

No: IPI/P-6/Policy/3/2012/1210
Date: 29, Sept., 2023

OFFICE ORDER (20/2023)

Sub: Amendment in clause 8(A) of Form 'C' and Form 'D' of Lease Agreement (Under Rule 11 of RIICO Disposal of Land Rules, 1979).

An agenda item (19) was placed before the IDC in its meeting held on 21.09.2023. The Committee accorded approval to insert a new (second) proviso in the existing provisions of the clause 8(a) of the Lease Agreement just after existing proviso as under:

"Provided further that in case the allotment of plot has been made on concession under concessional category entrepreneurs viz; members of SC/ST, Ex-Serviceman, Dependents of deceased armed forces service personnel/Paramilitary personnel, Person with Benchmark Disabilities, Women entrepreneur or such category as may be included in future in rule 3A of RIICO Disposal of Land Rules, 1979, then in case of transfer of plot from concessional category to general and other category prior to five years from the date of commencement of production activity, then the concessions given in the rate of allotment shall be recovered with interest along with transfer premium payable as per rules".

The Committee further discussed the matter and issue guidelines to all the Unit Offices as follows:

- i. Before issuance of NOC to the concerned Bank/Financial Institution, a letter for consent/acceptance will be sent to Bank/Financial Institution as per **Annexure-'1'**.
- ii. After receiving the assurance letter from the Bank/Financial Institution concerned, the Lease Deed shall be mortgaged with the conditions as per format annexed as **Annexure-'2'**.


Advisor (Infra)

Copy to:

1. Advisor (A&M)/Financial Advisor
2. CGM (SEZ)
3. GM (IT/PR)/GM (Civil)/GM (BP)
4. Addl. GM (Investment)/Addl. GM (EM)
5. OSD (Land)
6. Secretary, RIICO
7. Sr. DGM (Law)/DGM (Law)
8. Sr. DGM (HRD)
9. DGM (IT)- for uploading on website.
10. STP/SE (Power)/ DTP

P&D Cell Officers:

11. Addl. GM (P&D)/ Sr. DGM (P&D) /Sr.RM (P&D)(LCM)/(VK)/Manager (P&D)
12. All Unit Heads -----

Copy also to:

- (i) Sr. PS to Chairman, RIICO
- (ii) Sr. PS to MD, RIICO
- (iii) Sr. PS to ED, RIICO
- (iv) PS to Advisor (Infra)


(Sudhir Lohiya)
Sr. DGM (P&D)

Annexure-1

No.:

Date:

Branch Manager,

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Sub: Letter for consent/acceptance of conditions by Bank/Financial Institution prior to mortgage of lease deed of M/s Plot No. Industrial Area

Ref.: your letter no. dated

Dear Sir,

Vide your above referred letter, your bank/financial institution has desired our no objection or consent for creation of equitable mortgage by deposit the original registered title/lease deed of plot no.at industrial area for extending financial facilities to M/s, Plot No. at Industrial Area,

In this regard, you are advised to first convey your consent/acceptance to our condition that the amount in default of the Corporation during the period of your loan, shall be paid by your Bank as mortgagee directly to the corporation. Further, in case the allottee makes a default in re-payment of your loan amount and bank has taken a decision to take over the assets and proceed with the sale of assets/plot of the allottee under the relevant Act, then your bank has to make payment of entire outstanding dues of RIICO including cost of land with rebate/concession recoverable from the allottee under RIICO Disposal of Land Rules,1979, if any, before registration of Sale deed/Sale Certificate and any other documents executed for transfer of the mortgaged plot and handing over possession in favour of purchaser.

Please send your written consent/acceptance as above so that further action for issuing NOC/consent for creation of equitable mortgage deeds of the allottee may be initiated.

Thanking you,

Yours faithfully

Unit Head

(Regd. AD/Speed Post)

Branch Manager,

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**Sub: Consent for creation of Equitable Mortgage of lease deed of M/s
..... Plot No. Industrial Area**

Ref.....

Dear Sir,

Consequent upon receipt of your consent/acceptance of our conditions vide your letter dated,this Corporation has no objection in case your bank/financial institution decides to extend financial assistance to Plot No. Industrial Area by creating charge/equitable mortgage after depositing the original lease deed/sale deed of the plot no..... at industrial areaas per clause 1(c) of the lease deed.

Further, this no objection is granted to your bank/financial institution with the condition that your bank/financial institution shall keep a specific clause in the documents executed for creation of mortgage that on breach of any of the condition of the lease agreement by the mortgagor or mortgagee, it shall be treated as breach of the condition of mortgage documents as well this consent letter. More so, this mortgage is allowed subject to the various provisions applicable for financial institution/bank as mentioned in the lease deed. Moreover, this consent shall not allow other bank/financial institution to create equitable mortgage/charge in its favour without obtaining prior consent from RIICO in their favour.

After clearance of all the dues of your bank/financial institution, original document mortgaged with you, must be returned to RIICO office
(being lessor).

Thanking you

Yours faithfully

Unit Head