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

MINUTES OF : Infrastructure Development Committee

VENUE : Udyog Bhawan, Jaipur

DATE & TIME : 30<sup>th</sup> June 2015 at 4.00 P.M.

#### **PRESENT:**

Shri C.S. Rajan Chairman

Smt. Veenu Gupta Managing Director
Shri Abhay Kumar Commissioner Industries

Shri Maneesh Chauhan MD, RFC

Dr. Samit Sharma Commissioner Inv. &NRI

Shri D.K. Sharma, Secretary was in attendance. Shri Prakash Tekwani, Financial Advisor; Shri Lalit Kumar, Advisor (Infra); Shri A.K. Agarwal, General Manager (Tehc.); Shri S.K. Sharma, Sr. DGM (P&D); and Shri S.K. Gupta, Sr. DGM (P&D) were also present.

### Item 1: Confirmation of the minutes of the last meeting of the Committee held on 11<sup>th</sup> May 2015.

The minutes of meeting held on 11<sup>th</sup> May 2015 were confirmed by the Committee and signed by the Chairman.

## <u>Item 2</u>: <u>Action Taken Report on the decisions of the previous meeting of the Committee held on 11<sup>th</sup> May 2015.</u>

The Committee noted the position.

## Item 3: Status note on the matter of land belonging to Gem Park earlier allotted to DGDC, situated at Tonk Road, Jaipur.

The Committee discussed the agenda and considered the recommendation of the sub-group to invite an EOI for hiring the services of a consultancy firm for holistic planning of the entire area.

The Committee further approved to dismantle incomplete/skeletal structures, in first phase, which are lying vacant and unoccupied at site and thereafter, other structures be got vacated after following procedure laid down under PP Act.

The committee further directed to take up the matter with UDH Department and JDA for resolving the issues of change of land use as shown in Master Plan 2025 and boundary demarcation of Amanishah Nallah towards west side.

### Item 4: Reservation of land in favour of applicants for setting up Ceramic Industries in up-coming Industrial Area Sathana Distt., Ajmer.

The Committee discussed the agenda and accorded approval for reservation of land in favour of applicants for setting up Ceramic Industries in up-coming Industrial Area Sathana Distt., Ajmer, by relaxing certain provisions of prevailing policies as well as RIICO Disposal of Land Rules, 1979, as under:

- The up-coming industrial area Sathana be developed exclusively for 'Cluster of Ceramic Industries only' and infrastructure facilities i.e. Approach road, Power lines, Street lights and Water for drinking purposes only be provided at site. No other infrastructure will be provided by the Corporation.
- ii. Reservation/Allotment of land be made on 'as is where is' basis for 99 years lease and only large scale industries will be allowed to setup their project as planning of small size of plots are not being made looking to potentiality of big ceramic industries with substantial investment.
- iii. Action for obtaining EC as per norms of MoEF will be initiated at the earliest.
- iv. Reservation of 100% industrial plots be made after inviting applications through publication of advertisement in newspapers by relaxing the existing limit of reservation i.e.50% of saleable land and also dispense with the auction process after allotment of 60% saleable land in this area.
- v. Reservation of land be linked with the required minimum investment visa-vis area to be reserved as follows:

i. For 1.30 lac sqm. and above - Rs. 150 crores

ii. For 1 lac sqm.
 iii. For 60,000 sqm.
 iv. For 40,000 sqm.
 Rs. 100 crores
 Rs. 75 crores
 Rs. 50 crores

No further appraisal of the applications be required, if minimum investment is proposed as mentioned above by the applicant.

- vi. If number of applications received is more than available plots, than, reservation will be made through draw of lots.
- vii. The applicant will deposit keenness money @ 10% of the cost of land.

The Committee also accorded permission for imposing following conditions on reservation/allotment of land at Industrial Area, Sathana:

a) Reservation of land be made subject to condition that in case while obtaining EC any condition is imposed by MoEF/CPCB/RSPCB due to which land under reservation may be reduced or any additional infrastructure is to be provided, the rate of allotment of the land would be enhanced proportionately.

- b) As the reservation of the land is being made for a Cluster of Ceramic industry, following riders/stipulations be also imposed in addition to other general terms and conditions:
  - i. No change of land use of allotted land from permitted use i.e. industrial to any other use shall be permitted in future.
  - ii. Transfer of lease hold rights will not be permitted before 5 years from the date of commencement of commercial production. However, Applicant Company will be free to get/obtain financial assistance for its projects from Financial Institutions in accordance with terms & conditions of the lease agreement/allotment letter.
  - iii. No other incentives/concessions/rebate will be admissible to the Allottee Company from RIICO except those admissible under RIPS-2014 as well as under customized package to be sanctioned by the State Government.
  - iv. The commencement of the commercial production will be treated only when the requisite investment shall be made by the applicant allottee at site and adherence to other norms applicable for commencement of production.
- c) Allotment of land shall be made, after obtaining EC, @ Rs.750/- per sqm. However, in case the rate of allotment is required to be revised due to conditions imposed in EC by MoEF/RSPCB then the allotment of land shall be made on the revised rate of allotment.

## <u>Item 5</u>: <u>Administrative Sanction for development of Industrial Area Sathana, Distt.Ajmer.</u>

The Committee discussed the agenda and accorded approval for Administrative Sanction for the development of Industrial Area Sathana, Distt. Ajmer at an estimated cost of Rs.5036.65 lac, as per the details mentioned at Annexure "A" of the agenda note.

The Committee further approved allotment rate of Rs.750/- per sqm. for the proposed area.

## Item 6: Special scheme to allow upfront rebate in rate of allotment for setting up industries in non-saturated industrial areas envisaging investment of Rs.100.00 crore and above for the financial year 2015-16.

The Committee discussed the agenda and accorded approval for special scheme to allow upfront rebate in rate of allotment for setting up industries in non-saturated industrial areas envisaging investment of Rs.100.00 crore and more, for the financial year 2015-16, on the following modalities:

- i) Rebate @ 25% in rate of allotment will be admissible upfront in those cases wherein land is allotted for setting up industries in non-saturated industrial areas with fixed capital investment of Rs. 100 crores and more.
- ii) The provisions of continuous production incentive scheme and provision of back-end subsidy under rule 3(W) of RIICO Disposal of Land Rules, 1979 will not be applicable to such allottees availing upfront rebate under this special scheme.
- iii) The rebate under this special scheme may be admissible only in those industrial areas wherein land is to be allotted on developed basis.
- iv) MD be authorized to allow the rebate in rate of allotment under the above said special scheme.
- v) If the investment proposed by the applicant company is to be made in phases then the rebate in rate of allotment under this scheme be admissible only when the investment to be catalyzed in phase-I is more than Rs. 100 crores.
- vi) An undertaking duly notarized be submitted by the authorized signatory of the allottee at the time of seeking land allotment to the effect that if an allottee fails to set up the unit within the stipulated time period alongwith envisaged investment in Phase-I then allottee shall be liable to pay the rebate amount with interest to RIICO without assigning any reason for delay.
- vii) Transfer of lease hold rights of the land allotted with upfront rebate in rate of allotment under this scheme may not be permitted before commencement of production activity with envisaged investment in phase-I. However, if transfer takes place without fulfilling the above allotment condition of committed investment, then, the rebate amount shall be recoverable with interest before allowing such transfer.
- viii) This special scheme will be applicable for the land allotment made during financial year 2015-16 and can be reviewed according to need and circumstances from time to time.
- ix) To allow upfront rebate in rate of allotment under this special scheme in cases also wherein reservation of land has already been made prior to financial year 2015-16 or allotment of land has been made after withdrawal of policy relating to allowing rebate in rate of allotment for large size plots, provided the investment proposed by the applicants/allottees in such cases is also Rs.100 crores and more in phase-I.
- x) This special scheme may not be applicable on the industrial plot allottee wherein allotment of land has been approved by the IDC with special terms and conditions and on decided rate of allotment or on fixed lump sum cost of land.

# Item 7: Exempting Rajasthan Rajya Sahkari Kraya Vikraya Sangh Ltd. (RAJFED) Plot No SP-33 at industrial area Bichhwal, Bikaner from payment of principal outstanding dues towards service charges, economic rent and interest thereon.

The Committee discussed the agenda and accorded approval for exempting Rajasthan Rajya Sahkari Kraya Vikraya Sangh Ltd. (RAJFED), allottee of Plot No SP-33 at industrial area Bichhwal, Bikaner, from payment of yearly service charges w.e.f. 01.04.2015 till transfer of plot or revival of industrial unit. The Committee further accorded approval for waiver of outstanding dues of service charges along with interest on service charges and interest on economic rent. However, the allottee would be liable to pay economic rent as per rule.

## <u>Item 8</u>: <u>Case of DMICDC Neemrana Solar Power Company Ltd. (a wholly owned subsidiary of DMICDC Ltd.) at Japanese Zone NIC (M) Neemrana.</u>

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

- 1. To consider unit in production, when 5 MW Solar Power project is commissioned and start supplying power to the commercial grid even if 20% construction with roof has not been made at site, in view of totality of circumstances of the project relaxing the condition of land allotment.
- 2. Time period for commencement of production be considered three years, i.e. upto 25.02.2016, as per condition of the lease agreement.

## <u>Item 9</u>: <u>Request by Police Department, Jodpur to allot about 1 acre land at industrial area Boranada for Police Thana.</u>

The Committee discussed the agenda and accorded approval to allot land measuring 3177 sqm. to Police Department, Jodhpur at token amount of Re.1/- as per planning approved in service area at Industrial Area Boranada Phase-III for setting up of Police Station.

#### <u>Item 10</u>: <u>Additional Administrative Sanctioin of Infrastructure Up gradation</u> <u>Works for Kishangarh Phase I,II,III,IV & Marble Mandi.</u>

The Committee discussed the agenda and accorded ex-post facto approval for additional administrative sanction to take up the infrastructure up gradation work at Industrial Area Kishangarh-IV amounting to Rs. 1623.21 lac and Kishangarh Phase I to III & Marble Mandi amounting to Rs. 1278.59 lac (Total Rs.2901.80 lac). 25% of the cost of the CC Road, with a cap of Rs.750.00 lac, will be contributed by local Industry Association and the same will be deposited before issuance of work order(s).

## Item 11: Review of policy decision taken on the issue of an allottee transferring a plot violating the rider that plot cannot be transferred without commencing production.

The Committee discussed the agenda and reviewed the existing policy and decided as under:

- i) To withdraw the office order (7/2006) dt. 18.08.2006 and circular No. IPI/P-5/2011/Circular/4/1634 dated 05.10.2011.
- ii) Not to levy 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 cases, wherein the allottee sells a plot violating conditions imposed by the competent authority that plot shall not be sold prior to commence production at the time of granting time extension for commencement of production activity.
- iii) To allow the allottee of the plot to submit implementation schedule for the project in the application itself at the time of seeking time extension for commencement of production and without any undertaking regarding not transferring the plot prior to commencement of production.
- iv) Not to re-open the cases wherein additional charges have already been deposited as per the prevailing policy.

#### <u>Item 12</u>: <u>Case of M/s. Ganga Kisan Suchana Kendra, Plot No.E-362 Industrial</u> Area Udyog Vihar, IInd Phase, Sriganganagar.

The Committee discussed the agenda and accorded approval to levy various charges on pre-revised rate of Rs.1500/- per sqm. plus applicable interest thereon, looking to the fact the subsequent revision of rate at Rs. 4700/-psqm. was on account of policy of the Corporation to revise the rate of adjoining area, at par to the rate of allotment fixed for newly planned area.

## Item 13: Case of M/s. Megha Tex Print, Plot No.E-192 at Industrial Area Pali Phase-IV for payment of various applicable charges on pre-revised rates.

The Committee discussed the agenda and accorded approval to levy various charges on pre-revised rate of Rs.500/- per sqm. plus applicable interest thereon, as the application for transfer of lease hold rights was pending since 2012. However, transfer charges shall be leviable @ 23.4375% in this case and benefit of withdrawal of policy to levy additional 25% charges on normal rate of transfer charges on defaulter allottee shall not be extended in this case as applicable charges are to be computed on pre-revised rates and both benefits cannot be extended.

The Committee also directed to get examined by an in-house group the present provision of handing over of original lease deed to the allottee till financial tie up of their proposed project and providing the lease deed directly to the concerned lending financial institution/bank, on their requisition for the same.

## Item 14: Case of Insecticides (India) Ltd., Plot No.E-423 & E-440 Industrial Area Chopanki regarding transfer of leasehold rights of part land along with its change of land use.

The Committee discussed the agenda and accorded approval for sub-division, change in land use of sub-divided plot for R&D Centre and transfer of sub-divided plot, in favour of the JV company, without setting up industrial unit, on payment of all applicable charges.

## <u>Item 15</u>: <u>Case of M/s. Joshi Enterprises Plot No. J-269, Industrial Area, Moortikala Zone, Sarnadungar (Jothwara Extn. III)</u>

The Committee discussed the agenda and accorded approval for transfer of lease hold rights on pre-revised rate of allotment looking to the fact that their application for transfer of lease hold right was pending since 14.05.2013. As the unit has not commenced production activity, retention charges for time extension will also be leviable as per prevailing rules of the Corporation.

## Item 16: Amendments in the existing provisions of rule 21 of RIICO Disposal of Land Rules, 1979 related to minimum requisite construction for considering utilization of the allotted plot.

The Committee discussed the agenda and accorded approval for maintaining uniform revised provisions to be made applicable on the plots allotted before or after 04.03.2014 after replacing the existing provisions related to minimum requisite construction in rule 21 of RIICO Disposal of Land Rules, 1979, as under:

S.	Use of Plot	Minimum built Up Area*
No.		
1.	Industrial Plot	A. 20% of the plot area on ground or FAR.
		B. In case of the following industrial units,
		requirement of 20% built up area with roof
		under the rule may be assessed taking into
		account also the land area being utilized by the
		allottee as stockyard of raw material and
		finished goods. In other words the land area
		(open or covered) being utilized by such
		allottees for stockyard purpose may also be
		included for the purpose of calculating built up
		area in the plot:
		_
		(a) Stone based industries such as marble/
		granite/ kota-stone processing units.
		(b) Cement based industries such as PCC
		Poles, Hume Pipes, Concrete Blocks/Curb
		Stones, Cement Tiles, Cement Gamala &
		Jali products.
		(c) Wool Processing Industries.
		(d) Mineral Grinding Units.
		(e) Salt Grinding.

		<ul> <li>(f) Fly Ash based Industry.</li> <li>(g) Bio Mass based Power Plant</li> <li>(h) Herbal Extract Purified Derivatives Bulk Drugs Projects</li> <li>(i) Dal Mill Udyog</li> <li>(j) Pesticeds formulation and ferrous sulphate units</li> <li>(k) Fabrication of Towers</li> </ul>
		(l) Agro fuel Coal brickets
2.	Commercial	A. 20% of the Standard/Prescribed FAR
	Plot	B. Required minimum built-up area shall be as under in following cases:  i. For shops/showroom plots - Area of building construction permitted as per site plan/typed design.  ii. For Weigh Bridges/Petrol Pumps plots - Area of building construction as prescribed in the concerning Building Regulations.
3.	Residential Plot	A. For Group Housing - 20% of Standard/Prescribed FAR  B. For individual housing plots - Area of construction of a dwelling unit i.e. one room, one kitchen and one toilet
4.	Institutional Plot	20% of the Standard/Prescribed FAR

<sup>\*</sup> Built up area would mean a building with roof and having side walls/covering as required for the nature of product/activity.

# Item 17: Issues related to general time extension for completion of construction and commencement of production activity in favour of un-bonded 33 units at erstwhile SEZ, Boranada consequent upon de-notification of the same.

The Committee discussed the agenda in detail and decided as follows in the cases of un-bonded 33 units at erstwhile SEZ, Boranada:

- i) Retention charges be levied on pre-revised rate of allotment of Rs. 2500/- per sqm. for the time extension for commencement of production from due date to 31.08.2016.
- ii) Excess amount of retention charges deposited by 5 units under protest, which has been computed @ Rs.7000/- per sqm., be refunded without interest, to maintain uniformity.

The decision is taken by the Committee on following grounds:

- a) Rates already revised in March 2014.
- b) Rate of Rs.2500/- per sqm. was applicable as on the date of denotification of the area.
- c) Request for time extension was pending since 2011.

### <u>Item 18</u>: <u>Case of Pooranmal Phoola Devi Memorial Trust, Institutional Area, Sitapura, Jaipur regarding regularization of excess land.</u>

The Committee discussed the agenda and accorded approval for accepting payment of outstanding interest amount of Rs.3,88,276/- as on 07.02.2006, along with interest @14% p.a. up to the date of deposition, looking to the fact that principal amount of excess land had already been accepted by the Corporation on 29.07.2006.

## <u>Item 19:Case of M/s. Interrnational Wire Products, Plot No.E-115 IPIA, Kota for regularization of excess land.</u>

The Committee discussed the agenda and accorded approval for regularization of excess land as per the decision taken by the Committee constituted for out of court settlement under the chairmanship of Managing Director in its meeting held on 03.01.2006 and subsequently on 18.04.2006. The allottee shall pay the outstanding amount along with interest @14% p.a. up to the date of deposition. However, payment of Rs.13.60 lac deposited as per direction of Hon'ble court be adjusted, without interest, against the amount to be deposited.

## <u>Item 20: Administrative Sanction for development of Shiv Industrial Area, Balotra (Distt.Barmer).</u>

The Committee discussed the agenda and accorded approval for:

- a) Issuing Administrative Sanction for the development of Industrial Area, Shiv (Distt. Barmer) at an estimated cost of Rs.2658.92 lac as per the details mentioned at Annexure–I of the agenda note; and
- b) Fixing the rate of allotment of proposed industrial area @ Rs.1200/-per sqm.

## <u>Item 21:Additional Administrative Sanction of Infrastructure Up-gradation</u> <u>Works for Industrial Area Bhiwadi, Phase I to IV.</u>

The Committee discussed the agenda and accorded approval for Additional Administrative Sanction for up-gradation works of Rs.662.13 lac at Industrial Area, Bhiwadi, Phase I to IV.

## <u>Item 22</u>: <u>Revison in Administrative Saction for development for Industrial Area, Karni Ext., Bikaner</u>

The Committee discussed the agenda and accorded approval for:

- a) Revision in Administrative Sanction for the development of Industrial Area, Karni Extn., Bikaner from Rs.4754.49 lac to Rs.11444.32 lac, as per the details mentioned at Annexure-I of the agenda note.
- b) Enhancing the existing rate of allotment from Rs.3000.00 per sqm. to Rs.4000.00 per sqm.

#### **GENERAL OBSERVATION:**

While considering the proposals for grant of additional administrative sanctions for infrastructure up-gradation of existing Industrial Areas, the Committee directed that prioritization/classification of industrial areas be done on the basis of level of activity, proximity to nearby district headquarter, actual requirement of area based on industries already set up/to be set up, state of existing infrastructure, actual requirement of work looking to site conditions, expenditure incurred/committed on special maintenance during last 3-4 years etc.

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

**CHAIRMAN**