

**RAJASTHAN STATE INDUSTRIAL DEVELOPMENT & INVESTMENT  
CORPORATION LTD. UDYOG-BHAWAN, TILAK-MARG, JAIPUR-302005**

No: IPI/P-5/2013/46 | 1240  
Dt: 27, June, 2016


**CIRCULAR**

**Sub: Clarification regarding levy of Security Deposit from the transferee in whose favour lease hold right are transferred after utilization of allotted plot.**

The Corporation allots land for various purposes in accordance with provisions of RIICO Disposal of Land Rules, 1979 which includes land allotment for industrial and non-industrial purposes. In case of fresh allotment, the allottee requires to deposit 'Security Money' which is refundable after utilization of the plot as per provision in RIICO Disposal of Land Rules, 1979. Subsequently vide Office Order no. 7/2014 dated 14.02.2014, a new provision has been inserted in RIICO Disposal of Land Rules, 1979 that in case the allottee transfer the plot without commencement of activity i.e. without utilization of plot, the security deposit of the original allottee will be forfeited and fresh Security Deposit will be got deposited from the Transferee in whose favour the lease hold right of the plot is transferred without commencement of production. Further, by virtue of another Office Order no. 12/2014 dated 04.03.2014, it has been made mandatory that in case, the plot is transferred after commencement of production & having closed units, then transferee of such plot shall be required to re-start production/activity within 2 years from the date of transfer of lease hold rights. It has been observed that in such cases some unit offices are charging security money from the Transferee and some Unit Offices are not charging security money as the present rules are silent on this issue.

In order to make uniformity in all cases of transfer of utilized plots, it has been decided that henceforth, Security Deposit as per Rules shall also be recoverable from the Transferee of industrial plot in whose favour lease hold rights are transferred after utilization of allotted plot and same will be refunded to Transferee after re-utilization of the industrial plot.

This bears approval of the Managing Director.

  
(Lalit Kumar)  
Advisor (Infra)