

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

No: IPI/P-5/2013/46/1858
Dt: 15, Feb., 2018

OFFICE ORDER

Sub: Intimation of the decisions having retrospective effect to the affected Allottee(s) and examination of past cases on merit wherein no such intimation was provided to the Allottee(s).

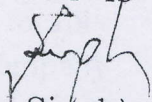
The IDC in its meeting held on 02.02.2018 while discussing the case of Suncity Sheets Pvt. Ltd., Boranada, Phase-IV has noticed that there are several disputed cases on account of the fact that IDC has taken decisions which also have retrospective effect to it, i.e. they become applicable to allotments made earlier wherein such conditions were not included as one of the conditions of allotment or any condition has been changed to the detriment of the Allottee. In such situation, it has been observed that, from RIICO's perspective these decisions become binding on the allottees with effect from the date of the decisions/order. However, it has also been observed that the changed conditions/stipulations (not included in the original allotment conditions, and to the detriment of the allottees concerned) are not intimated to the allottees concerned either by the Unit Office or the HO. It remains a presumption with HO/Unit Office that the allottees concerned would be aware of the IDC decision or change in Rule/condition. This is against the principles of natural justice.

In view of above, the IDC has decided that for all such decisions in future, having retrospective effect, intimation to the affected allottees would be given by the concerned unit office positively. For past such cases, wherein no such intimation was provided, the cases would be examined on merits in accordance with the principles laid down in respect of decision pertaining to Item No. (10) of the IDC meeting dt. 02.02.2018. Extract copy of item (10) from the minutes of the said meeting of the IDC is annexed for ready reference.

End: a/a

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1. FA/Advisor (A&M)

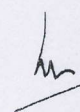

(Vijai Pal Singh)
Advisor (Infra)

EXTRACT copy of Item 10 from the minutes of the meeting of the Infrastructure Development Committee of the Board of Directors of Rajasthan State Industrial Development & Investment Corporation Ltd., Jaipur held on 2nd February 2018 at 11.30 A.M.

Item 10: Reconsideration of the case of Suncity Sheets Pvt. Ltd., Plot No. SP-866-867 at industrial area Boranada, Phase-IV and clarification on the earlier decision taken by the IDC on 29.05.2012.

The Committee discussed the agenda. An addendum to the agenda note, detailing the facts of the captioned case was placed before the Committee and taken on record. The Committee noted the following:

- (1) The allottee in their application for allotment of land had proposed an investment of Rs. 76.51 cr. in phases and not at one go.
- (2) The Committee accorded approval for preferential allotment U/R 3(W) of RIICO Disposal of Land Rules, 1979 under the then prevailing scheme of minimum investment of Rs. 20 crores within the stipulated time, and the same was incorporated in condition no. 6 of allotment letter dt. 16-11-2010 that the allottee would commence production within a total period of 3 years with a minimum investment of Rs. 20 crores. This 3 year period was up to 14-12-2013.
- (3) Subsequently, policy decision was taken by the IDC in its meeting held on 29-5-2012 wherein it was decided that in cases of preferential allotment U/R 3 (W), the total investment as per the project report was required to be made by the due date.
- (4) The Company informed the Unit office vide its letter dated 12-1-2014 that it has completed minimum investment of Rs. 26.53 crores and is in production.
- (5) The Company was not informed by the Unit office of the IDC decision and applicability of the new Rule 21 w.e.f. 1-6-2012, and was informed about it post the stipulated date (14-12-2013) on 25-2-2014, and after submission of their letter. In fact, up to July 2013 the Unit office was sending communication to the company to ensure investment of minimum Rs. 20 crores to consider unit in production.
- (6) The applicant company has informed, with supporting documents that it has already invested Rs. 61.16 cr. on fixed assets as on 30.11.2017 and Rs. 17.71 cr. on account of working capital. In addition, it has placed orders for machinery exceeding Rs. 10



crores and is in process to invest even more than the envisaged amount. The allottee has paid approx. Rs. 175 cr. as revenue/tax to the Government after the commencement of the production and is giving direct employment to 135 individuals presently.

In view of above background, the Committee reviewed its earlier decision taken by the IDC on agenda item (16) of its meeting held on 11.05.2015 and accepted the request of Suncity Sheets Pvt. Ltd. I/A Boranada, Phase-IV, to consider minimum investment of Rs. 20 cr. for the purpose of commencement of production activity.

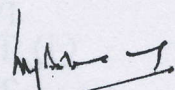
As regards to similar other pending cases, the Committee directed that such cases shall be examined on case to case basis from the point of view whether IDC decision dated 29.5.2012 was communicated timely to the concerned allottee(s) that had been allotted land prior to this order, their current status of investment etc. Such cases where the IDC decision dated 29.5.2012 was applied with retrospective effect, and the actual situation was as per the present case, shall be dealt with in the manner as done in this case. All such cases will be reviewed and decided at the level of the MD, on the basis of representation made by the concerned allottee and merits /facts of the case etc.

However, cases already decided, wherein retention charges levied have been deposited by the concerned allottee, shall not be reopened.

No. A.3(2)5/256/18

Dated 12.02.2018.

Copy to: Advisor (Infra.)


Secretary