site.

Item 11: Proposal for settlement received from the khatedars of village Boranada, Salawas & Heerkhera Tehsil-Luni, District Jodhpur whose land has been acquired for expansion of Industrial Area, Boranada.

The agenda item was explained in detail to the Committee in context of the background of the case, history of litigation, present legal status, stiff resistance by the khatedars on site, legal issues entailed and the basis on which a compromise solution has been arrived at with the assistance of the District Collector, Jodhpur. Similarly, the lay out plan of the acquired area was shown, in which the area affected by the writ petition, the area excluded from litigation, the options submitted by different litigants (accepting cash compensation /exempting land from acquisition) and the khasra numbers necessarily required for a contiguous and viable (from planning of plots perspective) industrial area.

The Committee discussed the agenda and agreed that in case the State Government intends to accept the representation of the Khatedars for a compromise settlement to be submitted in the Appeals filed before the learned Division Bench of Hon'ble RHC,

Jodhpur, based on the recommendation of District Collector, Jodhpur, then, in such case, consent of RIICO is provided on the following conditions, to safeguard the interests of RIICO:

- (a) for releasing only 1320-04 bighas of acquired land of villages Boranada and Heerkheda, as per details stated in Annexure-V to the agenda note.
- (b) that RIICO and the State Government contest the appeals in respect of 232-01-02 bighas as per details stated in Annexure-VI to the agenda note.
- (c) In order to reach an agreement with 28 khatedars, for 131-13-07 bighas, as per list furnished by District Collector Jodhpur, who are willing to accept cash compensation and hand over possession to RIICO, cash compensation be paid to these khatedars and take over physical possession of their respective land by the LAO/RIICO.
- (d) The arrangement proposed for stand-alone khasra numbers 15,16 & 20 of village Heerkheda, as per para 17(5) of the agenda note. The Administrative Department may be requested to bring this to the notice of the Cabinet sub-committee, so that no pecuniary loss is caused to the Corporation.

The Committee further decided to request the Administrative Department to make reference on probable legal issues (Annexure – VIII to the agenda note) to Law Department, GoR.

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

CHAIRMAN