

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

No: IPI/P.5/337/2025-06524

ORDER (8/2025)

Sub: Amendment in Rule 21 of RIICO Disposal of Land Rules, 1979, related to time period for utilization of the allotted plot as well as requisite minimum built up area for the purpose of considering utilization of the allotted plot/land.

The Infrastructure Development Committee (IDC) vide item (18) in its meeting held on 03.03.2025 has accorded approval for amendment in Rule 21.1, 21.3.1 (A), insertion of new rule 21.3.1 (H) and amendment in rule 21.4 & 21.4.1 of RIICO Disposal of Land Rules, 1979. Accordingly, the modified Rules 21.1, 21.3.1, 21.4 and 21.4.1 are as follows:

Rule No.		Amendment Rule
21		Time period for utilization of the allotted plots
	1.	<p>Unless it is not specifically provided in any other rule of RIICO Disposal of Land Rules, 1979, the allottees shall be required to start commercial production/activity within two years from the date of handing over possession of the plot or deemed possession, as the case may be, without taking into consideration as to whether the industrial area has been declared developed or not, provided the Environment Clearance is not required as per law.</p> <p>In other cases, where Environmental Clearance is required as per law, the allottees shall be required to start commercial production/activity within three years from the date of handing over possession of the allotted plot or deemed possession, as the case may be, without taking into consideration as to whether the industrial area has been declared developed or not.</p> <p>Provided further, this time period shall not be applicable to the allotment of land/plot to the khatedars in lieu of cash compensation under land acquisition. However, the transferee of the plot/land who has purchased the vacant plot/land from such khatedar will be required to utilize the plot/land within two years' time period from the date of transfer of plot by the khatedar in cases where Environment Clearance is not required and in 3 years in other cases.</p> <p>For the plots already allotted or allotment of plots for which bid process has been started prior to 04.04.2025 in such cases, allottee would be required to complete the construction and commence production/activity within the time period prescribed in the prevailing rules at the time of allotment.</p>
	3.	Minimum built-up area for the purpose of considering utilization of the allotted plot/land shall be as under:
	3.1	Industrial Plot:
	(A)	<p>30% of the plot area on ground or permissible BAR for the allotment of plots.</p> <p>For the plot which has already been allotted or allotment of plots for which bid process started prior to 04.04.2025, in such cases, minimum built-up area or 20% on the plot will continue to remain in effect.</p>
	(B)	<p>In case of the following industrial units, requirement of 20% built-up area with roof under the rule may be assessed taking into account also the land area being utilized by the allottee as stockyard of raw material and finished goods. In other words, the land area (open or covered) being utilized by such allottees for stockyard purpose may also be included for the purpose of calculating built-up</p>

		<p>area in the plot:</p> <p>(a) Stone based industries, such as, marble/granite/kota-stone processing units.</p> <p>(b) Cement based industries, such as, PCC Poles, Hume Pipes, Concrete Blocks/Curb Stones, Cement Tiles, Cement Gamla & Jali products.</p> <p>(c) Wool Processing Industries.</p> <p>(d) Mineral Grinding Units.</p> <p>(e) Salt Grinding Units.</p> <p>(f) Fly Ash based Industry.</p> <p>(g) Bio-Mass based Power Plant.</p> <p>(h) Herbal Extract Purified Derivatives Bulk Drugs projects</p> <p>(i) Dal Mill Udyog</p> <p>(j) Pesticides formulation and ferrous sulphate units</p> <p>(k) Fabrication of towers.</p> <p>(l) Agro Fuel Coal brickets</p> <p>(m) Paper Board Industries</p>
	(C)	Milk Chilling unit will be considered in production even with the built-up area less than 20% of the plot area.
		<p>Explanation:</p> <p>1: The relaxation in minimum 20% construction area requirement for the above type of industries will be applicable with retrospective effect. However, the cases wherein retention charges have already been deposited shall not be reopened.</p> <p>2: In cases where assessment of open area being utilized for stockyard purpose to consider unit in production in back date if not established on the basis of documentary proofs as may be submitted by the allottee, in such cases fulfilment of minimum built-up area requirement of 20% shall be considered on the date of issue of order for the respective product.</p>
	(D)	<p>In case of following industrial units in which substantial plot area is utilized for plant and machineries and storage tank without roof, the requirement of minimum 20% built-up area with roof may be assessed by taking also into account the area being utilized for plant and machineries and storage tank without roof:</p> <p>(i) Cement Plant</p> <p>(ii) Refinery</p> <p>(iii) LPG Bottling Plant</p> <p>(iv) RMC Plant</p>
	(E)	In cases where land is specifically acquired on the direction of the State Government for a private company and allotted to these companies on undeveloped basis for commencing specified activity then in such cases allotted land will be treated as utilized on commencement of such activity dispensing with the condition of minimum built-up area requirement.
	(F)	<p>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:</p> <p>(i) No requirement of 20% built-up area for considering utilization of the plot as per rule 21.3.1(C), or;</p> <p>(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;</p> <p>(iii) In case of allotment of land in which plot may be treated as utilized on commencement of</p>

		<p>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:</p> <p>(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.</p> <p>(2) In case transfer of plot takes place prior to above said period, the transfer premium will be payable at par with transfer fee of vacant plot as per rule 18 (b) (iii) of RIICO Disposal of Land Rules, 1979.</p>																
	(G)	<p>In case of plot allotted exclusively for the purpose of Data Center, a period of 3 years will be allowed to lessee to consume minimum 20% standard BAR within first 3 years and further 20% standard BAR within next 1 year from the date of possession or from the date of declaration of industrial area as developed, whichever is later for considering unit as functional. Time extension/regularization of delay in achieving intermediate Mile Stone will be considered on payment of retention charges calculated @ 0.5% per quarter or part thereof on the total land cost of plot. While granting time extension/regularization of intermediate Mile Stone, the stipulated time period of final Mile Stone will not be extended.</p>																
	(H)	<p>In the case of allotment of plot/land parcel for industrial purposes on or after 04.04.2025, the allottee shall abide the following Intermediate Milestones:</p> <p>(a) Projects for which Environmental Clearance is necessary:</p> <p>The allottee shall have to follow the following intermediate milestones before commencing commercial production on the allotted plot/land parcel. In case of failure to achieve the such intermediate milestones, the penalty will be imposed by the concerned Unit Head and relaxation in time period will be given on the basis of merits of the case as provided in table below:</p> <table border="1"> <thead> <tr> <th>S. No.</th> <th>Phase</th> <th>Time Period (from the date of possession)</th> <th>Action /penalty</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>(i) Execution of lease agreement. (ii) Submission of application for Environmental Clearance at the competent level.</td> <td>2 months</td> <td>In case of not completing the intermediate milestone within the prescribed time period, the Corporation shall have the right to cancel the allotment of the plot. In case of delay due to valid reasons, relaxation may be granted upto second intermediate milestone. This relaxation will be granted on a lump sum penalty @ 0.5% of the cost of land of the prevailing rate of allotment of the industrial area concerned.</td> </tr> <tr> <td>2</td> <td>(i) Submitting building plan map or getting building plan map approved, as the case may be; (ii) Applying for Consent to Establish (CTE) under Air/Water Act, if applicable</td> <td>6 Months</td> <td>In case of not completing the intermediate milestone within the prescribed time period, the Corporation shall have the right to cancel the allotment of the plot. In case of delay due to valid reasons, relaxation may be granted upto the third intermediate milestone, provided the allottee has completed the progress of first intermediate milestone. This relaxation will be granted on a lump sum penalty @ 0.5% of the cost of land of the prevailing rate of allotment of the industrial area concerned.</td> </tr> <tr> <td>3</td> <td>Environmental Clearance has been obtained</td> <td>12 Months</td> <td>In case of not completing the intermediate milestones within the prescribed time period, the Corporation shall have the right to cancel</td> </tr> </tbody> </table>	S. No.	Phase	Time Period (from the date of possession)	Action /penalty	1	(i) Execution of lease agreement. (ii) Submission of application for Environmental Clearance at the competent level.	2 months	In case of not completing the intermediate milestone within the prescribed time period, the Corporation shall have the right to cancel the allotment of the plot. In case of delay due to valid reasons, relaxation may be granted upto second intermediate milestone. This relaxation will be granted on a lump sum penalty @ 0.5% of the cost of land of the prevailing rate of allotment of the industrial area concerned.	2	(i) Submitting building plan map or getting building plan map approved, as the case may be; (ii) Applying for Consent to Establish (CTE) under Air/Water Act, if applicable	6 Months	In case of not completing the intermediate milestone within the prescribed time period, the Corporation shall have the right to cancel the allotment of the plot. In case of delay due to valid reasons, relaxation may be granted upto the third intermediate milestone, provided the allottee has completed the progress of first intermediate milestone. This relaxation will be granted on a lump sum penalty @ 0.5% of the cost of land of the prevailing rate of allotment of the industrial area concerned.	3	Environmental Clearance has been obtained	12 Months	In case of not completing the intermediate milestones within the prescribed time period, the Corporation shall have the right to cancel
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1	(i) Execution of lease agreement. (ii) Submission of application for Environmental Clearance at the competent level.	2 months	In case of not completing the intermediate milestone within the prescribed time period, the Corporation shall have the right to cancel the allotment of the plot. In case of delay due to valid reasons, relaxation may be granted upto second intermediate milestone. This relaxation will be granted on a lump sum penalty @ 0.5% of the cost of land of the prevailing rate of allotment of the industrial area concerned.															
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					<p>the allotment of the plot.</p> <p>In case of delay due to valid reasons, relaxation may be granted upto fourth intermediate milestone, on the condition that the allottee has completed the progress of second intermediate milestone.</p> <p>This relaxation will be granted on a lump sum penalty @ 0.5% of the cost of land of the prevailing rate of allotment of the industrial area concerned.</p>	
			4	Minimum built-up area up to the plinth level of the plot should be completed as per rules.	18 Months	<p>In case of not completing the intermediate milestones within the prescribed time period, the Corporation shall have the right to cancel the allotment of the plot.</p> <p>In case of delay due to valid reasons, relaxation may be granted upto fifth intermediate milestone, on the condition that the allottee has completed the progress of third intermediate milestone.</p> <p>This relaxation will be granted on a lump sum penalty @ 0.5% of the cost of land of the prevailing rate of allotment of the industrial area concerned.</p>
			5	Completion of construction of minimum built-up area up to roof level (without laying roof).	24 Months	<p>In case of not completing the intermediate milestones within the prescribed time period, the Corporation shall have the right to cancel the allotment of the plot.</p> <p>In case of delay due to valid reasons, relaxation may be granted for next 6 months, provided the allottee has completed the progress of the fourth intermediate milestone.</p> <p>This relaxation will be granted on a lump sum penalty @ 0.5% of the cost of land of the prevailing rate of allotment of the industrial area concerned.</p>
			<p>Explanation: -</p> <p>(i) The time period given in the above table shall be considered in the subsequent sequence following the date of handing over possession.</p> <p>(ii) In case any extension is granted to follow the intermediate milestone(s) as mentioned above, the time period of 3 years to commence commercial production shall not be considered extended Suo-moto.</p> <p>(iii) These intermediate milestones will be applicable for allotment of plots in which bid process has been started on or after 04.04.2025.</p>			
			<p>(b) Projects for which Environmental Clearance is necessary:</p> <p>The allottee shall have to follow the following intermediate milestones before commencing commercial production on the allotted plot/land parcel. In case of failure to achieve the such intermediate milestones, the penalty will be imposed by the concerned Unit Head and relaxation in time period will be given on the basis of merits of the case as provided in table below:</p>			

S. No.	Phase	Time period (from the date of handing over possession)	Action /Penalty
1	(i) Execution of lease agreement (ii) Submission of building plan/ map or getting the building plan map approved, as the case may be (iii) Applying for Consent to Establish (CTE) under Air/Water Act, if applicable.	6 Months	In case of not completing the intermediate milestone within the prescribed time period, the Corporation shall have the right to cancel the allotment of the plot. In case of delay due to valid reasons, relaxation may be granted upto second intermediate milestone. This relaxation will be granted on a lump sum penalty @ 0.5% of the cost of land of the prevailing rate of allotment of the industrial area concerned.
2	Minimum built-up area up to the plinth level of the plot should be completed as per rules.	12 Months	In case of not completing the intermediate milestone within the prescribed time period, the Corporation shall have the right to cancel the allotment of the plot. In case of delay due to valid reasons, relaxation may be granted upto third intermediate milestone, provided the allottee has completed the progress of the first intermediate milestone. This relaxation will be granted on a lump sum penalty @ 0.5% of the cost of land of the prevailing rate of allotment of the industrial area concerned.
3	Completion of construction of minimum built-up area up to roof level (without laying roof).	18 Months	In case of not completing the intermediate milestone within the prescribed time period, the Corporation shall have the right to cancel the allotment of the plot. In case of delay due to valid reasons, relaxation may be granted for next 6 months, provided the allottee has completed the progress of the second intermediate milestone. This relaxation will be granted on a lump sum penalty @ 0.5% of the cost of land of the prevailing rate of allotment of the industrial area concerned.
<p>Explanation: -</p> <p>(i) The time period given in the above table shall be considered in the subsequent sequence following the date of handing over possession.</p> <p>(ii) In case any extension is granted to follow the intermediate milestone(s) as mentioned above, the time period of 2 years to commence commercial production shall not be considered extended Suo-moto.</p> <p>(iii) These intermediate milestones will be applicable for allotment of plots in which bid process has been started on or after 04.04.2025.</p>			
4.	After the commencement of commercial production/activity, the allottee shall, as soon as possible, give information online through SSO portal to the concerned RIICO Unit Head about the		

		commencement of commercial production/activity on the allotted plot for which the plot has been allotted, along with the following documents:
	4.1	<p>Industrial:</p> <ul style="list-style-type: none"> (i) First Sale Bill; (ii) Self-attested copies of Plant & Machinery purchase bills; (iii) Electricity bill of the month in which date of production is claimed; (iv) Construction of Rain Water Harvesting Structures; (v) CA certificate showing that a minimum 75% of the fixed capital investment has been made in building and Plant & Machinery as per project report submitted at the time of bidding/application for allotment of plot. Provided, those cases where preferential allotment has been made under Rule 3(W), 'commencement of production' will be recorded as above, after verifying that investment of the envisaged amount propose/committed by the allottee at the time of approval of allotment by the constituted committee has been made. (vi) Geo-tag photographs of inside and outside of the factory building/production work. (vii) GST deposited to the Government/ Customer Shipping Bill (if applicable), any other tax receipt, if any; (viii) Valuation of Bank, if any (the bank should be a Public Sector Bank, Private Sector Bank or Small Finance Bank in the schedule issued by Reserve Bank of India); (ix) Factory & Boiler License (if applicable).
		<p>The Unit Head after physically verifying that the building is fit for use and the minimum built-up area has been completed as per rules, as well as the building plan were submitted by the lessee before commencement of construction/or got approved by the authority as the case may be, will record the utilization of the plot and issue utilization certificate to the allottee/lessee.</p> <p>Provided further, in case of any dispute in respect of date of utilization of the allotted plot then a committee comprising of MD-RIICO, Advisor (Infra), Financial Advisor, Concerned Officers of P&D and Legal Cell is authorized to decide the dispute in respect of date of utilization of plot on merit of each case.</p>

The others provisions of the existing rule shall remain unchanged.

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Advisor (Infra)

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