

RAJASTHAN STATE INDUSTRIAL DEVELOPMENT
& INVESTMENT CORPORATION LIMITED
UDYOG BHAWAN, TILAK MARG, JAIPUR

No.: IPI/P-6/Tourism Policy/07/IDC/09/3958

Dated: 19 January, 2010

OFFICE ORDER (No. 1/2010)

Sub: Permitting allottee of industrial plot to set up an hotel on the allotted industrial plot.

An agenda item on the subject matter was placed before the Infrastructure Development Committee of the Board of Directors (IDC) vide item (8) of its meeting held on 16.12.2009.

In the backdrop that the State Government has notified tourism as an industry, the IDC has accorded 'in principle' approval that permission may be given to an allottee of an industrial plot to set up an hotel on the industrial plot.

Pursuant to the above decision by the IDC, an industrial plot can be permitted to be used for setting up of hotel without going for any change in land use for commercial purposes of the plot. In other words, for this facility the allottee concerned will not be required to pay any conversion charges. However, the allottee concerned will have to pay differential development charges worked out at the prevailing industrial rates less the development charges already paid at the time of allotment of the plot. The differential development charges as mentioned above would form part of the development charges (cost of industrial land) as updated at par with the development charges for the industrial land calculated at the rate of industrial area concerned and as may be prevailing at the time of seeking such permission. The differential development charges are being recovered deeming that the land is being allotted to set up an hotel at the time of seeking such permission.

Illustration:

- The rate of development charges at the time of original allotment = 'X'
- Rate of development charges at the time of seeking the permission = 'Y'
- Rate (Z) at which the differential development charges are to be recovered =
$$'Z' = X (-) Y$$
- Differential development charges = $Z \times \text{Total plot area}$

The above consideration is subject to observing the technical norms / building parameters etc. as are relevant to the hotel set up in the rules and also the requisite clearances from the statutory authority / bodies, if any required.

(Lalit Kumar Gupta)
Advisor (Infra)