

No: IPI/P-6/Policy/5/2013 /1215  
Date: 29 Sept., 2023

**OFFICE ORDER (16/2023)**

**Sub: To make a provision under Rule 21 and Rule 17 of RIICO Disposal of Land Rules, 1979 regarding transfer of leasehold right after commencement of production activity with such changed product or transfer of leasehold rights of sub-divided plot(s) for which relaxation is provided in the rules.**

An agenda item (12) was placed before the IDC in its meeting held on 21.09.2023. The Committee has accorded approval for inserting a new Rule 21.3.1 (F) in RIICO Disposal of Land Rules, 1979, relating to transfer of leasehold rights after commencement of production for the changed products and new Rule 17-(B)-2 (iii) related to transfer of leasehold rights of sub-divided plots after commencement of production for the changed products as follows:

**Rule 21.3.1 (F)**

If the industrial plot has been originally allotted for manufacturing of a product having requirement of minimum 20% built up area with roof and subsequently allottee switched over to other product/industry before commencement of production in which there is either:

- (i) No requirement of 20% built up area for considering utilization of the plot as per rule 21.3.1(C), or;
- (ii) In which 20% built up area is assessed including open or covered area being utilized by the allottee as mentioned in rule 21.3.1 (B), rule 21.3.1 (D), or;
- (iii) In case of allotment of land in which plot may be treated as utilized on commencement of activity for which plot is allotted irrespective of percentage of covered area as per rule 21.3.6 of RIICO Disposal of Land Rules, 1979, then in such cases:
  - (1) Transfer of leasehold rights of plot may be permitted after 5 years from the date of commencement of production and transfer fee will be charged as per rule 18(b) (i) of RIICO Disposal of Land Rules, 1979.
  - (2) In case transfer of plot takes place prior to above said period, the transfer premium will be payable at par with

*Done*

transfer fee of vacant plot as per rule 18 (b) (iii) of RIICO Disposal of Land Rules, 1979.

**Rule 17-(B)-2 (iii)**

If the industrial plot has been initially allotted for manufacturing of a product having requirement of minimum 20% built up area with roof and subsequently allottee switched over to other product/industry before commencement of production in which there is either:

- (i) No requirement of 20% built up area for considering utilization of the plot as per rule 21.3.1(C), or;
- (ii) In which 20% built up area is assessed including open or covered area being utilized by the allottee as mentioned in rule 21.3.1 (B), rule 21.3.1 (D), or;
- (iii) In case of allotment of land in which plot may be treated as utilized on commencement of activity for which plot is allotted irrespective of percentage of covered area as per rule 21.3.6 of RIICO Disposal of Land Rules, 1979, then in such cases:
  - (1) Sub-division of allotted land/plot may be permitted after 5 years from the date of commencement of production and transfer fee will be levied as prescribed in rule 17-(B)(2) of RIICO Disposal of Land Rules, 1979.
  - (2) In case of sub-division of allotted land/plot takes place prior to above said period, transfer fee for transfer of sub-divided plot will be charged at par with transfer fee of vacant plot under rule 18 (b) of RIICO Disposal of Land Rules, 1979.

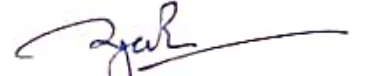
*Rant*  
**Advisor (Infra)**

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**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)**