

**RAJASTHAN STATE INDUSTRIAL DEVELOPMENT AND  
INVESTMENT CORPORATION LIMITED**

**Minutes of** : 7/2018 –Infrastructure Development Committee  
**Venue** : Udyog Bhawan, Jaipur  
**Day & Date** : Monday, the 8<sup>th</sup> October 2018  
**Commencement/Completion time of meeting** : 11.30 A.M. /1.30 P.M.

**Present :**

Shri Rajeeva Swarup	Chairman & MD
Dr. Samit Sharma	Commissioner Industries & Commissioner (Inv. & NRI)
Smt. Urmila Rajoria	MD, RFC

All the above directors were present throughout the meeting.

Shri Sudipto Sen, Sr. DGM (Law) and link officer to the Secretary was in attendance. Ms. Anupama Sharma, Financial Advisor; Shri Vijai Pal Singh, Advisor (Infra.); Shri Rajendra Singh, GM(Civil); Shri S.K. Gupta, Addl. GM (P&D); Shri D.K. Sharma, Sr. DGM (P&D); and Shri Sanjay Waghmare, Sr. Town Planner were also present.

**LEAVE OF ABSENCE**

The Committee granted leave of absence to Shri Ajitabh Sharma who had intimated his inability to attend the meeting.

**Quorum:** The Chairman was present. As the quorum was present, the meeting was called to order.

**Notice as well as agenda notes were circulated at a period of less than seven days, therefore, the members present in the meeting unanimously agreed to waive the minimum notice period and took up all the items for consideration.**

**Item 1: To note the minutes of the last meeting of the Committee held on 26<sup>th</sup> September 2018.**

The Committee discussed the agenda and noted the minutes of the last meeting of Committee held on 26<sup>th</sup> September 2018.

**Item 2:Revision of Administrative Sanction of Brij Industrial Area, Phase-I, Bharatpur.**

The Committee discussed the agenda and accorded ex-post-facto approval for upward revision in Administrative Sanction of Brij Industrial Area, Phase-I, Bharatpur, from Rs.156.14 lac to Rs.371.81 lakh, as per cost sheet enclosed at Annexure-A to the agenda note. However, the tender shall be floated only after the expiry of the time for Code of Conduct regarding forthcoming Assembly Election in the State.

**Item 3:Second Appeal of Shri Dilip Kumar Agarwal in respect of Plot No.C-330 to C-333, Housing Colony Abu Road under Rule 24(2)(b)(2)(ii) of RIICO Disposal of Land Rules, 1979.**

The Committee was informed that Shri Dilip Kumar Agarwal had filed First Appeal Under Rule 24 (2)(b) before the Appellate Authority i.e. Chairman against the cancellation of allotment issued by Unit Office Abu Road in respect of plot no. C-330 to C-333 RIICO Housing Colony Abu Road on 07.07.2017. The First Appeal was dismissed by the Appellate Authority vide order dated 07.03.2018 (Annexure 'C' of the agenda note).

The appellant filed the second appeal and prayed to quash and set aside the cancellation of allotment dated 07.07.2017 and order dated 07.03.2018 passed by First Appellate Authority. The appellant also prayed to regularise the unauthorized constructions in setback areas on payment of compounding fees as provided in Urban Area (Building Irregular Construction/Regulation) bye-laws 2014 and applicable RIICO rules.

The Committee discussed the contents of the second appeal and the agenda.

The Committee observed that the Corporation has not yet adopted the Urban Area (Building Irregular Construction/Regulation) bye laws 2014, hence there is no provision in the RIICO Rules to regularize the unauthorized construction in set-back area of the residential plots on payment of compounding fees. The Committee further observed that Hon'ble Rajasthan High Court, Jodhpur in Civil Writ Petition (PIL) No.1554/2004 of Shri Gulab Kothari Vs. State of Rajasthan and Others and other writ petitions has passed

judgment dated 12.01.2017. The relevant directions in the judgment are as follows:

“No deviation from the norms laid down under the building byelaws shall be permitted. The unauthorized construction raised violating the building line and the setbacks norms laid down under building byelaws or otherwise by the concerned local authority, shall not be permitted to be compounded in any circumstances.”

In view of the above mentioned facts and circumstances, the Committee was of the view that the cancellation of allotment dated 07.07.2017 was issued as per rules and First Appellate Authority has rightly rejected the First Appeal by its order dated 07.03.2018. Therefore, no interference is required in the cancellation order dated 07.07.2017 and order of First Appeal dated 07.03.2018.

The Committee decided that the appeal is devoid of merits and dismissed accordingly.

**Item 4: Amendment in the existing provision of Rule 3(G)-21 of RIICO Disposal of Land Rules, 1979 related to allotment of land for setting up of Weights & Measurement Laboratories.**

The Committee discussed the agenda and accorded approval for amendment in the existing provision of Rule 3(G)-21 of RIICO Disposal of Land Rules, 1979 related to allotment of land for setting up of Weights & Measurement Laboratories. The amended provision shall be as under :

**Rule 3(G)-21:**

*‘Allotment of land to Consumer Affairs Department for setting up of Weights & Measurement Laboratories:*

*(a) Working Standards Laboratory (WSL) – upto 350 sqm.*

*(b) Secondary Standards Laboratory (SSL) – upto 660 sqm.*

**Allotment Rate:**

*At token amount of Re.1/-.*

**Note:**

*(i) Additional land required for Secondary Standards Laboratory above the limit stated, would be allotted at the prevailing rate of the allotment of the industrial area concerned.*

*(ii) The land will be allotted out of Service area.*

*The Department will be exempted from payment of service charges; however, it will pay economic rent (lease rent) as per rules.’*

**Item 5: Clarification with regard to earlier rule 23-C-7/present rule 23-C-2.**

The Committee deliberated on the agenda in detail and, in view of the issue placed before it, first concluded on the general principles as follows:

- (1) The primacy of the RIICO Land Disposal Rules, 1979, for all land related matters, is not in doubt.
- (2) IDC is the competent authority (other than the Board of Directors) to make any modification / amendment / insertion in the Rules.
- (3) Even the Management does not have the competence to issue any directions that are in contravention of the provisions of the Rules.
- (4) The Unit offices are bound to take action / decisions, issue permissions, sign lease deeds etc. strictly in accordance with the provisions of the Rules and directions of the head office in this regard.
- (5) Any condition imposed etc. by the Unit office that is in contravention of the prevailing provision/s of the Rules, without the approval of the competent authority in RIICO, without conscious decision on file should not be considered valid. **This principle was put to test as a corollary** – if a condition was imposed by the Unit office which was **beneficial** to the allottee, but **in violation** of the provision/s of the prevalent **Rules**, and even the directions of the head office, **would the Management accept it merely because the Unit office has signed it**, or would it be cancelled / revoked on the ground that it is against the Rules? Can the Unit offices be given the liberty of changing conditions, taking decisions against the provisions of the Rules laid down by the competent authority in RIICO for strict adherence? In such case, is the final decision making at Unit office level or by competent authority at Corporation level? The answer to all these questions is obvious – i.e. the Rules will be upheld and not the irregular permission issued by the Unit office.
- (6) The Unit offices exercise delegated power to issue various permissions / sanctions etc. and the scope of those powers is confined strictly within the ambit of the provisions of the Rules laid down and the directions issued by the competent authority.
- (7) In transfer cases, the Unit head does not have the discretion to impose conditions that are in contravention of the prevailing

provisions of the Rules or the directions of the head office in this regard.

- (8) The standard format of lease deed has been prescribed by the Corporation for new allotment. On transfer of the plot, the transferee steps into the shoes of the original allottee / leaseholder for the remaining duration of the lease, on the terms and conditions of the original allotment / lease deed. Hence, in case of transfer by valid registered sale deed, no new lease deed is to be signed, as has been clarified vide Circular No.IPI/P-3/24(A)-42/2071 dated 17.03.2001 and again vide Circular dated 08.08.2003. A supplementary lease deed is to be signed when there is a change in any condition of the original lease deed or addition of any condition, in accordance with the provisions of the prevailing Rule.
- (9) If there is a **conflict** between any condition imposed by the Unit Office in a permission letter or in the lease deed executed (and not required to be done in that format) that is in contravention with the provision of the prevailing Rule in that regard, the directions by the head office issued, and without conscious decision on file, with another condition in the same permission letter / lease deed, that requires adherence to the RIICO Land Disposal Rules, the condition in conformity with the Rules shall prevail. This has been opined by the legal cell also, and again reiterated by Sr. DGM law in the meeting.

In view of the principles enunciated above, the Committee applied the same to the issue placed before it and agreed that:

- (a) There is no doubt that in the period 16.09.2000 up to 26.02.2014, there was no ambiguity in the prevalent Rule 23-C-7 that **“For transfer of plot after commencement of production in plot there shall be no limitation for re-starting the production activity.”**
- (b) The conditions imposed by the Unit offices in the permission letters of transfer cases during the said period, for construction / re-starting production activity, where the transfer of plot had been done after commencement of production, were against the provision of the prevailing Rule 23-C-7, without the approval of the competent authority and without conscious decision on file.
- (c) The signing of lease deed with the transferees in the lease deed format approved for new allottee was not required to be done and

against the directions issued by the head office in this regard. The retaining of the clause of setting time limit for construction (clause 2d) in cases mentioned at (b) above was not warranted and against the provision of the prevalent Rule 23-7-C in this regard.

- (d) There is a conflict in the conditions imposed in permission letters which have specified a time limit for re-starting production and other conditions in same letter which state that the terms and conditions of original allotment letter and lease deed shall be applicable as well as adherence to the terms & conditions of the RIICO Land Disposal Rules, 1979. Similarly clauses 2 (d), which is against the provision of the prevalent Rule in such cases, is in conflict with clause 2 (p).

Hence, the Committee decided that a Circular be issued which clarifies that, in the period 16.09.2000 up to 26.02.2014, where the transfer of plot had been done after commencement of production, and there is any conflict in the permission letter whereby a time limit for construction / re-starting production activity had been included, against the provision of the prevailing Rule 23-C-7, without the approval of the competent authority and without conscious decision on file, with another condition in the same letter that states that the allottee shall abide by the terms and conditions of the original allotment letter and lease deed and the RIICO Land Disposal Rules, 1979, there shall be no time limit for re-starting the production activity. Similarly, if there is a similar conflict in the lease deed between clause 2(d) and clause 2 (p), clause 2 (p) shall prevail in all such cases in the said period.

The principles stated above may also be applied to other such cases wherein it comes to notice that there is a conflict between any condition imposed that is in contravention to the relevant prevailing Rule of the RIICO Land Disposal Rules, 1979 (unless an amendment in the said Rules has been made with retrospective effect), and without approval of competent authority or without conscious decision recorded on file, with another condition that requires adherence to the Rules, the provision of the prevalent Rule shall apply. However, in such cases, decision would be taken at the competent level in the head office.

Further to above, with the permission of the Chair, the IDC was informed that the Land Plan Committee (LPC), in its meeting held on 3-10-2018, had taken decision in respect of 3 cases of sub-

division of large size plots under Rule 17-E. However, it had also been decided by the LPC that the decision taken in these cases may also be placed before the IDC for perusal with a submission of the facts of the case and the basis on which decision in the 3 cases were taken so that the IDC may also see the compliance in respect of the prevailing Rules.

1. Sub-division of Plot No.A-348-349 at Industrial Area, Bhiwadi transferred to M/s. Worldstel Stainless Steel Limited: It was brought to the notice of the Committee that decision in reference to eligibility condition 1(b) of the said Rule i.e. commencement of production had been taken on the same basis which has also been agreed by the IDC as per agenda item 5.
2. Sub-division of Plot No.SP-818(II) transferred to M/s. Om Metals Infotech Pvt. Ltd. at Industrial Area, Vishwakarma, Jaipur: The Committee was apprised there had been complaints made in relation to this case, which have been more with the objective of intimidation and preemption of decision making wherein wide publicity including complaints at all level and in media has been done. Accordingly, the file concerned and concerned documents were shown to the Committee members.

As in the case at serial number 1 above, it was brought to the notice of the Committee that decision in reference to eligibility condition 1(b) of the said Rule i.e. commencement of production had been taken on the same basis which has also been agreed by the IDC as per agenda item 5. The Committee was shown the relevant records available on file in respect of compliance by the applicant in respect of each of the 4 eligibility conditions specified in Sub Rule 1 of Rule 17-E. The Committee concurred with the decision of Land Plan Committee and agreed that the Company fulfils the eligibility criteria laid down in sub-rule (1) of rule 17-E and hence is entitled to sub-division in accordance to the terms and conditions laid down in sub-rule(2). It also fulfils the conditions laid down in sub-rule(2) which are required to fulfilled at the time of application. Having perused the record, in light of provision of Rule 17-E, the Committee agreed that the decision taken was in accordance with the provisions of Rule 17-E of the RIICO Land Disposal Rules, 1979.

The Committee was also apprised about all the objections stated in the complaints and the position as per the Rules as well as facts on record and the grounds on which they were baseless.

The Committee was also of the view that such kind of complaints, which are made with the intention of intimidation and pre-emption of decision, should not be encouraged and this is possible if decision is continued to be taken in an objective and transparent manner and strictly in adherence to the provisions of the Rules.

3. Subdivision of part area of plot no. 5-A, 5-B, 5-C, 23, 24, 25, 26, 27, 28, 29, 30, 30-A, 30-B, 30-C, E, 19-A, 20-A, 21-A, 22, 31, 32-A, F-1, 19-B, 20-B, 21-B, F, 33, 34, 32-B, D, 16, 17 at Large Scale Industrial Area, Kota, transferred to M/s ArfatPetro Chemicals P. Ltd. (APPL) and subsequent change of land use of subdivided plots.

The sub-division of land of M/s Arfat Petrochemicals Pvt. Ltd. (APPL), Kota was also approved in the meeting of LPC dated 03.10.2018 with development of the area in three phases i.e., A, B-1, B-2, C-1 & C-2, as per the provision of RIICO Disposal of Land Rules, 1979. Since, the size of the plot is very large (205 acres) and with approval of sub-division plan, in phases, the tenure of this project will extend upto six years. Therefore, the request of the applicant for finality of permission for the project, to be implemented in phases, provision for which exists under present Rules, was accepted. The decisions taken by the LPC in this case were apprised to the IDC and were noted to be in accordance with the provisions of the Rules.

The meeting concluded with a vote of thanks to the Chair.

**CHAIRMAN**