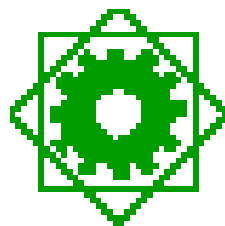


# **Estate Management Procedures (EMP) - 2011**

**Haryana State Industrial & Infrastructure  
Development Corporation Ltd.**



# Estate Management Procedures (EMP) - 2011

## Table of Contents

Sr. No.	Subject/ Title	Chapter No.	Page No.
1	Introduction, Applicability and Option	0	1-2
2	Industrial Estates/ Parks and facilities	1	3-7
3	Pricing of Plots	2	8-11
4	Allotment of Industrial Plots	3	12-18
5	Offer of Possession	4	19-20
6	Period for Project Completion	5	21-24
7	Surrender and Resumption of Plots	6	25-28
8	Leasing and Renting	7	29-32
9	Transfer of Plots/ Sheds	8	33-38
10	Change in Constitution/ Shareholding	9	39
11	Change of Project	10	40
12	Bifurcation/ Fragmentation of Plot	11	40
13	Residual Matters	12	41-43
14	Provisions for Technology park Projects	13	44-48
15	Provisions for Residential Plots	14	49-55
16	Group Housing Plots/ Sites	15	56-62
17	Institutional Plots/ Sites	16	63-68
18	Commercial Sites	17	69-73
19	Residential Sites/ Units for Industrial Workers	18	74-78
20	Format of Undertaking for Switch-over to the EMP-2011		79-80
21	Copy of Notification (Ref. Para 3.4(ii) of EMP		81

## **Estate Management Procedures (EMP) - 2011**

### **Introduction**

1. The Industrial Policy announced by the State Government provides that the State Development Agency (HSI IDC in this case) shall frame its own internal set of guidelines for the management of industrial estates, prescribe the terms and conditions for allotment, transfer, leasing, resumption etc. of plots & all other related processes and procedures to be followed by the State Developing Agency and the allottees of plots. These internal guidelines constitute what is referred to as the Estate Management Procedures (EMP) hereinafter.
2. In line with the decision of the State Government, the Haryana State Industrial and Infrastructure Development Corporation Limited (HSI IDC) has been following a certain set of operational guidelines in the past. The last set of such guidelines containing the terms and conditions of allotment and processing of subsequent requests were prescribed in the EMP-2005. With the passage of time, these guidelines have been reviewed and revised. These revised guidelines have been approved by the Board of Directors of HSI IDC in its 312<sup>th</sup> meeting held on 20<sup>th</sup> December 2010 and have come into operation w.e.f. 01.01.2011 and are hereafter referred to as "EMP-2011".

### **Applicability**

3. The provisions of EMP-2011 shall be applicable to all the industrial plots allotted on or after the 1<sup>st</sup> of January, 2011.

### **Option**

4. The previous allottees have the option to either continue to be governed by the terms and conditions of allotment as provided in the agreements executed by them with the HSI IDC at the time of allotment as well as provisions of EMP applicable to such allottees or switch over to the EMP-2011 within a period of 6 months i.e. up to 30<sup>th</sup> of June 2011. However, it is clarified that the allottees are not entitled to pick and choose the provisions as it best suits them and he/ she will have to opt for the EMP as a package. In case an allottee opts to switch over to the EMP-2011, he/ she will have to submit a fresh unconditional undertaking to accept and be bound by the provisions of EMP-2011 where after the Agreement executed earlier will be deemed to be modified to that extent and the provisions contained in EMP-2011 will come into force in his case. Benefits under the EMP-2011 in old allotment cases will be available from

the date of furnishing of such undertaking and it will have no retrospective effect. In all other cases, the terms and conditions, as contained in the agreement / provisions of EMP applicable to them, shall prevail. However, the rates in respect of various services would be applicable as prevailing at the time of submission of a service request. Notwithstanding anything contained in this policy, all cases decided in the past as per old EMPs will not be re-opened.

## Chapter 1

### Development of Industrial Infrastructure and the Estates/ Parks

- 1.1 HSIIDC has been given the mandate to develop Industrial infrastructure and thereby facilitate development and growth of industry in the state of Haryana. The Corporation has developed industrial estates through out the state in this process. Details of the Industrial Estates developed by the Corporation as well as Industrial Estates/Parks, under development are given in the statement at **Annex-1.1 & 1.2** respectively.
- 1.2 In addition to the above stated already developed Industrial estates/ Parks/ IMTs as detailed in Annex-1.1, the HSIIDC has plans for development of Industrial Parks at various locations of which details are given in the statement at **Annex- 1.3**
- 1.3 The process of development of Industrial Infrastructure necessarily involves acquisition of land, planning, execution of development works e.g. roads, water supply, sewage, drainage, and electrical infrastructure. This is followed by provision of secondary level of facilities such as the STP/CETP, development of plantation/green belts, commercial and institutional sites, common parking facilities, etc. Indicative details of the amenities falling in different categories are given in **Annex- 1.4**
- 1.4 The scope and scale of amenities so provided may vary across the industrial estates depending upon the size of the estate and may not be uniform in all the Industrial Estates. The effort always remains to develop the basic infrastructure facilities in an industrial estate before initiating the process of allotment of industrial plots. However, there could be exceptions in strict adherence to this approach. These exceptional circumstances could arise from a number of factors such as:
- i) The HSIIDC may not be in undisputed possession of certain parcels of land on account of litigation which impede the completion of works at certain places;
  - ii) There is overwhelming demand for plots pressing for early allotment and the state may lose out on the potential projects/ investment, if allotments are not made on immediate basis;
  - iii) Certain applicants are in an urgent/ immediate need of land and are in a position to start work on their projects without waiting for completion of these facilities.
- 1.5 Further, there could also be a plan for phased development of the infrastructure facilities. For instance, it has been observed that the WBM roads provide unhindered access to the plots for carriage of construction material whereas the tar-felt roads

get damaged during the spurt of construction activities. In addition to the problems associated with settlement of roads in the initial stages (at least one rainy season), frequent road cuts necessitated for cross-connections for water supply and sewage call for restoration of these cuts. It is keeping these conditions in view that the HSIIDC has planned for provision of the bituminous macadam after a gap of one to two years of the initial allotment. Similarly, the infrastructure relating to drainage works, though an essential part of development, does not impede the establishment of projects. On the other hand, it is recognized that availability of access to the plots, water-supply, sewage facilities and electrical infrastructure constitute the basic facilities for any entrepreneur to start working on his project.

- 1.6 For the purposes of implementation of the EMP-2011, various industrial estates developed by the Corporation throughout the state are categorized as under:-

Sr. No.	Category	Industrial Model Townships/ Estates/ Parks
1	'A'	Gurgaon, IMT Manesar, IMT Roz-Ka-Meo, Faridabad, Industrial Estate/EPIP Kundli, Rai, Bahadurgarh, Murthal, Sonapat, Panipat and Panchkula including the Panchkula Technology Park,
2	'B'	Barhi, Bawal, Karnal, Rohtak and Samalkha
3	'C'	All Estates other than those mentioned above

- 1.7 The above categorisation of estates may be reviewed by the Board of Directors of the HSIIDC from time to time.

### Annexure-1.1

#### List of the Industrial Estates/IMTs Developed by the HSIIDC

Sr. No.	Location/ Town	Industrial Estate/ Phase	Area (in acres)	No. of Indl. Plots/sheds(*)
1	Gurgaon	Udhyog Vihar Phase-I	625.83	278
		Udhyog Vihar Phase-II		121
		Udhyog Vihar Phase-III		134
		Udhyog Vihar Phase-IV		408
		Udhyog Vihar Phase-V		437-Plots 118-Sheds
		Udhyog Vihar Phase-VI	103	362-Plots 92-Sheds
2	Faridabad	I. E. Sector 31	12.50	14 -Plots 144-Sheds
		I. E. Sector 59	51.27	137-Plots 77-Sheds
3	Kundli	I. E. Phase-I	66.87	106
		I. E. Phase-II	32.45	91
		Phase-III (EPIP)	107.92	189
		I. E. Phase-IV	413.24	617
		I. E. Phase-V	608.59	419
4	Rai	I.E., Rai, Sec-38, Phase-I	443.82	1131
		Food Park, Rai, Phase-I	115.68	225
5	Barhi	I.E. Phase-I	275.25	489
		I.E Phase-II	330.47	248
6	Bawal	Phase -I&II	2243.34	871

Sr. No.	Location/ Town	Industrial Estate/ Phase	Area (in acres)	No. of Indl. Plots/sheds(*)
7	Barwala	Phase - I	102.99	334
8	Karnal	I.E. Phase-I, II & III, Sector - 3 & 3A	207.74	597
9	Jind	I. E.	25.04	78
10	Ambala Cantt	I. E.	50.42	130
11	Sirsa	I E Phase-I	76.15	135
12	Tohana	I. E.	16.15	78
13	Saha	Phase-I	410.36	554
14	Yamunanagar	Phase-I	16.87	59
		Phase-II	19.5	62
15	Manakpur	I.E.	134.66	229
16	Panchkula	I.E.	22	90- Sheds
		Sector 22, Technology Park	74.62	25
17	Kalka	I.E.	12	37-Plots 22-sheds
18	Manesar	IMT Phase -I	1749.49	1313
		IMT Phase-II	183.4	160
		IMT Phase-III & IV	1318	632
19	Murthal	I. E.	35	46- Plots 36- Sheds
20	Bahadurgarh	Sector-16, 17	555.34	608
		Sector-4 B	177.00	46
21	Narwana	I.E.	108.08	230
22	Samalkha	I.E.	26.14	81
23	Sonipat	I.E.	2.83	58
		Phase-II	3.82	39
24	Roz-Ka-Meo	I.E.	8.42	20 - sheds
25	Narnaul	Informal Sector	7.99	50
26	I.E. Kutana (Rohtak)	I.E.	159	270
	<b>Total</b>		<b>10933.24</b>	<b>12128- plots 599- sheds</b>

(\*) Indicates plots unless specified.

## Annex-1.2

### Industrial Estates/ IMTs under Development

Sr. No.	Location/ Town	Industrial Estate/ Phase	Tentative Area (in acres)
1	Manesar	IMT Manesar Phase-IV (Transport & Logistics hub)	465
2	Faridabad	IMT	1784
3	Rohtak	IMT Phase-I	859
		IMT Phase-II	1893
4	Rai	Phase-II (Food Park and General)	352
5	Saha	Phase-II	250
6	Karnal	I.E. Karnal, Phase-IV	234
7	Gurgaon	Sector 34 & 35	341
8	Barhi	Phase-III	648
9	Bawal	Phase-III	452
10	Panipat	I.E. Panipat	921
	<b>Total</b>		<b>8199</b>

Note: To be updated on quarterly basis

**Annexure- 1.3****Industrial Estates/IMTs proposed to be developed**

Sr. No.	Location/ Town	Industrial Estate/ Phase	Tentative Area (in acres)	Remarks
1	Bawal	G.C. Phase-IV	679	Land Acquired
2	Rai	I.E. Sector-39	379	Land Acquired
3	Manakpur	Phase-II	259	Land acquired
4	Roz-Ka-Meo	IMT	1506	Land acquired
	<b>Sub-total</b>		<b>2823 Acres</b>	
5	Dharuhera	Phase-I & II	494	Land under Acquisition
6	Manesar	Phase-V	952	Land under Acquisition/ litigation
		IMT Phase-VI	3325	Land under acquisition
7	Barwala	Phase - II	568	Land under Acquisition
8	Rohtak	IMT Phase-III	964	Land under acquisition
9	Kharkhauda	IMT Kharkhauda	3364	Land under acquisition
10	Ambala	IMT Ambala	1850	Land under acquisition
	<b>Sub-total</b>		<b>11,517</b>	
11	Kaithal	I.E. Kaithal	200	Land to be acquired
12	Panchkula	Technology Park, Phase-II	162	Land to be acquired
	<b>Sub-total</b>		<b>362</b>	
	<b>Total</b>		<b>14,702</b>	

**Annexure-1.4****Different scale/ level of Facilities in Industrial Estates****Primary level infrastructure**

The Industrial Infrastructure Development Policy makes it incumbent upon the developing agency to provide following basic facilities within an Industrial Estate before offering physical possession of plots to the Allottee-entrepreneurs:

- Motorable Roads for access to the site
- Water supply system
- Electrical Infrastructure comprising of the Distribution system network
- Sewerage System
- Drainage System

HSIIDC understands as a developing agency that the above mentioned facilities are the basic minimum in order to term it as developed industrial infrastructure and which can be called as the **Primary** level facilities. There are a number of Secondary and Tertiary level facilities and amenities which may be required and which may need to be provided as add-on in due course of time. These have been identified as under:

**Secondary level Infrastructure facilities:**

- Sewerage Treatment/ CETP
- Security/ Policing
- Convenience Shopping Facilities
- Idle Parking Spaces
- Green cover and Parks
- Solid Waste Disposal Sites

**Tertiary Level Facilities\***

- Communications/Telecom Services
- Post Office
- Banking
- Provision for Institutional sites
- Provision for Financial Market & Insurance
- R & D Centres
- Skill Development Centres
- Conferencing & Entertainment
- Exhibition & Display facilities
- Cargo Logistics Centres/ Custom-bonded Warehousing
- Petrol & Service Stations

**Social Infrastructure\*:**

- Industrial Housing
- Healthcare & Medical Attendance Services
- ESI Dispensary/ Hospital
- Schooling (if residential facilities are provided)
- Organised Transport Linkages

The scale of facilities listed above are not provided by the HSIIDC in all the Industrial Estates. The provision thereof depends upon a number of factors such as the size of the Industrial Park, the plans and above all, the costs involved in what is to be provided. Some of the facilities come up during the course of growth of the Industrial Estate as and when the viability thereof is established. However, the HSIIDC commits itself to provide all such facilities as are factored in the pricing of the plots at the initial stage.

*\* Provision of tertiary level facilities and social infrastructure is not the direct responsibility of the HSIIDC. In regard to certain facilities such as Banking, Telecom, Postal Services and ESI Dispensary/ Hospital etc. the HSIIDC makes provision for land but development is dependent upon the third parties. Similarly, distribution of power being with the Power Utilities, HSIIDC cannot provide a comfort regarding immediate availability of power connections and uninterrupted supply thereof. HSIIDC's basic responsibility is limited to the erection of an efficient distribution system.*

## Chapter 2

### Pricing of Plots

- 2.1 The pricing of plots in any industrial estate is a function of the cost of acquisition of raw land, administrative costs, survey and demarcation, payment of Government fees, planning, development and provision of basic amenities i.e. roads, water supply systems including the water-works, sewage, drainage, STP/CETP and final disposal of effluents as necessary infrastructure related amenities. The overall costs so incurred are then loaded on to the net saleable area.
- 2.2 The HSIIDC generally allots industrial plots on cost basis but also generates surpluses by way of disposal of commercial sites. The surpluses so generated are ploughed back in meeting investment requirements for over-arching infrastructure facilities that improve the connectivity and means of transport in the state, cross-subsidising the plots in industrially less developed areas, as well as creation of future land bank. For instance, the Corporation utilized the surpluses generated in the process for meeting the part-cost of acquisition of land for the KMP Expressway, NCR Water supply channel, Metro Rail link to name a few. Various components that broadly go into determination of prices of plots are given in the statement at **Annex-2.1**. The broad policy in pricing of plots is governed by the following considerations:
- i) Need has been felt to decongest the areas immediately surrounding Delhi and develop Industrial Estates in areas where industrial infrastructure has either not been developed so far or industrial development has not taken off with a view to dispersing the development of industries in a balanced manner. As such, pricing can be used as a mechanism to decongest the already congested areas.
  - ii) Industrial plots may be allotted in the IMTs/ IEs for mega projects involving fixed capital investment of Rs. 100 crore or above, or projects involving employment generation of more than 500 persons, at special promotional rates, with the approval of the HIPB, so as to attract large size anchor industrial units at these locations with potential for creation of ancillaries. The pricing under this provision is decided by the HIPB on case to case basis. Further, preferably, not more than 15% to 20% of the plotted area is to be allotted under this special dispensation, any exceptions thereto resting with the HIPB.
  - iii) For other allotments, the industrial plots are priced after factoring the costs indicated in Annex-2.1. The prices of plots will be updated annually, w.e.f.

the 1<sup>st</sup> of April every year, after taking into account the holding costs after the first floatation. However, the Corporation may make exception in this policy in respect of plots located in the industrial estates in industrially backward areas where the availability of plots generally remains higher than the demand;

**2.3 Treatment of enhancement in the compensation paid to the landowners:**

The landowners whose land is acquired under the Land Acquisition Act have a statutory right to file references under Section 18 of the Act seeking higher compensation as compared to what has been determined by the Land Acquisition Collector and paid to them at the Award stage. Notwithstanding the Government Policy of minimum floor rates, scheme of Annuity payments and the R & R Policy, the amount of compensation is often enhanced by the Courts of competent jurisdiction. A finality in this behalf is a long drawn process and difficult to predict in advance. As such, the pricing of industrial plots at the initial stage does not take into account any component of enhancement allowed by the courts subsequently. It is for this reason that the price of a plot is indicated as 'tentative'. The enhancement in compensation may take place at one, two or three levels i.e. (i) District Courts, (ii) High Court, and (iii) finally the Supreme Court. The impact of enhancement in compensation is thus a pass-through and recoverable from the allottees as and when the references under Section 18 are decided by the District Courts or in appeals at higher levels. The enhancement shall be passed on to the allottees within a period of six months from the date of last decision on any of the references decided by the concerned Court for that estate and any price revision thereafter shall also include the component of enhancement. This would be implemented with effect from the next date of general revision of prices.

**2.4 Revision of Prices of Plots in various categories:**

The prices of plots would generally be revised every year after loading the holding cost. The holding cost includes the interest component on the (i) unsold plotted land, and (ii) the infrastructure development costs. The revised rates will take effect from the 1<sup>st</sup> of April every-year.

The prices of plots may also be revised during the course of the financial year in certain cases just before the allotment of plots in any estate. However, any upward revision in the prices of plots during the course of the year will take place with the approval of the Government.

**2.5 Current Rates of Industrial Plots in various Industrial Estates:**

The rates of Industrial Plots in various Industrial Estates for the financial year 2010-11 are given in **Annex-2.2**

## Annexure 2.1

Proforma for Fixation of Price of Industrial Plots.			
Sub-Heads	Sr. No.	Particulars	Total Cost (Rs. In Lacs)
Land Cost & Govt. charges	<b>A.</b>	<b>Item of Expenditure</b>	
	i)	Prior to Award i.e. Notification Exp. etc.	
	ii)	Compensation for Land	
	iii)	Exp. on Obligations under R & R Policy of the Govt.	
	iv)	Government Charges (Licence Fees, Conversion charges, Service Charges, EDC, others)	
	v)	Survey and Demarcation	
	vi)	Miscellaneous (Others).	
	<b>A.</b>	<b>Sub-Total</b>	
Development Cost	<b>B) a)</b>	Design and Consultancy	
	b)	Boundary Wall, Gate, Fencing etc. (wherever applicable)	
	c)	Roads including Kerb & Channels, Culverts	
	d)	Bridges/Underpass/Flyover	
	e)	Water Supply	
	f)	Sewerage and Disposal	
	g)	Storm Water Drainage	
	h)	CETP/STP	
	i)	Development of Green Belt, Horticulture etc.	
	j)	Solid Waste Management	
	k)	Electrification/ Street Lights	
	l)	Common services e.g. Fire Station, Support Infrastructure, Public Buildings, Police Post/ Station, Common Parking facilities, Community Centre, Clubs, Conference Facilities etc.	
	m)	Misc., not included above.	
	<b>B.</b>	<b>Sub-Total</b>	
Maintenance	<b>C. i)</b>	Conservancy	
	ii)	Capital Maintenance Cost for all items indicated at B above.	
Indirect Costs	<b>D. i)</b>	Interest Capitalised (on Land, Development Cost and Maintenance cost)	
	ii)	Advertisement, Publicity, Village Dev. Scheme	
	iii)	Administrative Cost	
	iv)	Contingency, Escalation and Unforeseen Exp.	
	<b>E.</b>	<b>Total (A+B+C+D)</b>	
	<b>F.</b>	<b>Gross Area</b>	
	<b>G.</b>	<b>Saleable Area</b>	
		<b>Cost of Plot (Gross Expenditure -E/ Saleable Area- F)</b>	

## Annexure 2.2

## Rates of Industrial plots for the Financial Year 2010-11

Sr. No.	Name of the Estate	Rates (Rs. per sq. mtr.)
1.	Udyog Vihar, Phase-I to V, Gurgaon.	20000
2.	Udyog Vihar, Phase-VI, Gurgaon	16000
3.	I.E, Gurgaon	17000
4.	Ambala Cantt	1500
5.	Yamuna Nagar	1500
6.	Kalka	1100
7.	Jind	1000
8.	Samalkha	2500
9.	Tohana	500
10.	Karnal	3500
11.	Kundli Phase-I -V	5500
12.	Murthal	3500
13.	Sonipat	3500
14.	IMT, Faridabad & Sector 59, Faridabad	6750
15.	Faridabad- Sector- 31	7000
16.	GC Bawal(Phase-I to III)	4000
17.	IMT Manesar	9000
18.	Barwala	2000
19.	Manakpur	1500
20.	Sirsa	2100
21.	IE Rai, Food Park Rai	5500
22.	Barhi (Phase-I & II)	4500
23.	GC & Food Park Saha	2500
24.	Narnaul	3000
25.	IT Park Panchkula for Self User	8250
26.	IT Park Panchkula for developers	9000
27.	Sector 34-35, IE Gurgaon	15000
28.	IMT Rohtak	4000
29.	IE Kutana, Distt. Rohtak	3000
30.	Narwana	2640
31.	Panipat	4000
32.	IE Bahadurgarh	4000
33.	IT Parks, Rai & Manesar	The rate for IT Parks in Manesar & Rai will be 15% higher than the Industrial rate. In case of developers, it will be 30% higher than the industrial rate.

## Chapter 3

### Allotment of Industrial Plots

3.1 Subject to availability, the allotment of Industrial plots will be governed as under:

- i) On an on-going basis in respect of Mega Projects involving a fixed capital investment (i.e. land, building, machinery & misc. fixed assets) of Rs. 100 crore and above or projects involving employment generation of more than 500 persons and serving as anchor units for proliferation of ancillaries.
- ii) On a quarterly basis in the following cases:
  - a) Prestigious projects involving fixed capital investment as mentioned hereunder:
    - i) Category `A` Estates - Rs. 30 crore and above.
    - ii) Category `B` Estates - Rs. 20 crore and above.
    - iii) Category `C` Estates - Rs. 10 crore and above.
  - b) Projects being set up by NRIs / PIOs;
  - c) Units with 33% or more FDI in total investment;
  - d) Projects being set up by persons with disabilities

The applications in respect of all these categories can be submitted on an on-going basis to the HSIIDC and processed by the Corporation.

- iii) For all other categories, allotments will be made after inviting applications through advertisements in leading newspapers.

#### 3.2 Steps involved:

- i) The applicants will be required to submit their applications to the HSIIDC in the prescribed format (available on the web-site of the HSIIDC) along with 10% of the tentative price of the plot and a non-refundable processing fee. However, the rates of processing fee are subject to revision from time to time and may be checked on the website of HSIIDC for regular updates;
- ii) The applications so received will be scrutinized/ processed in-house in the HSIIDC for their completeness;
- iii) The applicants will be invited for interviews before the Committees appointed, as applicable, with a reasonable notice (of no less than 7 days) dispatched by way of registered post/speed-post/ courier services;

#### 3.3 Committees appointed for the purpose:

- i) For Mega projects having fixed capital investment (land, building, machinery and misc. fixed assets) of Rs. 100 crore & above or projects

involving employment generation of more than 500 persons and serving as anchor units for proliferation of ancillaries, seeking allotment of plots at concessional rates with other incentives (a customised package), allotment of industrial land/ plot shall be made on ongoing basis by the Haryana Investment Promotion Board (HIPB) under the Chairmanship of Chief Minister, Haryana.

- ii) Allotment of Plots for prestigious projects involving specified fixed/tangible capital investment (Rs. 30/20/10 crore or above) as mentioned at 3.1 (ii) (a) above, will be made by the following committee:

1	Administrative Secretary of the Industries Department	Chairman
2	MD, Haryana Financial Corporation	Member
3	Director, Industries	Member
4	MD, HSIIDC	Member- Secretary

- iii) For categories of applications received under para 3.1 (ii) [b to d], 3.1 (iii) above, the Committee will be as under:

1	MD, HSIIDC	Member
2	MD, HFC	Member
3	Director, Industries	Member
<b>Note:</b>	The Senior-most member will act as Chairman of the Committee. At-least one member, besides MD, HSIIDC should be present in all meetings to complete the quorum. Substitution can be made in extreme exigencies with an officer of the concerned Department /Organisation.	

### 3.4 Reservation of Plots:

- i) Upto 10% of the plots/sheds will be reserved in each Estate for allotment to NRIs/ PIOs and for units with 33% or more FDI in total investment. In case of NRI Plots, the entire amount towards the price of the plot has to be remitted through NRE Account of the applicant or in remittances from abroad/ foreign exchange. In the case of FDI, at least 33% of the Project Cost has to come from the FDI route. However, the 10% limit would not preclude allotment of plots in the FDI category as a part of the general scheme of allotment;
- ii) Preferential allotment up to 2% of the plots/sheds in each Estate has been prescribed by the Government for allotment to persons with disabilities as defined in the Persons with Disabilities (Equal Opportunities, Protection of Right and Full Participation) Act, 1995. The Government has also prescribed a differential rate of interest on instalments for this category (*For complete details in this regard, Haryana Government Notification No. 49/40/07/4IBI*)

*dated 13.03.2007 may be referred*). However, in case no applications are available from the eligible category, the unallotted plots may be utilised under the general category.

### **3.5 Preference:**

Preference will be given to the following categories of applicants:

- i) *For prestigious projects involving specified fixed capital investment (Rs.10/20/30 crore and above):***
  - a) Projects involving creation of ancillaries and large employment opportunities of more than 300 persons;
  - b) Existing industrial units for meeting their expansion/ re-location requirements;
  - c) Projects involving introduction of state-of-the art/ new technology;
  - d) New Investments by promoters with established credentials/ experience;
  
- ii) For all other categories:**
  - a) Ex-servicemen;
  - b) Women entrepreneurs;
  - c) Unemployed Engineering Graduates/ polytechnic/ ITI trained candidates/first generation/new entrepreneurs who display exceptional entrepreneurial ability/skills;

### **3.6 Overall guiding principles/ criterion:**

Among other things, the Committees, while considering applications for various categories, shall take into account:

- i) the credentials of the applicant as an entrepreneur;
- ii) educational qualifications or experience in the line to successfully execute and manage the proposed project;
- iii) understanding or knowledge of the project;
- iv) net worth of the promoter(s);
- v) Marketing details;
- vi) Working results of existing operations, if any;
- vii) Resource position;
- viii) Financial details and
- ix) Performance during the interview etc.

### **3.7. Process of Allotment:**

- i) Applicants seeking allotment of Industrial Plots developed by the HSIIDC shall submit their applications in the form prescribed (available on the web-site of HSIIDC) along with the following:

- a) The application form duly filled-in;
  - b) Photograph of the applicant, managing partner in case of a partnership firm, and the authorized director in case of a company;
  - c) An amount equal to 10% of the tentative price of the plot along with applicable processing fee in the form of Bank Draft drawn in favour of HSIIDC payable at Panchkula as earnest money;
  - d) A copy of the Partnership Deed in the case of a Partnership Firm, Memorandum & Articles of Association in case of Pvt./ Public Limited Company along with a copy of certificate of incorporation of the company and details of the promoters and their share-holding in the company;
  - e) A copy of the Project Report with details of the Project, costing, net-worth of the applicant(s), means of financing of the project, implementation schedule, basic details of plant & machinery, employment generation and profitability projections, etc.;
  - f) Land utilisation plan to justify the requirement of land;
  - g) An undertaking to the effect that the applicant shall, as far as possible, employ 75% of unskilled work force and for other categories give preference to candidates from among the Haryana Domiciles in the proposed unit;
  - h) Any other information to be specified by the developing agency.
- ii) The applications, complete in all respects, will be processed for consideration by the appropriate Committee;
  - iii) The HSIIDC will fix dates for interviews with the applicants and the intimation to that effect shall be sent to the applicants to appear before the Committee on the given days by way of registered post/ speed post/ courier services;
  - iv) The Committee may decide to offer plots of smaller sizes to the applicants, if it is of the opinion that a smaller size plot would be sufficient for the establishment of the project, or depending upon availability of the sizes of plots;
  - v) The Corporation will, within a period of 30 days of finalisation of the list of successful allottees, issue a Regular Letter of Allotment (RLA) containing plot number, tentative size, rate of allotment alongwith the schedule and terms of payment and other terms & conditions of allotment;

- vi) Non-communication of any acceptance or rejection of the allotment within the prescribed time would be treated as non-acceptance of the allotment. Similarly, any conditional acceptance of the allotment would not be acceptable;
- vii) The earnest money, deposited with the application, will be refunded to the unsuccessful applicants within a period of 60 days of publication of the list of the successful applicants, without any interest. Similarly, the earnest money in case of applicants who turn down the offer of allotment will also be refunded to the applicants without any interest within a period of 60 days of the receipt of communication to that effect;
- viii) The successful allottees shall also inform about the address at which the HSIIDC offices should send all communications to them. Non-communication of the Correspondence Address and the resultant non-availability of any communication by the allottee shall be squarely to the account of the allottee and will not be the responsibility of HSIIDC. Any change in Correspondence Address should be duly notified.

### **3.8 Payment Terms**

- i) 10% of the tentative price of the plot along with the application as earnest money;
- ii) 15% within a period of 30 days, further extendable for 30 days with interest @ 14% p.a. for the extended period;
- iii) In the event an allottee fails to make payment of 15% tentative price of the plot within 60 days period, the RLA shall automatically lapse and the amount deposited by the allottee towards the price of the plot shall be refunded without interest, without any deduction;
- iv) No interest will be payable in cases where the allottee makes the total balance payment in lump-sum within a period of 60 days from the date of issue of Regular Letter of Allotment (RLA);
- v) Remaining 75% of the tentative price of the plot is to be paid in eight equal half-yearly instalments;
- vi) Interest @ 11% p.a. shall be charged on the balance outstanding after 'offer of possession' of the plot/shed. Default in payment of instalments shall entail a penal interest @ 3% p.a., over and above normal interest rate of 11% p.a., for the defaulted period on the amount in default, compounded annually;

- vii) In a case where the allottee approaches HSIIDC for taking over physical possession of the plot in an area of which possession has not been formally offered on account of non-completion of basic infrastructure development works, the same may be allowed subject to the allottee furnishing an undertaking in the prescribed format that he would not raise any claims against HSIIDC on this account. While the period for fulfilment of all obligations/ conditions of implementation of the project by the applicant shall count from the date of 'taking of possession' by the allottee, he will not be charged any interest on his balance instalments till the possession is formally offered by the HSIIDC on completion of basic amenities. However, in case of any default in payment of instalments on due dates, interest @ 14% p.a. will be charged on the amount of default for the period of default, compounded annually;
- viii) Any additional price of the plot/shed, as a consequence of enhancement in compensation that may be awarded by the Court(s) in any matters/cases arising out of the acquisition proceedings or any incidental or matters connected thereto, shall be payable by the allottee in lump-sum within 60 days from the date of issue of demand notice without any interest. In the alternative, the allottee shall have the option to make the payment on account of enhanced cost in six half-yearly equal instalments with interest @ 11% p.a. on the balance amount outstanding. Default in payment of instalments shall entail interest @ 14% p.a. for the defaulted period on the defaulted amount, compounded annually;

**Note:** *In case the plot is allotted under the NRI/PIO categories, funds towards the price of the plot should come from his/ her NRE account/ remittances from abroad/ foreign exchange.*

### 3.9 Processing Fee

- a) For allotment of plot

The applicant shall be required to deposit application form along with the non-refundable processing fee as hereunder:

Size of Plot (Sq. mtr.)	Category 'A' Estates	Category 'B' & 'C' Estates
Up to 500	Rs. 5,000/-	Rs. 3,000/-
501-1050	Rs. 7,500/-	Rs. 5,000/-
1051-4050	Rs. 10,000/-	Rs. 7,500/-
4051-8100	Rs. 15,000/-	Rs. 10,000/-
8101 and above	Rs. 25,000/-	Rs. 15,000/-

b) For all other services

Processing fee for other services, where ever payable as per EMP-2011, shall be charged at following rates:

Category of Estate	Processing fee
A	Rs. 10,000
B & C	Rs. 5,000

Note: The processing fee will be inclusive of service tax, if applicable.

## Chapter 4

### Offer of Possession

- 4.1 An ‘offer of possession’ means that the Corporation makes an offer of physical possession of the plot/site to the allottee. The Corporation would offer the site(s) for physical possession after it has completed the basic infrastructure facilities comprising of (i) a motorable access road, (ii) water supply system, (iii) electricity distribution system, and (iv) sewage system and made these facilities available at site in respect of the plots for which the possession is offered so as to enable the allottee to start construction of building for the project. It would be in order to offer the possession of plots in an estate in parts or in a phased manner.
- 4.2 Before a decision is taken to offer the possession in an estate, the concerned in-charge of the Industrial Area Division (IAD) shall furnish a certificate to the Estate Manager concerned certifying the completion of such basic minimum facilities. On such certificate from the IAD, the Estate Manager shall carry out a plot-by-plot verification so as to ensure that the plots, in respect of which the possession is proposed to be offered, are free from any encumbrances.
- 4.3 On completion of the above exercise, the Estate Officer shall obtain the Zoning Plan in respect of each plot from the Infrastructure Planning Division (IPD). Thereafter:
- i) The concerned Estate Office of the HSIIDC shall offer possession of industrial plots to the allottees by way of a formal communication at the correspondence address given by the allottee. Letters for ‘offer of possession’ shall be issued by registered/ speed post or courier services (in order to track the delivery of the communication to the addressee);
  - ii) The offer of possession shall be accompanied with a copy of the ‘Zoning Plan’ as applicable to the said category of plots;
  - iii) An allottee can represent against the ‘offer of possession’ within a period of 30 days of the issue of offer letter in case his plot is not free from all encumbrances or absence of the provision of basic amenities, along with the supporting documentary/ visual evidence;
  - iv) On receipt of any such representation, a representative from the Estate office shall visit the site, preferably along with the allottee or his representative, within 7 working days and submit a report to the Estate Manager, who will take an appropriate decision, by a reasoned order, accepting or rejecting the grounds of representation. In case the

representation is found to contain merit, the Estate Manager will direct the offer of possession to be held in abeyance till the deficiency is addressed and rectification is carried out and allow all consequential benefits to the allottee. He shall simultaneously fix the responsibility for wrongful offer of possession made in the first instance. The offer of possession shall be revived as soon as the cause of suspension thereof is rectified.

#### **4.4 Consequences of 'Offer of Possession' by the HSIIDC:**

- i) Once the Estate office has offered the possession of plots, the allottee shall be liable to pay interest @ 11% p.a. on the unpaid balance amount of the tentative price of the plot;
- ii) Any default in payment of instalments in time shall entail a penal interest of 3% p.a. over and above the normal interest on the amount of default for the period of default, compounded annually;
- iii) The period allowed for completion of each stage of the project and final implementation of the project shall count from the date of 'offer of possession'.

#### **4.5 *Suo Motu* request for Physical Possession**

- i) There may be cases where an allottee is in a hurry to establish his project due to his business commitments and he is not in a position to wait for the completion of the basic minimum infrastructure facilities. The allottee can request for taking physical possession of the site at an early stage in such cases, i.e. before completion of basic infrastructure amenities. In such an event, he assumes the risk of undertaking execution of his project and meets all consequential costs on this account. Based on this clear understanding, the Estate Manager may allow physical possession of the plot to the allottee upon receipt of a request from him to this effect and facilitate provision of the Zoning Plan and approval of his building plans from the IPD;
- ii) As an incentive to such an allottee, interest shall not be charged from him on the outstanding amount till such time the Estate Office formally offers the possession on completion of basic infrastructure facilities. However, counting of the time period for completion/ implementation of the project shall start from the date the allottee is allowed physical possession of the plot in these cases.

**Note:** *Notwithstanding anything contained in this chapter, the existing allottees who have been allotted plots and offered possession before coming into force of the present EMP-2011, the offer of possession already made shall not be subject to any review/ revision under these guidelines.*

## Chapter 5

### Period Allowed for Completion of the Project and Commencement of Business

- 5.1 The allottee shall be required to implement the project on the industrial plot within a period of three years from the date of offer of possession or actual possession of the plot, whichever event is earlier. Implementation of the project would mean commencement of commercial production. However, the allottee should, as far as possible, take following steps within a period of two years of the offer of possession or actual possession, whichever is earlier:
- i) Taking over physical possession of the plot;
  - ii) Submission/ Approval of building plans;
  - iii) Closure of financial tie-ups (Promoter's capital and loans etc.);
  - iv) Commencement of Construction at site;
  - v) Technical and marketing tie-up.
  - vi) Placement of orders of machinery and other capital goods.
- 5.2 No extension in period of completion beyond the initial period of three years counted from the date of offer of physical possession of plot by HSIIDC or taking over the physical possession of plot, whichever is earlier, would be allowed in cases where the allottee has failed to submit building plans duly approved by the Architect, to the HSIIDC after taking physical possession of the plot. In such cases, the plot would be liable to be resumed by the HSIIDC and the payments deposited by the allottee towards the price of the plot (principal cost) would be refunded (without interest) by the Corporation after deducting 10% of the price of the plot.
- 5.3 The period for implementation of the project can be extended by HSIIDC for a period of one year on payment of the prescribed extension fee subject to the allottee (i) having taken over physical possession of the plot, (ii) got the building plans approved from the competent authority/ Architects and (iii) commenced construction activities on the plot.
- 5.4 **Second extension** of one year for completion of project i.e. after four years from the date of offer of physical possession of plot by HSIIDC or taking over the physical possession of plot, whichever is earlier, may be granted on payment of prescribed extension fee in case the allottee has taken effective steps for implementation of project including construction of building, at least up to the DPC level.
- 5.5 **Third extension** of one year, permissible in case of plots of one acre and above only, for completion of project i.e. after five years from the date of offer of physical

possession of plot by HSIIDC or taking over the physical possession of plot, whichever is earlier, may be granted on payment of prescribed extension fee in case the allottee has completed construction of building as per approved building plans and applied for occupation certificate to the competent authority.

- 5.6 In case of sheds, the allottee shall be required to implement the project within two years from the date of offer of physical possession of shed by HSIIDC or taking over the physical possession of shed, whichever is earlier. The period for starting production may be extended by one year, on payment of the prescribed extension fee, in those cases where the allottee has installed/ placed firm orders for substantial part of plant and machinery and depending on merits of each case.
- 5.7 The allottee shall be required to pay the extension fee, wherever permissible, prescribed for that area and the payment shall be due with effect from the date the extension is applicable and for any delayed payment, interest @ 11% p.a. shall be charged on the amount due for the delayed period.
- 5.8 The allottee shall apply for the first, second or the third extension, as the case may be, in the prescribed format, filling out complete information on the eligibility criteria as well as various steps taken by the allottee alongwith Demand Draft for the applicable extension fee and submit the same to the concerned Estate Manager before the expiry of the stipulated period. The Estate Manager shall satisfy himself on the merits of the case and convey his decision with regard to extension within 30 days. In case no reply is received by the allottee within the prescribed time, the extension shall be deemed to have been granted by the HSIIDC. In case no application/request is received from the allottee for extension within the prescribed time for implementation of the project, action will be taken by the HSIIDC for resumption of plot in terms of allotment.
- 5.9 Extension fee shall be charged at following rates:

Sr. No.	Category of Estate	Plots (in Rs. per sq. mtr.)		
		1 <sup>st</sup> Year	2 <sup>nd</sup> Year	3 <sup>rd</sup> Year (applicable for plot sizes of one acre and above)
1	Category 'A'	75	150	250
2	Category 'B'	40	80	150
3	Category 'C'	15	30	50

In case of shed, the extension fee shall be payable on the area of the plot under shed. However, in case of flatted factory, extension fee shall be payable on the plinth area basis.

#### 5.10 Completion of Project

Normally, an industrial project is considered to be completed only after the allottee commences trial/ commercial production from the facility. However, it has been

observed that this aspect needs further detailing keeping in view the current requirements. Accordingly, an industrial project would qualify the criteria for completion in the following cases:

- i) The allottee has constructed the building as per norms fixed below as regards permissible covered area (PCA) and the unit has gone into commercial production within the specified period after installation of plant and machinery.

1	Up to the size of one Acre	40% of the PCA
2	Above one acre.	25% of the PCA

Note: For the purposes of clarity, one acre would mean 4050 sq. mtrs.

- ii) The allottee has completed the construction equivalent to 100% of the total permissible covered area and has not been able to commence the commercial production, for whatever reasons, but has obtained occupation certificate from the competent authority and has informed the concerned Estate Manager within fifteen days of obtaining such occupation certificate.

**5.11 Project Implementation and commencement of business for the Plots allotted under on-going scheme - Guidelines regarding prestigious projects involving investment of Rs. 30/20/10 crore and other categories allotted plots under the ongoing scheme:**

A separate standard of performance is expected in the case of plots allotted under the on-going schemes. While achievement of the benchmarked level of investment is permissible in a phased manner, Phase-I of the project is expected to be completed within the normal permissible period of three years from the date of offer/ taking over possession (whichever is earlier), while the second phase could be completed within a total of six years' time. In these cases, the allottee shall:

- i) Be required to take possession of plot, submit building plans and start construction at site within two years of offer of physical possession of plot by HSIIDC or taking over the physical possession of plot, whichever is earlier.
- ii) Implement the project within a period of three years of offer of physical possession of plot by HSIIDC or taking over the physical possession of plot, whichever is earlier, after obtaining occupation certificate.
- iii) Extension for implementation of project can be considered in these cases also as in the case of normal allotment with applicable extension fee.
- iv) As regards completion of investment level of the requisite amount in the project by the allottee, (as mentioned in the approved project report -

minimum Rs. 30/20/10 crore, as the case may be), a further period of three years beyond the initial stipulated period of three years may be allowed to the allottee to achieve the projected level of investment without payment of fee, provided the first phase of the project has been implemented after obtaining occupation certificate and installation of plant and machinery. In case, the allottee fails to achieve the requisite amount of investment within six years, the fee/penalty will be payable in the following manner:

Sr. No.	Investment achieved	Fee/ Penalty ( as % of the current allotment price)
i)	Above 50% but up to 75% of proposed investment	50%
ii)	Above 75% but less than the minimum investment of Rs. 30/ 20/ 10 crore, (as the case may be)	25%

- v) In case no investment is made in the project within the initial period of 3 years or the investment made is below 25% of the projected investment, the plot shall be liable to be resumed.

#### 5.12 Project Completion Certificate

It will be obligatory on the part of the original allottee to obtain 'Project Completion Certificate' from the concerned Estate Manager which will be conclusive evidence with regard to completion/ implementation of the project. For this purpose, the allottee shall:

- i) Submit an application to the concerned Estate Manager (on the prescribed proforma alongwith all the relevant documents/information) within 15 days of completion of the project;
- ii) The Estate Manager shall inspect the Unit or cause the same to be inspected by a team of his officers within a period of 10 days, preferably in the presence of the applicant/allottee;
- iii) The Estate Manager shall issue the 'Project Completion Certificate' within 15 days of receipt of application, where the allottee's claim is found to be in order after verification of the information provided by the allottee;
- iv) In case, the Estate Manager is not satisfied with the claim of the applicant-allottee with regard to completion of the project, the request for issuance of Project Completion Certificate shall be declined in writing within 15 days of the receipt of application, clearly stating the reasons for such rejection.

## Chapter 6

### Surrender/ Resumption of Plots/ Sheds

6.1 The HSIIDC has been mandated to develop industrial infrastructure in the state of Haryana. As such, the Government acquires land and makes it available to the HSIIDC for development of infrastructure. Further, plots for various determined use (i.e. industrial, residential, institutional and commercial) are carved out and allotted to the entrepreneurs for establishment of their businesses. Except those in the commercial category, the plots are allotted according to the pricing policy of the Corporation (which has been elucidated in Chapter 2 of the EMP). It is in this background that the HSIIDC's policies are directed towards a system that encourages genuine entrepreneurs to set up their businesses in these developed industrial estates.

#### **A. Surrender of Plots/ sheds:**

6.2 Keeping in view that a number of factors impact the establishment of a business in a dynamic business environment, it is recognized that the plans for establishment of a business may undergo a change and the allottee may review and reconsider his plans to carry on with the establishment of the intended business. In such situations, the allottees will have the option to surrender the plots/sheds allotted to them. The requests for surrender of plots/sheds will be regulated as under:

- i) Wherever an allottee surrenders the plot/ shed at anytime within a period of one year of allotment, the Corporation will refund the full principal amount paid by the allottee in such cases, without any interest, within a period of 30 days of the receipt of surrender request.
- ii) Wherever an allottee surrenders the plot/shed within the 2<sup>nd</sup> year of allotment the Corporation will refund the principal amount paid by the allottee without any interest, after deduction of 5 % of the price of the plot/shed, within a period of 30 days of receipt of the surrender request.
- iii) Any surrender of plot after completion of 2 years of allotment will entail deduction of 10% of the price of plot/shed.

6.3 The procedure regarding surrender of plots/sheds will be as follows:

The allottee will submit his request for surrender of the plot/shed to the concerned Estate Manager along with complete details of payments made to the Corporation towards the price of plot/shed, who will process the case and refund the amount within a period of 30 days in accordance with the guidelines under para 6.2 above.

**B. Resumption of Plots/ Sheds**

6.4 The plots/sheds allotted by the Corporation are liable to resumption in the following circumstances:

- i) Non-completion of the project on the plot/ shed by the allottee within a period of three years (two years in case of shed) after 'offer of possession' by the Corporation or date of physical possession, taken by the allottee suo-moto, whichever is earlier, unless extension has been allowed separately;
- ii) Non-payment of the dues of the Corporation towards the price of the plot/shed, enhancements, extension fees, transfer fees, leasing fee or any other penalties imposed on account of any compoundable violations, or the O&M charges/other dues;
- iii) Unauthorised transfer of the plot/ built-up premises/shed, unauthorised leasing of the plot/ premises/shed;
- iv) Construction of the factory buildings in violation of the FAR norms or non-compoundable zoning regulations at any stage;
- v) Utilisation of the premises for an unauthorized activity, or indulgence in polluting or causing any nuisance activities as are not conducive to the neighbourhood environment within the estate.
- vi) Violation of any other terms and conditions of allotment.

6.5 In the event of any or all of the above conditions existing, the Estate Manager shall issue a notice to the allottee for rectification of the breach/ violation within a maximum period of upto three months (if otherwise permissible). In case the allottee does not take the corrective action within the said prescribed period of three months, the Estate Manager shall forward the case, along with his recommendations/comments, to the Head Office of the Corporation for appropriate action in the matter. Upon receipt of any such reference from the Estate Manager, the Estate Division at the Head Office shall issue a notice to the allottee at his last known address, by registered post/ speed post/ courier, to show cause as to why the plot should not be resumed. The allottee may be given a maximum of up to 30 days' time to respond to the show cause notice. Thereafter, the Managing Director or his duly authorised representative may grant him an opportunity of personal hearing, if requested by the allottee in his reply/ representation. The MD shall, thereafter, proceed with the passing of an appropriate order. A copy of the order shall be

endorsed to the concerned Estate Manager with directions to take possession of the plot/shed, if the plot/shed is ordered to be resumed.

- 6.6 Resumption of a Plot/ built-up premises/shed would entail deduction of 10% price of the plot and refund of the balance principal amount, without any interest, within a period of 30 days of such order. In cases where the plot is resumed along with the structure constructed thereon, the allottee shall be at liberty to remove such structure from the plot at his own cost within a reasonable time of three months, failing which the Corporation may get the cost of construction of the building assessed from approved Valuer/ Chartered Engineer and pay this amount to the erstwhile allottee. In such cases, the re-allotment price of the plot will be inclusive of the amount so paid by the Corporation to the erstwhile allottee.

**C. Restoration of Resumed Plots**

- 6.7 An appeal against the order of resumption passed by the Managing Director shall lie before a committee headed by the Principal Secretary Industries and MD/Haryana Financial Corporation & Director of Industries, Haryana being other members of the Committee. Such Appeal shall be made within ninety days of passing of resumption order.
- 6.8 The Committee may examine the appeal and also grant an opportunity of personal hearing to the appellant. The Committee may pass appropriate orders on the appeal after considering all the facts and circumstances of the case while following the principles laid down in the EMP.

**D. The Process:**

- 6.9 The allottee is obliged to complete his project on the industrial plot/shed within the time-frame indicated in the letter of allotment and the agreement executed by him/her with the Corporation. His failure to fulfil this obligation, leading to any of the conditions mentioned under para 6.4 above, empowers the Corporation to resume the plot/shed. However, the Corporation, before resumption, would invariably take the following steps:
- i) Remind him to get the building plans approved and start construction at site, if these steps are not taken within a period of one year of the offer of possession or taking over of physical possession by the allottee, whichever is earlier;
  - ii) Caution him about the consequences of non-utilisation of the plot, at the end of two years of the offer of possession, while simultaneously advising him to take the requisite steps towards implementation of the project;

- iii) Issue a show cause notice for resumption immediately upon completion of three years of the offer of possession giving him 15 days' time to respond, afford an opportunity of personal hearing and decide the issue.

The above process is only to help the allottee adhere to a time-frame by way of reminders. Any failure to issue any or both the previous notices by the Corporation would not constitute a breach of the process of resumption.

**E. Procedure in cases pursuant to the completion of the project:**

- 6.10 Once the allottee has completed his project as per the criteria laid down in para 5.10, the Corporation shall always be supportive of his peaceful enjoyment of the property subject to continued adherence to the terms and conditions of allotment and subject to the condition that he does not indulge in any activity listed under para 6.4 of the EMP.

## Chapter 7

### Leasing / Renting of Premises constructed on Industrial Plots/Sheds

- 7.1 Leasing of the premises constructed on industrial plots/sheds will be allowed for permissible industrial activities in order to ensure optimum utilisation of the built-up industrial space subject to the condition that the allottee has completed the project as defined in para 5.10 of the EMP and has obtained 'Project Completion Certificate' as defined in para 5.12 of the EMP. The allottee once allowed to lease out his premises under the previous policies can continue to lease out the premises. Leasing of Industrial Plots as such (i.e. where a building has not been constructed thereon) will not be permitted under any circumstances.
- 7.2 With a view to giving impetus to the technical training/ skill development for meeting requirement of skilled manpower for the industry in Haryana, leasing of industrial premises to technical training /skill development centres providing hands on training on industrial machines, leading to capacity build-up for the industrial sector shall be permissible, subject to prior written permission of the Corporation. It is clarified that the academic institutions which grant degree/diploma courses shall not be permissible.
- 7.3 In order to be eligible for leasing, the allottee/ applicant should have obtained the occupation certificate in respect of the premises, Project Completion Certificate, must not be a defaulter in payment of any dues of the HSIIDC and also must not have committed any violation of the building bye-laws after obtaining the occupation certificate. The plots/sheds on which project has been implemented by any of the previous allottee(s)/ lessee(s) shall also be eligible for leasing. Further, lease instruments exceeding 11 months period should be registered as per legal requirements.
- 7.4 Leasing Fee and Processing Charges:**
- i) The leasing fee will be @ 50% of the Transfer Fee applicable for the plot area, and shall be chargeable only once in respect of the plot/ premises irrespective of the period of lease and the number of leases. In case of shed, the leasing fee shall be payable on the area of the plot under shed. However, in case of flatted factory, leasing fee shall be payable on the plinth area basis. The leasing fee shall be payable on the basis of FAR availed in the following manner:-

FAR availed	Leasing fee payable
Upto 125%	Leasing fee rate x plot area
Above 125% & upto 150%	$\frac{\text{Leasing fee rate} \times \text{Plot area} \times 150}{125}$
Above 150% & upto 175%	$\frac{\text{Leasing fee rate} \times \text{Plot area} \times 175}{125}$
Above 175% & upto 200%	$\frac{\text{Leasing fee rate} \times \text{Plot area} \times 200}{125}$
Above 200 & upto 250%	$\frac{\text{Leasing fee rate} \times \text{Plot area} \times 250}{125}$

No leasing fee shall be charged in cases where premises is leased out to a concern/ firm owned by the original allottee/ his family members with minimum 51% share, subsidiary or holding company of the allottee company or a firm/ company owned by original promoters of allottee firm/company and no lease rental is charged by the allottee. Further, no leasing fee shall be payable in case the allottee leases out the premises after running his unit for more than five years. Wherever, the leasing fee (excluding interest and penalty) equal to 50% of the current transfer fee or more has already been paid in the past in respect of that plot/shed by the present allottee/ earlier allottee(s), under previous EMPs, no fresh leasing fee would be payable now. In other cases, the allottee will be required to pay the difference between the amount due under this policy and the amount already paid. However, the processing fee shall be payable in all cases where leasing fee is not applicable.

- ii) While the processing fee would be payable upfront along with the request/ information (as the case may be), the Leasing Fee would become due from the date of signing of Lease Agreement. Payment of Leasing fee can be made within a period of 90 days from the due date with interest @ 11% p.a. on the amount from the due date till the date of payment. However, in case the leasing fee is not paid within a period of 90 days of the due date, interest @ 14% p.a. shall be charged for the entire period (from due date till the date of payment). Any default in payment of the Leasing Fees within a period of 180 days along with penal interest would amount to a default in terms of para 6.4 of the EMP and may attract consequential action. Any such breach would be compoundable only upon payment of double the leasing fee, along with applicable interest.

### 7.5 Number of permissible leases:

There shall be no limit/ restriction on the number of leases permissible in any premises subject to the condition that the premises is leased out only for the permissible industrial activity and meets the normal safety conditions.

## **7.6 Procedure:**

- i) The allottee, after having fulfilled the eligibility criteria as defined in the EMP, shall apply for the first leasing permission in the prescribed format alongwith the applicable leasing fee / the processing charges to the concerned Estate Manager, who shall examine the eligibility of the applicant and issue the requisite permission within a period of 30 days of the receipt of application. In case the applicant is found to be ineligible, the Estate manager shall communicate the same to the applicant within a period of 15 days stating the reasons therefore and decline the permission.
- ii) Once the applicant has been permitted to lease out his premises, he may enter into the lease agreement for the permissible industrial activities and inform the Corporation alongwith the date of commencement of lease, particulars of the lessee, leased out area and the activity of the lessee alongwith the applicable fees / processing charges.
- iii) For every subsequent lease or change in lessee, the allottee will be required to inform the Estate Manager about such change, preferably 15 days in advance of signing the lease agreement but not later than 15 days of execution of the lease deed alongwith requisite details.
- iv) In the event a plot/shed is transferred and the transferee proposes to lease out the premises, he will have to deposit the applicable processing fee and submit details w.r.t. date of commencement of lease, particulars of the lessee, leased out area, proposed activity of the lessee etc., preferably 15 days in advance of signing the lease agreement but not later than 15 days of execution of the lease deed.
- v) The allottee shall file an annual certificate/ return (by 30<sup>th</sup> April each year) confirming the number and name of lessee(s), area leased out and uses of premises leased out during the year and status as on date.

## **7.7 Consequences of un-authorised leasing**

- i) A premises is deemed to have been leased out unauthorisedly if the allottee:
  - a) Leases out his premises or part thereof without complying with the eligibility criteria as defined in the EMP.
  - b) Leases out the premises for an activity which is not permissible e.g. an industrial plot can be leased out only for an Industrial activity and not for any office/ bank or commercial activity.

- c) Leases out any part of the premises to a third party (Bank/ Food joint etc.) on rental basis under the garb of facility provided for the employees as allowed under para 12.6 of the EMP-2011.
- ii) In case of any instance of unauthorised use/leasing of premises, the allottee will be given a period of three months, with provision for one more extension of three months (a maximum of six months) to discontinue the lease/rectify the breach. In case the allottee fails to comply with the directions so issued, the Corporation will take recourse to resumption of the plot. Additionally, the allottee will be liable to pay 50% of the lease rentals received by the allottee or six times the leasing fee, whichever is higher, as penalty for compounding the violation during such period.
- iii) Further, overall compliance of the terms and conditions of allotment of the plot will be the responsibility of the Allottee qua the HSIIDC and the Corporation will not enter into any correspondence with the lessee on this account.

## Chapter 8

### Transfer of Plots/ Sheds

**8.1** Notwithstanding that the plots/sheds are allotted by the HSIIDC on free-hold basis, the allotment/ management of the industrial estates are being regulated by the Corporation with the sole objective of industrialisation in the State of Haryana. To meet this end, the allotment of industrial plots/sheds is made to the prospective entrepreneurs for setting up their industrial ventures, after following due procedure, involving inviting applications, personal interviews and thereafter selection of the applicant. As such, the allottee is required to utilise the plot/shed by implementing the industrial project within a stipulated period. To that extent, the expression 'Free-hold' is restrained by the attendant conditions. It is for this reason that transfer of unutilised/ vacant plot/shed is not permitted.

#### **8.2 What constitutes a Transfer?**

A plot/ shed allotted by the HSIIDC amounts to transfer in the following circumstances:

- i) In case of individual allottees, there is a change of ownership, by whatever means, i.e. through a sale deed, an agreement with the intent of transfer on a future date, or by way of Power of Attorney (except in favour of family members) ;
- ii) In the case of Partnership Firms and Limited Liability Partnerships (LLPs), there is a change in the partners whereby the majority stake (51% or above) gets transferred through exit of any the partner(s) at the time of allotment and /or induction of new partner(s) and the share of the original remaining partner(s) is diluted below 51%;
- iii) In the case of Private Limited Companies, there is a change in the promoters/directors whereby the majority stake (51% or above) gets transferred through exit of the shareholders at the time of allotment and /or induction of new shareholders and the share of the original remaining shareholders is diluted below 51%;
- iv) In the case of a Listed Company, where the shareholders having largest shareholding as well as management control have changed their hands;
- v) In the case of a Government Company, the change in ownership through dis-investment of shareholding of 51% or more or by way of divestment;

- vi) In case of Merger/ Amalgamation/ Take-over of the allottee company, consequent upon the orders of the Competent Court/Central Govt., where the majority stake of the equity shareholders/ management control gets transferred in favour of third party.

### **8.3 Due diligence and warning to purchasers:**

Transfer of an unutilised / vacant plot/shed is not permissible under any circumstances. In case any third party purchases or acquires interest in a plot/shed before completion of the project in any manner, without prior written permission of the Corporation, he bears the risk of its resumption notwithstanding that he may plead ignorance about the rules and the facts about the property at the time he entered into the sale-purchase agreement. Hence, it is the duty of any purchaser to carry out due diligence, verify the transferability of the plot/shed and the amount outstanding and payable to the HSIIDC at the time of entering into any agreement. The information in this respect can be gathered from the Estate Offices of the HSIIDC. It would be advisable that such information is also sought in writing from the HSIIDC Estate Office. As a general rule, transfer request through Power of Attorney shall not be accepted. However, Managing Director may accept such request in exceptional circumstances, for reasons to be recorded in writing.

### **8.4. Eligibility Criteria for the First Transfer:**

- i) A first-time allottee is eligible to transfer his/her/its plot/ property only after one year of project completion as defined under para 5.10 of the EMP-2011, and obtained 'Project Completion Certificate' as defined under para 5.12;
- ii) A first-time allottee is also allowed to transfer the property if he/it has been allowed to lease out the complete property under the provisions of policy in force from time to time and the lessee having already implemented the project on the premises;
- iii) The transfer of plot/shed will be allowed without the condition of completion of project in case of inheritance, will or within the family members of the allottee (except in case of preferential allotment in favour of NRI / person with disability), succession due to death of the allottee/ majority shareholders or takeover by Banks/ Financial institutions.

### **8.5 Subsequent transfers:**

Once an allottee has been allowed to transfer the plot/ property, the transferee is expected to use it for permissible industrial activity. However, there will be no pre-conditions on subsequent transfers by the re-allottees so long as:

- i) the applicable processing charges are paid to the Corporation;
- ii) the property is used for carrying out permissible industrial activity;
- iii) no violation of building bye-laws, FAR and zoning regulations are made at any stage;
- iv) the dues of the Corporation are paid in time;
- v) the transfer is effected with prior written permission of the Corporation.

No transfer fee would be charged by the Corporation in case of subsequent transfers, provided the first transfer has been made with the permission of the Corporation. However, every subsequent transfer would entail payment of processing charges and execution of a Registered Sale Deed as per the law.

### 8.6 Transfer fees and Processing charges:

- i) Wherever transfer is permissible, save exempted categories as mentioned under para 8.7 below, the transfer fee shall be payable as under:

Sr. No.	Category of Estates	Plots (Rs. Per Sq. Mtr)
1	Category 'A'	300/-
2	Category 'B'	150/-
3	Category 'C'	50/-

In case of shed, the transfer fee shall be payable on the area of the plot under shed. However, in case of flatted factory, transfer fee shall be payable on the plinth area basis.

- ii) In case the transfer is made within one year of project completion, the fee charged will be 50% of the difference of the current allotment price and original allotment price of the plot/shed or double the transfer fee, whichever is higher.
- iii) Transfer fee, wherever applicable, would be charged at double the normal rate in case the transfer request is received by the Corporation (i) beyond 60 days from the date of agreement to sell or (ii) after execution of sale deed in favour of proposed transferee. Besides, interest @ 11% p.a. shall be payable from the date of agreement to sell/ sale deed till the date of payment of fee to the Corporation. Further, in case of substantial delay in submission of transfer request, a penalty equivalent to 10% of the applicable transfer fee, shall be payable for each year of delay or part thereof, in addition to double the normal transfer fee.
- iv) In case the transfer of plot/shed is effected at the stage of Provisional Transfer Letter (PTL) or the plot/ shed is transferred more than once without permission of the Corporation, Managing Director is authorized to

regularise transfer(s) by charging appropriate fee (at least double the normal transfer fee for each such transfer alongwith interest @11% p.a.) considering merits of each case.

- v) In case of non compliance of conditions of Provisional Transfer Letter (PTL) within a period of 120 days, penalty equivalent to 25% of normal transfer fee as per EMP-2011 shall be charged for regularising the delay beyond 120 days, in compliance of PTL conditions.

### **8.7 Categories exempted from payment of Transfer Fee:**

No transfer fee will be payable in the following cases:

- i) Transfer of plot after the allottee has run his industrial unit for a period of more than five years;
- ii) Transfer by way of inheritance, will or within the family members of the allottee;
- iii) Succession due to death of owner/allottee/ majority shareholders;
- iv) Take over by financial institution where mortgage permission has been granted by HSIIDC.
- v) Second or all subsequent transfers, with prior permission of the Corporation.

In the cases covered under above categories, only the applicable processing fee will be payable along with the transfer request. However, prior written permission of HSIIDC is required in all cases of transfers. Dues of the Corporation, if any, shall be required to be cleared before permitting any such transfer. It may also be clarified that every transfer, including the first transfer, will be allowed only after registration of Conveyance Deed.

### **8.8 Consequences of unauthorized transfers:**

A transfer is unauthorised where the transfer of plot/shed is not permissible as per provisions of the EMP-2011. Any transfer, which is otherwise permissible, but has taken place without prior written permission of HSIIDC, also constitutes an unauthorised transfer. The allottee/ successor-in-interest, as the case may be, will have to bear the consequences of such unauthorised transfer. The consequences of unauthorised transfers would be as under:

- i) In case the vacant/ unutilised plot/ shed has been transferred without completion of the project, the Corporation will take recourse to the resumption proceedings.
- ii) In cases where the allottee/ successor-in-interest comes before the Corporation for regularisation of the transfer after a substantial part of the

building (minimum 75 % of PCA) has been constructed or the project stands implemented, for which the parties had entered into an agreement at the back of the Corporation at a time when the transfer was otherwise not permissible, it may be compounded by charging (i) the difference between the allotment price and the current price, or (ii) double the transfer fee, whichever is higher.

- iii) Wherever, the transfer is otherwise permissible without payment of any transfer fee, but the same has been effected without prior permission of the Corporation, the same may be regularised on payment of the applicable transfer fee as mentioned under para 8.6(i), along with interest payable from the due date.

### **8.9 Procedure:**

- i) An application for transfer can be made by the authorised person as detailed below:
- The allottee himself in the case of an individual/ sole proprietorship or the lawful successor in case of inheritance/ will/ death of the original allottee;
  - One of the partners with authorisation from other partners in the case of a partnership firm;
  - One of the Directors, alongwith copy of the resolution passed by the BoD of the company, in the case of a Private Limited Company;
  - The Company Secretary/Manager, duly authorised through a resolution of the Board of the Company, in the case of a Public Limited Company.
- ii) The allottee/ transferor shall have to obtain a 'Letter of eligibility for Transfer' of plot/shed from the concerned Estate Manager by submitting prescribed application form containing the relevant information/documents alongwith demand draft for the applicable processing fee;
- iii) The Estate Manager shall verify the contents of the application, the applicant's 'no-default' and 'compliance' status in all respects which shall include (a) project completion as per clause 5.10 of EMP; (b) Completion certificate as per clause 5.12 of EMP; (c) clearance of all dues, and (d) execution of conveyance deed. In case of any default on any account, the Estate Manager shall inform the applicant of such default, within 15 working days requiring him to take corrective steps;
- iv) Once it is established on verification that the applicant is eligible for in-principle transfer permission and there is no outstanding default, the Estate

Manager shall issue the 'Letter of eligibility for Transfer' within 15 working days;

- v) After receipt of 'Letter of eligibility for Transfer', as soon as the applicant-allottee/ re-allottee identifies the buyer, he/it shall approach the Estate Manager concerned for transfer permission in the prescribed format containing the relevant information/ documents along with demand draft towards the applicable transfer fee/ processing charges;
- vi) The Estate Manager shall verify the completeness of the application, the purpose for which the proposed transferee would be utilizing the premises and other prescribed parameters within a period of 07 working days. In case the application/request is found to be in order, the Estate Manager shall issue a Provisional Transfer Letter (PTL) containing the terms and conditions for such permission within 15 working days. In case the application is found incomplete or deficient in any respects, the applicant will be informed of the same along with the deficiencies within a period of 15 working days;
- vii) The terms and conditions of Provisional Transfer Letter (PTL) will be complied with by the transferor /transferee within a period of 120 days from the date of issue of the PTL;
- viii) Pursuant to the completion of formalities contained in PTL, the Estate Manager would facilitate the execution of conveyance/sale deed, issue the letter of re-allotment in favour of the transferee, execute agreement with the transferee, whereupon the proposed transferee shall become an allottee/ re-allottee of the Corporation.

## Chapter 9

### Change in Constitution/ Shareholding

- 9.1 Change in constitution from individual/Joint holders to a Partnership Firm/company or from Partnership Firm to a Company shall be permissible at any stage provided the entire shareholding/ ownership of the firm/company/project is with the original allottee and / or his/her family members (spouse, son, daughter, parents, brothers, sisters, grand son, grand daughter and their spouses). Applicable processing fee shall be payable in such cases. Prior written permission of Corporation shall be mandatory. In case of preferential allotment in favour of NRI / person with disability, the allottee must retain at least 51% stake till one year after project completion.
- 9.2 In case the change in constitution involves induction of a third party (other than family member as defined in clause 9.1) into the firm/ company/ project, before completion of the project, the same can be allowed on payment of fee equivalent to 50 % of transfer fee, as defined in para 8.6 (i) of the EMP, for dilution of equity upto 26% and 100% of transfer fee for dilution of equity above 26% and upto 49%, subject to the condition that the original allottee/ his family members retain minimum 51% share in the firm/company/project till one year after completion of the project as defined in clause 5.10. Prior written permission of Corporation shall be mandatory. In case the share of original allottee/partners/shareholders in the firm/company/project falls below 51%, it shall amount to transfer and shall be dealt under the relevant provisions.
- 9.3 In cases where a Private Limited Company becomes a Public Limited Company listed with recognized stock exchange, the change in constitution may be allowed on payment of the applicable processing fee subject to the condition that the allottee or his associates (family members), retain the largest share holding with management control, otherwise it will be treated as a case of transfer.
- 9.4 In case the allottee is a company and intends to implement the proposed project through its subsidiary company, such a request can be considered by the Managing Director subject to the condition that the entire paid up capital of the subsidiary company is held by the allottee company and its shareholders/promoter Directors. Similarly, implementation of project through holding company of the allottee company as well as through a concern/company promoted/owned by the original allottee / partners of allottee firm /promoter/directors of allottee company and their family members shall also be covered under this clause. Applicable processing fee shall be payable in such cases.

## **Chapter 10**

### **Change of Project**

- 10.1 The allottee may be allowed change of project, other things being equal, by HSIIDC without prejudice to the size of the plot and the prescribed schedule for implementation of the project. However, while permitting change of project, factors such as its nature of pollution, high water consumption/ effluent shall be considered.
- 10.2 The transferee, on re-allotment, will also be required to submit his brief Project Report and require approval of the Project from the Estate Manager. Change of Project will also be permissible in the same manner as in the case of a first-time allottee.
- 10.3 Applicable processing fee shall payable on each request. Prior written permission of Corporation shall be mandatory.
- 10.4 In the case of allotment of plots/sheds in product specific Industrial Estates/ Parks e.g. Food Park, Technology Park, Footwear Park, Agriculture Implements, Textile park etc., the request of allottee for change of project shall be considered only for specified units in that particular Estate/ Park.

## **Chapter 11**

### **Bifurcation / Fragmentation of Plot**

Bifurcation of industrial plots of only two-acre size and above will be permitted provided the project has been completed after obtaining occupation certificate as per clause 5.10 of EMP. Plots measuring two to five acres can be bifurcated in not more than two plots subject to the condition that none of the sub-divided plots is less than one acre, subject to planning parameters. In case the plot size is more than five acres, none of the bifurcated portion should be less than two acres. The bifurcation will be permitted only for industrial purpose. Applicable processing fee shall be payable for such permission. In case the allottee transfers the bifurcated plot to some other person, then transfer fee will be leviable on the same. Bifurcation of clubbed sheds shall be permissible provided they have been shown as a separate units in the approved layout plan and meet the zoning parameters.

## Chapter 12

### Residual Matters

- 12.1 In case the project is not implemented/ completed within the stipulated period on account of death of the original allottee, exceptional medical confinements, MD/HSI IDC shall be competent to extend the period and allow implementation of the project within two years of transfer of plot in favour of legal heir(s) of the allottee.
- 12.2 The time limits for various issues mentioned in the EMP are of essence. However, in case of deviation from the laid down guidelines/norms with respect to milestones for various activities like construction of building, implementation/completion of project etc. up to six months, MD/HSI IDC shall be competent to take a decision in such cases on merits by charging double the applicable fee on case to case basis.
- 12.3 As per clause 3.8 (ii), in case of allotment of plot/shed, the allottee is required to convey acceptance of terms and conditions of allotment and remit 15% payment within a period of thirty days of issuance of Regular Letter of Allotment (extendable by another thirty days on payment of interest @ 14% p.a. for the delayed period). On expiry of sixty days, the allotment of plot/shed stands lapsed. In cases of extreme hardship, MD/HSI IDC shall be competent to revive the allotment and accept the 15% payment within 120 days of issuance of Regular Letter of Allotment, on payment of interest @ 14% p.a. for the delayed period and in case of revision of allotment rate in that estate/area, in the meanwhile, the allottee shall be required to pay the difference of current allotment price minus original allotment price, or the delayed interest (@ 14% p.a. for the delayed period), whichever is higher.
- 12.4 While handing over physical possession of plot, in case, the actual area of the plot on ground is found to be higher than the tentative allotted area, as mentioned in Regular Letter of Allotment (RLA), the excess area upto 10% of the original size shall be handed over to the allottee by charging original allotment rate as mentioned in RLA, alongwith interest @ 11% p.a., from the date of handing over possession. In case the excess area is more than 10% of the original size, such excess area may be allotted to the allottee on payment of price of excess area at the current allotment rate, applicable on the date of physical possession of the plot.
- 12.5 It has been decided to treat 'ware-housing', 'skill development centres', and 'B-2-B' stocking and trading facilities, in the earmarked zones in respective industrial estates, as eligible categories for allotment of plots in Industrial Estates. The HSI IDC would separately evolve the guidelines in this behalf, which would become a part of the EMP.

**12.6 Permissible use for ancillary facilities**

The Industrial plots are allotted for the permissible industrial activity only and not for any commercial, residential, or institutional use. However, it has been decided to permit the industrial plots to utilise up to a maximum of up to 4% of the permissible covered area for subsidiary facilities e.g. cafeteria, canteen, gym, ATM etc. for the captive use of the employees working in such industrial unit without any additional charge. However, it may be clarified here that this entitlement would be corresponding to the actual covered area constructed at any point of time. Provision of such facilities for general public on commercial basis would not be permissible under any circumstances and shall be considered as an unauthorised use of the premises entailing the consequential action.

**12.7 Treatment of General Extension in respect of plots/ sheds where implementation period expires after 11.07.2008**

The HSIIDC had granted a general extension of one year to its allottees, treating the same as a zero period, without payment of any extension fee, on account of the general economic meltdown. The total period permissible for implementation of the projects, with extension periods (including general extension) shall not exceed six years for plots and four years for sheds. In such cases, the general extension period being zero period, the extension fee for extension beyond general extension period shall be payable as per EMP-2011 for first two years only in respect of plots and one year in respect of sheds, e.g. where the fourth year (including general extension period of one year) for a plot in category 'A' estate expires on 15<sup>th</sup> Jan 2011, extension fee shall be payable @ Rs. 75/- sqm.

**12.8 O&M Charges:**

The holding cost of land and development expenditure is capitalised at the time of initial fixation of price for a limited period. The organisation incurs expenditure on the Operation & Maintenance (O&M) of services, which are payable by the allottees. The O & M charges would accrue on completion of five years period counted from the date of first offer of possession in that sector or part thereof and payable by the allottee on annual basis.

**12.9 Infrastructure augmentation charges**

The FAR admissible for the general industry as on today is 125%, which used to be 75% earlier. The old allottees of industrial plots with lower FAR are also allowed to avail the presently permissible FAR of up to 125%. In addition, special provisions have been made for enhanced FAR for certain categories of industries as notified by the Town & Country Planning Department vide its Notification dated 20.01.2009. The admissibility of enhanced FAR in all these categories is allowed on payment of

infrastructure augmentation charges. The details of these charges shall be worked out and notified by the HSIIDC separately, which shall become a part of the EMP-2011.

- 12.10 In the event of any encumbrance(s) arising out of any other issues not finding a mention in EMP-2011, such matters will be decided by the Managing Director of the HSIIDC. MD, HSIIDC may refer the matter to the Committee headed by Principal Secretary Industries with MD/ HSIIDC, MD/Haryana Financial Corporation and Director of Industries as the other members, for decision on any such issues(s).

**12.11 Anomalies:**

In case any of the matter/ issue is not covered by the above procedures, a Committee headed by Principal Secretary Industries with Managing Director/HSIIDC, Managing Director, Haryana Financial Corporation and Director of Industries as its members shall be competent to decide the same on merits, equity and justice.

**Note:** *The provisions of Chapter-12 of EMP-2011, under the head "Residual Matters" shall be applicable for all types of allotments by the HSIIDC i.e. industrial, residential, group housing, commercial, institutional, technology Park and industrial workers' housing etc.*

## Chapter 13

### Provisions for Technology Park Projects

#### 13.1. Period allowed for implementation:

- i) The developer and the self-user technology company shall have to complete the project in the following manner:-

Stage of Completion	Time-frame
30% of the project area of Technology Component excluding housing, commercial and recreation component	within three years from the date of offer of possession or physical possession, which ever is earlier.
50% of the project area of Technology Component excluding housing, commercial and recreation component	within four years from the date of offer of possession or physical possession, which ever is earlier.
75% of the project area of Technology Component excluding housing, commercial and recreation component	within six years from the date of offer of possession or physical possession, which ever is earlier.

- ii) In case the allottee is not able to achieve the aforesaid norms, the site allotted by the HSIIDC is liable to be resumed. However, Managing Director, HSIIDC may grant extension in time of one year in case the allottee satisfies that the reasons of delay in achieving the aforesaid targets were beyond his control. In that case the following fee shall have to be paid by the allottee:

Sr. No.	Targets- Project Completion stage	Target - Period	Fee payable by the allottee
1	30%	3 years	Rs. 75/- per sqm per annum
2	50%	4 years	Rs. 150/- per sqm per annum
3	75%	6 years	Rs. 250/- per sqm per annum

#### 13.2 Leasing out of built up space during construction stage:

With a view to raising resources for implementation of a Technology Park Project, the booking of built up space on lease-rental basis (not by sale) by the allottee during the construction stage, shall be permissible subject to the following:

- a) The Allottee shall be eligible to lease out not more than 40% of the proposed built up space /area, in addition to 30% already reserved for the Anchor unit.
- b) The Allottee should have paid the total price of land and conveyance deed executed in its favour.

- c) The lease rental / payment conditions shall be decided by the Allottee and the Lessee and the Corporation will not be a party to their leasing arrangement.
- d) The lease rental/ other charges received by the Allottee during the construction period shall be deposited in a separate bank account and the same shall be utilised only for construction of the building/ project.
- e) The allottee (developer) should have obtained all requisite/ statutory permissions from State/ Central Govt./ Authorities and the building plans should have been approved by the competent authority.
- f) The allottee(developer) shall furnish the details of such booking of leased space to the Corporation on half - yearly basis.
- g) In the lease agreement, the Allottee shall make it clear that the allotment of land by HSIIDC is subject to terms and conditions as contained in the Regular Letter of Allotment/ Agreement as well as the conveyance deed, as the case may be. In case of any default of the said conditions, the plot is liable to be resumed by the Corporation. In such an eventuality, the lessee shall have no right on the land/ building of the project and he/ it will hand over vacant possession of the built up space to the Allotting Agency i.e. HSIIDC.
- h) The permission for leasing being granted by the Corporation is only by way of a facilitation and in case any statutory compliances are required, the same shall be complied with by the lessor and the lessee. Further, the Corporation shall not in any way directly or indirectly be involved in the inter-se disputes between the Allottee and the lessee.

**13.3 Provision for Dilution of Equity shareholding by allottees in favour of 3<sup>rd</sup> party:**

- 1. The allottee shall be required to take prior permission of HSIIDC for dilution of equity shareholding in favour of third party.
- 2. The allottee shall satisfy the Corporation about credentials of the incoming equity holder(s).
- 3. The request of original allottee for the dilution of equity shareholding will be considered by the Corporation on the following parameters:

**In case of Self User IT Unit**

The self user IT unit, who have been allotted plot, will be allowed to divest up to 49% share in favour of third party in line with the provisions of EMP-2011 applicable for

industrial plot, on payment of fee as applicable for industrial plots, subject to the condition that incoming partner shall have minimum net worth of Rs. 25 crore.

**In case of a Developer**

- i) The net worth of the incoming party must be at least Rs. 50 crore. However, in case the equity is diluted through public issue, private placement in favour of Banks, Financial Institutions, Mutual Funds etc. the minimum net worth criteria shall not be applicable.
- ii) **Raising of equity through public issue of shares**
  - a) In case the allottee company intends to raise equity through public issue of shares/IPO, to be listed on any recognised Stock Exchange and there is no change in Management control of the allottee company, the maximum equity can be diluted to the extent of 74% of post- issue paid-up capital of the company.
  - b) The original promoters of allottee company shall continue to hold a minimum of 26% of post-issue paid up capital of the company and will remain the largest equity holder(s). The allottee company shall submit a certificate from the Registrar to the Issue confirming that the promoters/their family members/their associates are holding majority equity shareholding in the company.
- iii) **Raising of equity through private placement in favour of Banks/ Financial Institutions/ Mutual Funds/ FIIs/ such other Institutional Investors**
  - a) In case the allottee company intends to raise equity through private placement of equity in favour of Banks/Financial Institutions/Mutual Funds/FIIs/Institutional Investors and the shares are not to be listed on any stock exchange and there is no change in Management Control of the allottee company, the maximum equity can be diluted to the extent of 49% of paid up capital of the company.
  - b) The original promoters of allottee company shall continue to hold the balance 51 % equity capital of the company. The allottee company shall submit a certificate from its Statutory Auditors as well as copy of Annual return filed with the Registrar of Companies on annual basis.
- iv) **Raising of equity by induction of private equity shareholder(s)**
  - a) In case the allottee company intends to induct third party as equity shareholders and there is no change in Management control of the

allottee company, the maximum equity can be diluted to the extent of 49% of post induction paid up capital of the company.

- b) The original promoters of allottee company shall continue to hold the 51% equity capital of the company. The allottee company shall submit a certificate from its Statutory Auditors as well as copy of Annual return filed with the Registrar of Companies on annual basis.
- c) The newly inducted shareholder(s) will not be allowed to transfer their shareholding till five years or completion of the project whichever is later.
- v) **The fee structure for allowing dilution of equity shareholding shall be as under:**

% of equity dilution	Fee applicable (per acre)	
	Unlisted Company	Listed company
Upto 10% of paid up capital	Rs. 6,00,000/-	Nil
Above 10% but up to 26% of the paid up capital	Rs. 12,00,000/-	Rs. 6,00,000/-
Above 26% - upto 49% of the paid up capital	Rs. 24,00,000/-	Rs. 12,00,000/-
Above 49% - up to 74% of the paid up capital	Not allowed	Rs. 24,00,000/-

#### 13.4 Leasing of built up space

The allottee (developer) shall be eligible to lease out the built up space to the Anchor unit as well as to the third parties for uses specified under the Campus Development norms, subject to payment of one time leasing fee equivalent to 50% of transfer fee, chargeable on plot area, after building has been constructed and occupation certificate has been obtained. In case of self user allottee, the leasing shall be permissible as per provisions applicable for industrial plots.

The leasing fee shall be payable on the basis of FAR availed in the following manner:-

FAR availed	Leasing fee payable
Upto 125%	Leasing fee rate x plot area
Above 125% & upto 150%	$\frac{\text{Leasing fee rate} \times \text{Plot area} \times 150}{125}$
Above 150% & upto 175%	$\frac{\text{Leasing fee rate} \times \text{Plot area} \times 175}{125}$
Above 175% & upto 200%	$\frac{\text{Leasing fee rate} \times \text{Plot area} \times 200}{125}$
Above 200 & upto 250%	$\frac{\text{Leasing fee rate} \times \text{Plot area} \times 250}{125}$

### 13.5 Transfer of land/ site:

During the implementation period, no transfer of land/ site under the Technology Park scheme shall be allowed. Transfer of up to 50% of the built up area can be allowed after successful running of the project at least for a period of five years. After completion of seven years, the allottee can transfer the balance area as well subject to the condition that at least 30% of the project area shall be retained by the allottee/single party, which shall be considered as successor in interest and shall be responsible for all matters vis-à-vis the Corporation. The allottee shall have to take prior permission before such transfer. In case the project is developed by the developer, first preference shall be given to the anchor unit to buy the premises. The permission to transfer shall be subject to payment of the transfer fee. For self user company, transfer fee shall be as applicable for industrial plots. In case of developer, transfer fee shall be charged at double the normal fee for industrial plots. In case of transfer in parts, fee for the full area of the Technology Park shall be payable at the initial stage. No transfer fee will be charged for transfer of the project after successful running of the project for a period of ten years. The allottee shall also comply with the provisions of the Haryana Apartment Ownership Act.

**Note:** *The above provisions relating to Technology Park projects shall be applicable for all existing and future allotments under Technology Park - Campus Development Scheme.*

## Chapter 14

### Provisions for Residential Plots

The mandate for creation of general residential infrastructure in the state rests with the HUDA and the colonisers/ developers. However, the HSIIDC is permitted to make provision for residential infrastructure within the Industrial Parks/ IMTs on a limited scale to cater to the housing requirements of people engaged in industry and with a view to providing a walk-to-work environment. As a part of this initiative, the Corporation has provided for residential sectors in IMT Manesar, GC Bawal and G C Saha, and carved out individual residential plots as well as Group Housing sites. It has been decided that henceforth the Corporation would provide for the residential facilities largely following the concept of Group Housing and plotted development of residential sectors may be pursued only selectively.

#### 14.1 Eligibility for Allotment of Plots

Allottees of Industrial plots in that particular Industrial Estate only will be eligible for allotment of residential plots.

#### 14.2 Mode of Allotment

- i) The applications shall be made in the name of allottee of industrial plot (i.e. Proprietor in case of sole Proprietorship firm, any of the authorised Partners in case of Partnership Firm, Allottee/ any of the Promoter Director(s) in case of Company). However, ownership of Industrial plot shall not confer any right for allotment of a residential plot;
- ii) Allotment will be restricted to only one residential plot against one already allotted industrial plot. Those who have already availed the facility once shall not be eligible to apply in subsequent allotments;
- iii) The allotment shall be made by draw of lots, separately for each category of plots. The draw of lots will be held within 90 days of the closing date for submission of applications;
- iv) The allotment letters/ refund orders will be dispatched within 30 days of draw of lots. No interest will be paid on the application money/ refunds;
- v) Plots can be changed only in the case of mutual exchange subject to approval of HSIIDC;
- vi) Mutual exchange of plots will be permitted subject to the following conditions:

- a) The plots have been allotted to both the allottees in the same allotment/scheme;
- b) Both the plots are of the same size;
- c) Conveyance deed is yet to be executed in favour of the allottee(s);
- d) Construction activity is yet to commence on both the plots;
- e) There is no violation of terms of allotment by any of the allottee(s);
- f) In case of mutual exchange, the terms & conditions of allotment applicable to the respective plots will remain unchanged.

#### **14.3 Pricing of Residential Plots**

Allotment rate for residential plots will be 20% higher than the prevailing price of industrial plots in that Estate. In case of a corner plot, a preferential price of 10% over and above the normal rate for residential plots will be payable.

#### **14.4 Payment Terms**

- i) Earnest money equivalent to 10% of the tentative price in the form of Demand Draft in favour of the HSIIDC, drawn on any scheduled bank and payable at Panchkula shall be deposited along with application form;
- ii) The applicant shall, within 30 days, from the date of issue of allotment letter, deposit with the HSIIDC, 15% of the tentative price, which together with the earnest money will equal 25% of the tentative price of the plot;
- iii) In case of failure to deposit the said amount within 30 days, the period for deposit may be extended for 30 more days on payment of interest @ 14% p.a. for the extended period. If payment is not made within the extended period also, the allotment shall automatically lapse and the amount deposited by the allottee towards price of the plot shall be refunded without any interest & deduction;
- iv) The balance 75% amount can be paid in lump sum without any interest within 60 days from the date of issue of the allotment letter or in eight equal half-yearly instalments. The first instalment will fall due after the expiry of six months from the date of issue of allotment letter. The instalments shall carry interest @ 11% per annum on the remaining amount of price of plot from the date of offer of possession. Any delay in payment shall carry interest @ 14% p.a., compounded annually on the amount in default for the defaulted period. In case the instalment is not paid within 6 months of the due date, the plot is liable to be resumed.

- v) The price of the plot is tentative and any additional price as a consequence of enhancement in compensation awarded by the court(s) shall be payable by the allottee in lump sum within 60 days from the date of demand notice or in 6 half- yearly instalments carrying interest @ 11% per annum. In case of default, interest @ 14% p.a., compounded annually, on the amount in default for the period of default shall be payable. In the event of non-payment of such enhanced compensation within the stipulated period, the plot shall be liable for resumption.
- vi) The possession of the plot will be offered on completion of basic infrastructure facilities at site, including motor-able road to the site, availability of water supply, sewage facility and electrical infrastructure.

#### **14.5 Surrender of Residential Plot**

- i) Wherever an allottee surrenders the plot at anytime within a period of one year of issuance of Regular Letter of Allotment, the Corporation will refund the full principal amount paid by the allottee, without any interest, within a period of 30 days of the receipt of surrender request;
- ii) Wherever the allottee surrenders the plot after expiry of one year but within a period of two years of issuance of RLA, the Corporation shall refund the amount without any interest after deducting 5% of the price of plot within a period of 30 days of the receipt of surrender request;
- iii) In case the allottee surrenders the plot after expiry of two years from the date of issuance of Regular Letter of Allotment, the Corporation will refund the principal amount, without any interest, after deduction of 10% price of the plot within a period of 30 days of the receipt of surrender request.

#### **14.6 Construction on Residential Plots:**

- i) The allottee shall complete the construction of the residential plot within a period of two years of the date of offer of possession after getting the plans of the proposed building approved from the competent authority in accordance with the regulations governing the erection of buildings.
- ii) Extension in period for completion of construction beyond the period of two years may be granted for a maximum period of eight years, on year to year basis, on payment of extension fee, as under:

(Per Sq. mtr. & on per annum basis)					
Sr. No.	Area/Block	Block-I	Block-II	Block-III	Block-IV
		1 <sup>st</sup> & 2 <sup>nd</sup> Year	3 <sup>rd</sup> & 4 <sup>th</sup> Year	5 <sup>th</sup> & 6 <sup>th</sup> Year	7 <sup>th</sup> & 8 <sup>th</sup> Year
1	Category 'A' Estates	40	60	100	150
2	Category 'B' & 'C' Estates	20	30	50	75
<b>Note</b>	In the case of allotments made prior to EMPR-2011, the extension for a maximum period of eight years on a year to year basis shall be permissible subject to payment of fee as mentioned above. However, no refund of extension fee already paid shall be allowed.				

- iii) The use of land and the building shall be governed as per rules & regulations of the Department of Town & Country Planning, Haryana, as amended from time to time. Zoning violations and deviations from the approved building plans at any stage shall cause a notice to rectify the breach. In the event of non-compliance, the plot shall be liable to be resumed.
- iv) The allottee shall obtain the 'Occupation Certificate' from the concerned competent authority before occupying the building.
- v) The plot shall not be used for any purpose other than for which it has been allotted. The allottee shall not make any alteration/ modification/ addition in the building without getting the revised building plans approved from the competent authority and no fragmentation of the plot/ building shall be permitted.
- vi) The plot is allotted on 'as is where is' basis and the allottee shall have to pay separately for any construction, material, trees, structure or compound walls existing on the plot at the time of allotment for which compensation has been assessed and paid by HSIIDC in case the allottee wants to make use of the same. HSIIDC shall not be responsible for levelling of the uneven sites.

#### 14.7 Transfer of Residential Plots:

- i) The plot shall continue to belong to the HSIIDC until the entire consideration money towards price of the plot, together with interest and other charges, has been paid by the allottee. Allottee shall have no right to transfer the plot by way of sale, gift, mortgage, lien or otherwise and create any right, title or interest therein without the prior written permission of HSIIDC.
- ii) On payment of 100% price of the plot/ building, the Deed of Conveyance in the prescribed form and in such manner as may be directed by HSIIDC shall be executed. The charges for registration and stamp duty will be paid by the allottee.

- iii) The transfer of residential plots (preferential and general) shall be allowed only after the allottee has obtained occupation certificate after constructing minimum 25% of the ground coverage as per norms prescribed by the Town & Country Planning Department, cleared all dues of HSIIDC and executed conveyance deed. In such cases, in case of first transfer, transfer fee and processing fee at the rates applicable for transfer of Industrial plots shall be charged. For subsequent transfers, only the applicable processing fee shall be payable.
- iv) The Corporation had earlier allotted residential plots under 'preferential category' i.e. in favour of Industrial plot holders/their Partners/ Directors/ employees, and also under the 'General Category' through draw of lots. As per existing procedure, the plots allotted under the preferential category are transferable only in favour of allottees of industrial plots in the respective Estates. Henceforth, these plots will also be transferable in favour of non-allottees, as in the case of 'General Category' plots subject to fulfilment of condition as mentioned at Serial 14.7 (iii).

In cases, where allottee category plots have already been sold to non-allottees without compliance of conditions mentioned at Serial No. 14.7 (iii), such cases will be regularized by levy of double the applicable transfer fee.

- v) In case of family transfer/ transfer in case of death of allottee, only the applicable processing fee shall be charged.
- vi) Application for transfer of residential plot shall be made in the prescribed proforma and shall be accompanied by the following:
  - a) Transfer request along with details w.r.t. name, address, etc. of the proposed transferee;
  - b) Original allotment/ re-allotment letter;
  - c) Undertaking of the proposed transferee for compliance of terms and conditions of allotment and payment of enhanced compensation / other dues, payable to the Corporation from time to time;
  - d) Two photographs each of allottee and the proposed transferee.
  - e) Copies of PAN cards or Form-60 (in lieu thereof) of the allottee and proposed transferee.

On submission of the above documents, provisional transfer permission shall be granted.

- vii) The allottee/proposed transferee shall submit the following before issuance of final transfer letter/re-allotment letter in favour of the proposed transferee:
  - a) Payment of transfer/processing fee at the applicable rate.
  - b) Certified copy of sale deed.
  - c) The allottee will furnish duly notarised indemnity bond to indemnify the Corporation from any loss/ liability it may incur on such account.
  - d) Any other document as specified in the Provisional transfer letter.

#### **14.8 Resumption of the Plot**

- i) The HSIIDC will be competent to resume plots in its Estates in case an allottee defaults in complying with the terms and conditions of allotment (including non-construction within the permissible/ extended period). In case of resumption of the plot, the principal amount deposited will be refunded without any interest after deducting 10% of the price of plot. The amount of interest, delayed interest and penalty paid on instalments, if any, shall also stand forfeited.
- ii) Allottee category residential plot will not be resumed as a consequence of resumption of industrial plot.
- iii) Upon resumption, the allottee will be free to remove the structure/debris, if any, within a period of three months of resumption order at his own cost, failing which it shall be removed by the HSIIDC at the allottee's cost. The Corporation may get the cost of construction of the building assessed by a chartered civil engineer and pay this amount to the erstwhile allottee. In such cases, the re-allotment price of the plot will be inclusive of the amount so paid by the Corporation to the erstwhile allottee.
- iv) An appeal against resumption of plot shall lie before the Committee headed by Secretary Industries, Haryana with Director Industries, Haryana and Managing Director/Haryana Financial Corporation as the other members. The appeal shall be filed in the office of Secretary Industries, Haryana, within 90 days of the resumption order.

#### **14.9 Permission for Use of Non-Nuisance Activities in Residential Plots**

The residential plots shall be used only for residential purposes and not for any commercial activity. However, the following practices can be carried out by an allottee on payment of fees of Rs. 50,000/- (for Category 'A' Estates) and Rs. 30,000/- (for category 'B' & 'C' Estates) and obtaining specific approval from the HSIIDC.

- a) Medical Consultation by Doctors (without Nursing Home);
- b) Lawyers;
- c) Tax Consultants;
- d) Architects;
- e) Chartered Accountants/Company Secretaries;
- f) Property Consultants (duly registered under the Haryana Regulation of Property Dealers and Consultants Act, 2008).

The above activities are allowed with the condition that the area for utilization of said activities shall not exceed 25% of the built-up area or 50 sq. mtrs., whichever is less. The permission will initially be given for a period of 5 years and can be renewed thereafter on payment of renewal fee equivalent to 10% of the fee.

#### **14.10 General Conditions**

- i) If the allottee appoints any attorney (without right of disposal/ transfer of the property), he/she/they shall submit the certified copy of the Registered Power of Attorney along with photograph and signatures of the allottee duly attested by the Executive Magistrate within a week from the registration of the deed by Regd. A/D post or in person. The attorney so appointed shall have no right to effect the transfer through General Power of Attorney.
- ii) The allotment shall be governed by the terms and conditions as laid down in the allotment letter and Estate Management Procedures of HSIIDC with regards to residential plots as applicable from time to time. The policy changes and guidelines issued from time to time regarding extension in time, transfer, charges for various activities or any other issue pertaining to the allotment of residential plot shall be binding on the allottee.
- iii) The allottee shall pay the maintenance charges as applicable in the Estate.

## Chapter 15

### Group Housing Plots/ Sites

With a view to making available affordable housing for allottees/employees and workers in its industrial estates and preventing haphazard development, the Corporation conceived a scheme for providing Group Housing sites of varying sizes in the various Industrial Estates being developed by it. The Group Housing sites have been planned as an integral part of certain Estates and besides meeting the housing requirement, the said sites have also mitigated travel time for the residents of the Estate to their work place. The Corporation and the allottees of these sites shall be governed by the following procedures:

#### 15.1 Eligibility for Allotment

The following shall be eligible for allotment:

- i) Industrial Units/ Firms/ Companies who have been allotted industrial plots of one acre and above located in the respective Industrial Estate and are in production, for their staff housing requirements;
- ii) Registered Co-operative Group Housing Societies consisting of Industrial Workers/ Executives working in the respective Industrial Estate and promoters/ directors of Units/ Firms/ Companies who are allottees of Industrial Plots of the respective industrial estate;
- iii) The Cooperative Societies, registered with the Registrar of Cooperative Societies, Haryana should have at least 20 members and the Society would be governed by the specific bye-laws framed and approved by Registrar, Cooperative Societies, Haryana.
- iv) Welfare organisation formed by employees of HSIIDC &/or its Administrative Department;
- v) An allottee of industrial plot/ their partners/ promoters, who has already been allotted a residential plot / group housing site under preferential category in IMT, Manesar and Bawal, as the case may be, shall not be eligible to be the member of any Co-operative Group Housing Society.

#### 15.2 Criteria for Allotment of Land for Group Housing

- i) Land measuring  $\frac{1}{2}$  acre to 2.5 acres will be allotted out of the area earmarked for Group Housing to the applicants eligible as specified in Clause 15.1. The project shall have minimum 20 dwelling units (DUs).

- ii) The area calculations and the admissibility of sizes of units shall be governed in accordance with the norms prescribed by the Town & Country Planning Department linked with the Density and permissible FAR for Group Housing Sites;
- iii) The allotment of land shall be made through draw of lots;
- iv) Site will be allotted on free hold basis @ 40% higher than the rate of allotment for Industrial plots in view of Intensive Infrastructure requirement in case of Group Housing sites.

### **15.3 Mode of Application, Allotment and Payment Terms**

- i) The Societies eligible under clause 15.1 and desirous of applying for the site shall get themselves registered with the Registrar of Co-operative Societies, Haryana/ competent authority;
- ii) The Applicant shall submit the duly filled-in Application Form to HSIIDC before the closing date of the scheme along with all the requisite enclosures including a Demand Draft of earnest money equivalent to 10% of the tentative price of land, drawn on any scheduled bank in favour of the HSIIDC, Panchkula;
- iii) The HSIIDC would process the applications and assess the land requirement of the applicants after the closure of the scheme;
- iv) The applicants found unsuccessful after draw of lots would be refunded their earnest money, without any interest, within 30 days of draw of lots;
- v) 'Letter of Intent' (LOI) for allotment of the site will be issued in favour of the successful applicants, containing the terms and conditions of allotment, the number of dwelling units to be constructed on the allotted site and sizes thereof;
- vi) Pursuant to the issue of 'Letter of Intent', the successful applicant shall be required to submit the required documents along with Agreement Form and Demand draft towards 15% of the price of land (to complete 25% of the price of land including the 10% amount deposited along-with Application Form), within thirty days of issuance of LOI. In case of failure to deposit the said amount within 30 days, the period can be extended for 30 more days on payment of interest @ 14% per annum for the extended period on request. If payment is not made within the extended period along with interest, the Letter of Intent shall automatically lapse and 10% of the amount already deposited as earnest money will be refunded without any interest;

- vii) After compliance of formalities specified in the 'Letter of Intent', HSIIDC will issue the "Allotment Letter" of the site in favour of the allottee;
- viii) Balance 75% cost of plot shall be payable either in lump sum without any interest within 60 days from the issue of Allotment Letter or in eight (8) equal half yearly instalments carrying interest @ 11% p.a. on the balance amount. Interest shall be chargeable after completion of basic development works and offer of possession. An interest @ 14% p.a., compounded annually, will be charged on delayed payments for the delayed period;
- ix) Any additional price of the plot/site, as a consequence of enhancement in compensation awarded by the court(s) and/or proportionate External Development Charges (EDC), as may be payable to the Government or any other agency by the HSIIDC for external water supply, electrical installation, roads, storms water drainage, sewerage etc. shall be payable by Allottee in lump sum with in 60 days from the date of demand notice or in six half yearly instalments along with interest @11% p.a. In case of default in payment, interest @ 14% p.a., compounded annually, shall be charged on the amount in default for the period of default. In the event of non-payment of such enhanced compensation/EDC within a period of three months of the notice, the plot/site shall be liable to be resumed and amount deposited will be refunded after deduction as stipulated in Clause-15.9.

#### 15.4 Completion of Project

- i) The allottee will have to complete the construction within five years of the date of offer of possession in accordance with the plans of the proposed building approved from the Competent Authority. Allottee shall not erect any building or make any alteration/addition without prior written permission of HSIIDC. No fragmentation of the plot/site shall be permitted. The occupation certificate shall be granted if all the Dwelling units are in habitable condition and they are complete in all respects as per the norms of Department of Town & Country Planning, Haryana and subject to the satisfaction of HSIIDC. The time limit for completion of construction is extendable by the HSIIDC for a maximum period of five years, on year to year basis, subject to payment of extension fee as specified by the HSIIDC and further subject to satisfaction of the HSIIDC that the construction of the building could not be completed by the allottee within stipulated period due to reasons beyond his control. The allottee shall also form 'association of apartment owners' as required under of the Haryana Apartment Ownership Act, 1983 (as amended from time to time).

- ii) The rates of extension fee shall be as under:

Sr. No.	Period of Extension	Rates of Extension fee for Category 'A' Estates	Rates of Extension fee for Category 'B' & 'C' Estates
1	I Block: 1 <sup>st</sup> year	Rs. 40/ sqm/ p.a.	Rs. 20/- sqm/ p.a.
2	II Block: 2 <sup>nd</sup> & 3 <sup>rd</sup> year	Rs. 60/- sqm/ p.a.	Rs. 30/- sqm/ p.a.
3	III Block: 4 <sup>th</sup> & 5 <sup>th</sup> year	Rs. 100/- sqm/ p.a.	Rs. 50/- sqm/ p.a.

Interest @ 11% p.a. shall be payable on extension fee from the date extension becomes due till date of payment to the Corporation.

#### 15.5. Maintenance of Common Facilities

The maintenance of common facilities shall be under the provisions of the Haryana Apartment Ownership Act, 1983 and the allottees shall ensure that the flats/DUs are transferred to their members only after completing the formalities required under the Act *ibid*.

#### 15.6. Change in Membership/Size and No. of Dwelling Units (DUs):

Addition/deletion/substitution of members will be allowed as under:-

- i) Society may be permitted addition/deletion to the extent of 25% of the original members before start of construction only;
- ii) Substitution of member, upto grant of Occupation Certificate, to the extent of 25% of the original membership will also be permitted in addition to (i) above.

The addition/substitution of members shall be subject to compliance of condition of eligibility criteria as mentioned at Serial 15.1.

- iii) The following fee shall be charged by the Corporation:-

##### a) Change in numbers of members

Sr. No.	Size of dwelling units (i.e. DU) (sq. mtrs.)	Amount to be charged for change in membership
i.	Up to 100	Rs. 10,000/- per member.
ii.	101 - 150	Rs. 30,000/- per member.
iii.	151-250	Rs. 40,000/- per member.

##### b) Change in size/number of DU

Change in size/No. of dwelling units will be allowed so long as it is within the existing PPA before start of construction. The following fee shall be charged by the Corporation:-

For the 1 <sup>st</sup> time	Rs. 20,000/-
For the 2 <sup>nd</sup> time	Rs. 40,000/-
For the 3 <sup>rd</sup> time	Rs. 60,000/-

- iv) Any change in ownership after grant of Occupation Certificate to the Society shall be governed by the provisions of Haryana Apartment Ownership Act, 1983 and no permission shall be granted by HSIIDC in this regard thereafter.
- v) The changes in the sizes of dwelling units/transfer in membership/change in the number of members shall be allowed free of cost, if such a request is made within two years from the date of issue of final letter of allotment or till the date of offer of possession, whichever is later irrespective of number of such requests made by the allottee in this period.

#### 15.7 Transfer of Plot/ Building:

- i) Transfer of land allotted to society shall not be allowed. In case of group housing site allotted to the allottee for staff housing, the transfer shall be permissible only after allottee has obtained Occupation Certificate, cleared all dues of HSIIDC and executed conveyance deed. For the first transfer, transfer fee equivalent to the transfer fee applicable to Industrial plots of that Estate shall be charged. For subsequent transfers only processing fee of Rs. 1.00 lakh per transfer shall be charged. Prior written permission of HSIIDC is required;
- ii) In case the allotment of plot is in favour of allottee firm/ company for staff housing, implementation of group housing project through wholly owned subsidiary company of the allottee or a Registered Co-operative Group Housing Society of the employees solely of the allottee working in that estate shall be permitted on payment of processing fee of Rs. 1.00 lakh. Prior written permission of HSIIDC is required;
- iii) The transfer of a DU by a member of the Group Housing Society shall be permissible on execution of a sale deed/ conveyance deed subject to compliance of provisions of Haryana Apartment Ownership Act, 1983 (as amended from time to time).

#### 15.8 Surrender of Plot/ Site

- i) Wherever an allottee surrenders the plot at anytime within a period of one year of issuance of Regular Letter of Allotment, the Corporation will refund

the full principal amount paid by the allottee in such cases, without any interest, within a period of 30 days of the receipt of surrender request;

- ii) Wherever the allottee surrenders the plot after expiry of one year but within a period of two years of issuance of RLA, the Corporation shall refund the principal amount deposited by the allottee, without any interest, after deducting 5% of the price of plot, within a period of 30 days of the receipt of surrender request;
- iii) In case the allottee surrenders the plot after expiry of two years from the date of issuance of Regular Letter of Allotment, the Corporation will refund the principal amount paid by the allottee, after deduction of 10% price of the plot, without any interest, within a period of 30 days of the receipt of surrender request.

#### **15.9 Resumption**

- i) In the event of non-payment of any amount due within the stipulated period or on breach of any of the terms and conditions of allotment, it shall be lawful for the HSIIDC to order resumption of plot/site. The allottee shall be entitled to the refund of principal amount paid towards the price of the plot/site, after deduction of 10% of the total price of the plot/site, without any interest. The amount of interest/penalty/other charges paid, if any, shall also stand forfeited.
- ii) Upon resumption, the allottee will be free to remove the structure/debris, if any, within a period of three months of resumption order at his own cost, failing which it shall be removed by the HSIIDC at the allottee's cost. In the alternative, the Corporation may get the cost of construction of the building assessed and pay this amount to the erstwhile allottee. In such cases, the re-allotment price of the plot will be inclusive of the amount so paid by the Corporation to the erstwhile allottee.
- iii) The plot/site shall not be resumed on account of resumption of industrial plot.
- iv) An appeal against resumption of plot shall lie before the committee headed by Secretary Industries, Haryana with Director, Industries, Haryana and MD/Haryana Financial Corporation as the other members. The appeal shall be filed in the office of Secretary Industries, Haryana, within 90 days of the resumption order.

**15.10 Other Conditions:**

- i) The land/building shall continue to vest in the HSIIDC until the entire consideration money, together with interest and other amount, if any, due to the HSIIDC on account of the allotment/sale of such land or building or both is paid.
- ii) The allottee, being a group housing society, will only have the right to accept the deposit in respect of membership fee and payment towards the construction of flat under self-financing or any other Scheme from its members but shall have no right to transfer by way of sale, gift, mortgage or otherwise the land/building, or the part thereof or any right, title or interest therein except with the prior written permission of HSIIDC.
- iii) The allottee shall pay the maintenance charges as applicable in the estate.
- iv) On payment of total price of the plot/site, the allottee shall execute a deed of conveyance in the prescribed form and in such manner as may be directed by HSIIDC. The charges for registration and stamp duty shall be paid by the allottee.

## Chapter 16

### Institutional Plots/ Sites

To meet the requirement of State/Central Govt. and their PSUs as well as for certain non-commercial activities, the developing agencies, viz. HUDA and HSIIDC have been planning plots/sites for Institutional uses in the Estates being developed. Henceforth, these allotments shall be governed by the following terms & conditions:

#### 16.1 Description/ Uses

##### Category-I

- i) Offices of State/Central Govt./PSUs.
- ii) Offices of Professional Group/Association/ society not engaged in Commercial/ Manufacturing activities, Societies registered under the Societies Registration Act/ Trust Act or incorporated as a company under section-25 of the Companies Act, 1956.
- iii) Social/religious/charitable trusts.
- iv) Exhibition-cum-Convention Centre being set up by State/Central Govt.

##### Category-II

- i) Educational Institution viz. ITIs / Polytechnic/ Skill Development & Staff-Education and Training Centre.
- ii) ESI Hospital.
- iii) Labour Facilitation Centre.
- iv) Telephone Exchange/communication/Telephone service.
- v) Post Office.
- vi) Multiple level Parking sites.

##### Category-III

- i) School Sites.
- ii) Hospital Site.
- iii) Nursing Home/clinics for specialist doctors.
- iv) Fls/ Banks/ Insurance Co.

#### 16.2 Mode of Allotment

- i) The allotment of Category-I and Category-II sites shall be made by the Allotment Committee at the Institutional allotment rate.
- ii) Category-III sites will be disposed of by way of auction/ sealed bids/ limited auction procedure/ bid participation.

- iii) School sites located in hyper and high potential zone (in case of HSIIDC, school sites located at A-category Estates), 75% of the total school sites shall be disposed off through auction and balance 25% sites shall be offered to the State Govt.. However, in case the sites offered to State Govt. are not utilized within a period of 5 years, then the same shall revert to the allotting agencies. In Medium and Low Potential Zones (HSIIDC estates categorized as 'B' and 'C'), the allotment of school sites shall be made at Institutional rates.
- iv) The sites for Nursing Homes for specialists/ clinics for the doctors shall be disposed off by sealed bids/ limited auction. The eligibility criteria for allotment of such sites shall be framed by the allotting agency on a case to case basis.
- v) Banks/ Fls / Insurance Companies shall be allotted sites at the allotment rate equivalent to the reserve price applicable for commercial sites in that particular estate.

### **16.3 Price of Institutional Sites**

Allotment price of Institutional sites will be as determined as under:

- i) In case of allotment of institutional sites, the allotment price would be @1.25 times the rate of Industrial plots in that particular Estate.
- ii) Where the allotment is being made through auction/ limited bidding procedure, reserve price will be fixed on the basis of latest average realization of Commercial sites in that Estate.

### **16.4 Mode of Payment**

#### **A. In case of allotment at Institutional rates:**

- i) 10% of the total price of the site will have to be deposited by the applicant as earnest money in the shape of bank draft, along-with the application.
- ii) Upon issuance of Regular Letter of Allotment (RLA), the allottee will be required to deposit 15% of the total price of the site within 30 days from the date of issuance of RLA. This period will be further extendable by 30 days after obtaining specific written approval from the allotting agency in which case allottee will be required to deposit 15% cost of site along with penal interest as may be decided by the Corporation for the extended period.
- iii) In case the allottee fails to deposit 15% of the price of the site within the stipulated/ extended period, the 10% of the total price of site deposited as

earnest money along with application shall stand forfeited by the allotting agency.

- iv) The balance 75% amount towards price of the site can be paid either in lump sum within a period of 60 days from the date of issue of the RLA without interest OR in eight equal half yearly instalments along with normal interest on the outstanding amount, from the date of issue of RLA, as may be decided by the Corporation. Delayed payment of instalment & interest will attract penal interest for the delayed period as may be decided by the Corporation and compounded annually.
- v) In case two consecutive instalments are not paid, the site is liable to be resumed.

**B. In case of allotment by way of Auction/ Limited bidding procedure:**

- i) 10% of the bid amount will have to be deposited by the highest bidder at the fall of the hammer or along with the bid. In case of failure to deposit the 10% amount at the fall of hammer, the amount deposited (if any) by the bidder as bid participation money shall be forfeited. In case the highest bidder, after submission of bid, backs out, then the amount already deposited shall stand forfeited.
- ii) Upon issuance of Regular Letter of Allotment (RLA), the allottee will further be required to deposit 15% of the total price of the site within 30 days from the date of issuance of RLA. This period will be further extendable by 30 days after obtaining specific written approval from the allotting agency in which case allottee will be required to deposit 15% cost of site along with penal interest for the extended period as may be decided by the Corporation.
- iii) In case the allottee fails to deposit 15% of the price of the site within the stipulated/ extended period, the 10% of the total price of site deposited as earnest money along with application shall stand forfeited by the allotting agency.
- iv) Thereafter, the balance 75% amount towards price of the site can be paid either in lump sum within a period of 60 days from the date of issue of the RLA without interest OR in eight equal half yearly instalments along with normal interest from the date of issue of RLA, as may be decided by the Corporation. Delayed payment of instalment & interest will attract penal interest for the delayed period as may be decided by the Corporation and compounded annually.

- v) In case two consecutive instalments are not paid, the site is liable to be resumed.
- C. **The present normal interest and penal interest are being charged @11% p.a. and @14% p.a. respectively.**

#### **16.5 Period for Project Implementation**

- i) The allottee will have to complete the construction of 75 % of the total permissible covered area, obtain occupation certificate & start operations within 4 years from the date of offer of possession of the site, after getting the plans approved from the competent authority.
- ii) However in case the allottee completes construction of 25% of the permissible covered area within a period of 4 years from the date of offer of possession of the site, the allottee shall be entitled to further extension in permissible period of construction by three years, on year to year basis, on payment of extension fees as detailed in clause 16.6.

#### **16.6 Extension Fee**

Extension fees @ 1.25 times the rate applicable for availing extension in case of Industrial plots in that estate will be charged. Normal interest shall be payable from the due date of extension till the date of payment.

#### **16.7 Transfer of Site**

Transfer shall be allowed only after allottee has made full payment towards price of site, obtained occupation certificate (after constructing 75% of the permissible covered area), started operations and executed deed of conveyance, with the prior written approval of the allotting agency.

#### **16.8 Transfer Fee**

Transfer fee, at double the rate of transfer fee applicable for Industrial plots in that Estate will be charged along with applicable interest. The transferee shall use the premises only for the eligible uses.

#### **16.9 Resumption of Site**

- i) In the event of breach of any condition, allotting agency may resume the site after giving opportunity of personal hearing and in case of resumption, principal amount deposited by the allottee will be refunded, without any interest, after deducting 10% of the total price of site. The interest, penal interest, other charges, if paid, shall not be refunded.
- ii) Upon resumption, the allottee will be free to remove the structure/debris, if any, within a period of three months of resumption order at his own cost, failing which it shall be removed by the allotting agency at the allottee's

cost. The allotting agency shall get the cost of construction of the building assessed and pay this amount to the erstwhile allottee. In such cases, the re-allotment price of the plot will be inclusive of the amount so paid by the allotting agency to the erstwhile allottee.

- iii) An appeal against resumption of plot shall lie before the committee headed by Secretary Industries, Haryana with Director Industries, Haryana and Managing Director/Haryana Financial Corporation as the other members. The appeal shall be filed in the office of Secretary Industries, Haryana, within 90 days of the resumption order.

#### **16.10 Surrender of Site**

##### **A. In case of allotment at Institutional rates:**

- i) The allottee may surrender the plot at anytime within a period of two years of issuance of Regular Letter of Allotment. The allotting agency will refund the full principal amount paid by the allottee in such cases, without any interest, within a period of 30 days of the receipt of surrender request;
- ii) In case the allottee surrenders the plot after expiry of two years from the issuance of Regular Letter of Allotment, the allotting agency will refund the principal amount paid by the allottee after deduction of 10% of the price of the plot, without any interest, within a period of 30 days of the receipt of surrender request.

##### **B. In case of allotment by way of Auction/Limited Bidding procedure, etc:**

- iii) In case of surrender of site allotted by way of allotment on the basis of reserve price of Commercial Sites, Auction/Limited Bidding process, after submission of bid/application, the allotting agency will refund the principal amount paid by the allottee after deduction of 10% of the price of the plot, without any interest, within a period of 30 days of the receipt of surrender request.

#### **16.11 Other Terms and Conditions**

- i) Any enhancement in the cost of the land awarded by the competent Court/ Authority under the Land Acquisition Act shall be payable proportionately by the allottee in lump sum within 60 days from the date of demand notice or in 6 half yearly instalments carrying normal interest. In case of default, penal interest shall be applicable. In the event of non-payment of such enhanced compensation within the stipulated period, the plot shall be liable for resumption. However, in case the allotment is by way of auction/limited bidding procedure, no enhancement will be payable in such cases.

- ii) The site shall continue to belong to the allotting agency until the entire consideration money together with interest and other amount due to allotting agency on account of sale of site is paid and deed of conveyance in favour of allottee is executed. The allottee shall have no right to transfer the site or any right/title/interest thereon without prior permission of allotting agency even after execution of deed of conveyance till the project is implemented in accordance with the terms and conditions of allotment. Allottee may however mortgage or create any right/interest on the site only to secure the financial assistance in respect of implementation of the project but prior written permission of allotting agency shall be required.
- iii) On payment of 100% price of the site the allottee shall get the deed of conveyance executed in his favour in the prescribed form and in such manner as may be directed by allotting agency. The charges for the registration and stamp duty will be paid by the allottee.
- iv) The site shall not be used for any purpose other than that for which it has been allotted. No nuisance activity shall be carried out on site/building.
- v) The site shall not be subdivided or fragmented under any circumstances.
- vi) Allotting agency will not be responsible for levelling the uneven sites and that the allotment of site will be on 'as is where is basis'.
- vii) The allottee shall have to pay all general and local taxes, rates or cesses imposed or assessed on the said site and building by the competent authority including applicable maintenance charges.
- viii) Allottee shall not make any alterations/additions to the structure erected on the site without prior/explicit written permission of the competent authority.

**Note:** *Board of Directors of the Corporation/State Govt. can change/ modify any of the condition(s) of the EMP without any notice.*

## **Chapter 17**

### **Commercial Sites**

The Corporation has been carving out sites for booths, SCOs, shopping malls, service apartment sites etc. in order to meet the requirements of the Estate or otherwise from time to time. These sites, besides meeting the day to day requirements of the Estate, also provide an opportunity of employment to the local residents.

#### **17.1 Description/ Uses**

- i) Commercial tower;
- ii) Cinema hall/ Multiplex;
- iii) Shopping Malls;
- iv) Convenience shops/Booths, SCOs, etc;
- v) Restaurant;
- vi) Serviced Apartment/ Hotel/ Motel;
- vii) Wayside amenities, Eating Joints, Fuel Filling Station;
- viii) Any other permissible use.

#### **17.2 Mode of Allotment/Disposal**

Excepting where the HSIIDC decides to develop the site through public private partnership (PPP) mode or decides to allot the site to a State Government Department or its PSUs, all other commercial sites will be allotted either through (i) open auction or (ii) by inviting sealed bids, or (iii) holding limited bidding process after inviting sealed bids, as may be decided by the Board of Directors/HSIIDC.

#### **17.3 Eligibility**

- i) Any person legally competent to enter into a contract will be eligible to participate in the auction. No bid shall be valid if given on behalf of any person without disclosing the name/ particulars of such person/ entity and in case the bid is in the name of a company, firm, HUF, complete address of the promoters/ directors/ partners/ members of HUF, as the case may be, will be submitted before making the bid.
- ii) The bidder shall deposit amount, if any, specified as bid participation money in the form of Demand Draft in favour of HSIIDC and submit any other information that may have been called for specifically, before participation in the bidding process.

#### **17.4 Fixation of Reserve Price**

- i) For F.A.R. up to 175%, the reserve price of a commercial site will be three times the price of Industrial plot in the respective estate in the 1<sup>st</sup> instance.

For every additional FAR of 50% or part thereof, the reserve price will be doubled/increased proportionately.

- ii) The reserve price for a subsequent auction will be fixed on the basis of average realization received of the previous auction. However, in cases where it is observed, on basis of market survey, that there is substantial difference between the reserve price and the market price, the reserve price will be fixed keeping in view the market price in the area.
- iii) Wherever commercial sites are put to auction and the auction does not succeed on account of higher reserve price during a financial year, the Corporation may reduce the reserve price by 20% for the next auction. In case no bid is received after such 20% reduction, the matter will be placed before the BoD/HSIIDC for decision.

#### **17.5 Mode of Payment**

- i) 10% of the bid amount will have to be deposited by the highest bidder at the fall of the hammer, failing which, the amount deposited by the bidder as bid participation money shall be forfeited by HSIIDC.
- ii) Upon issuance of RLA/LOI in favour of the successful bidder, the allottee will be required to deposit 15% of the bid amount within 30 days from the date of issue of RLA/LOI. This period will be further extendable by 30 days after obtaining specific written approval from HSIIDC in which case allottee will be required to deposit the 15% of the bid amount along with interest @14% p.a. for the extended period.
- iii) In case allottee fails to deposit 15% of the bid amount as in 17.5 (ii) above within the stipulated/extended period, the 10% bid amount deposited at the time of auction shall stand forfeited by HSIIDC.
- iv) The balance 75% of the bid amount can be paid either in lump sum within a period of 60 days from date of issue of RLA without interest, OR, in ten equal half yearly instalments along-with with interest @ 11% p.a. on the outstanding amount from the date of issuance of RLA. Delayed payment of instalment and interest will attract interest @ 14% p.a. compounded annually for the delayed period.
- v) In case of default in payment of 2 consecutive instalments, the site is liable to be resumed.

#### **17.6 Period for Project Implementation**

- i) The allottee will have to complete the construction of 75 % of the total permissible covered area within 5 years from the date of offer of possession

of the site after getting the building plans approved from the competent authority

- ii) However, in case the allottee completes construction of 25% of the total permissible covered area within a period of 5 years from the date of offer of possession of the site, he shall be entitled to further extension in permissible period of construction by 5 years, on year to year basis, on payment of extension fees as applicable.
- iii) In case the allottee does not complete construction of at least 25% of the total permissible covered area within 5 years and 75% within the extended period of 5 years, the site is liable to be resumed.

#### **17.7 Extension Fee**

Extension fee in respect of commercial sites will be twice the rate applicable for extension in case of Industrial plots. Interest @11% p.a. shall be payable from the due date of extension till the date of payment.

#### **17.8 Transfer of Site**

- i) The transfer of commercial plots wherein either full payment has already been made or laid down / Schedule of payment of instalments is over shall be allowed only through execution of conveyance deed/sale deed.
- ii) In other cases wherein full payment of the plot has not so far been made / Schedule of payment of instalments is not yet over, a maximum of upto four transfers shall be allowed before final payment and subject to the condition that the allottee has made atleast 25% payment towards price of the site.
- iii) Prior written approval of the HSIIDC is mandatory in all cases. There will be no restriction on number of transfers, however, the transferee shall have to complete the construction within the time-lines available to the original allottee.
- iv) In case the site is disposed of by way of limited auction, stipulating minimum eligibility criteria, to be eligible for participation in the auction, the Corporation may consider transfer in such cases, subject to the condition that the proposed transferee / members of consortium, as the case may be, meet the eligibility criteria as prescribed at the time of limited auction.

#### **17.9 Transfer Fee**

- i) In case of transfer effected under Clause 17.8 (i), no transfer fee shall be charged and only processing fee of Rs. 25,000/- shall be payable for each transfer.

- ii) In other cases, i.e. Clause 17.8 (ii), transfer fee at double the rate of transfer fee applicable to Industrial plots of that particular Estate shall be charged.

#### **17.10 Resumption of Site**

- i) In the event of breach of any condition, the Corporation may resume the site after giving opportunity of personal hearing to the allottee and the principal amount deposited by the allottee will be refunded after deducting 10% of the total price of site, without any interest. The interest, penal interest, other charges paid, if any, shall also be forfeited.
- ii) Upon resumption, the allottee will be free to remove the structure/debris, if any, within a period of three months of resumption order at his own cost, failing which it shall be removed by the HSIIDC at the allottee's cost. The Corporation shall get the cost of construction of the building assessed by a chartered civil engineer and pay this amount to the erstwhile allottee. In such cases, at the time of re-auction, the reserve price of the plot will be inclusive of the amount so paid by the Corporation to the erstwhile allottee.
- iii) An appeal against resumption of plot shall lie before the committee headed by Secretary Industries, Haryana with Director Industries, Haryana and Managing Director/Haryana Financial Corporation as the other members. The appeal shall be filed in the office of Secretary Industries, Haryana, within 90 days of the resumption order.

#### **17.11 Surrender of Site**

Wherever an allottee surrenders the plot at anytime after the issuance of Regular Letter of Allotment, the Corporation will refund the principal amount deposited by the allottee, without any interest, after deducting 10% of the bid amount, within a period of 30 days of the receipt of surrender request.

#### **17.12 Other Terms & Conditions**

- i) The HSIIDC shall have the right to accept/reject any bid or withdraw any property from auction on the spot without assigning any reason.
- ii) The site shall continue to belong to HSIIDC until the entire bid money together with interest and other amount due to HSIIDC on account of sale of site is paid and Deed of Conveyance in favour of allottee is executed. The allottee shall have no right to transfer the site or create any right/title/interest thereon without prior written permission of HSIIDC even after execution of Deed of Conveyance. Allottee may, however, mortgage or

create any right/interest on the site only to secure the financial assistance in respect of implementation of the project but prior written permission of HSIIDC shall be required.

- iii) On payment of 100% of the bid amount/interest etc. the allottee shall get the Deed of Conveyance executed in his favour in the prescribed form and in such manner as may be directed by HSIIDC. The charges for the registration and stamp duty will be paid by the allottee.
- iv) The allottee shall have to pay all general and local taxes, rates or cesses imposed or assessed on the said site by the competent authority, including maintenance charges.
- v) The site shall not be used for any purpose other than that for which it has been allotted. No nuisance activity shall be carried out on the site.
- vi) The site shall not be sub-divided or fragmented under any circumstances.
- vii) The HSIIDC shall not be responsible for levelling of uneven sites and the site will be auctioned on 'as is where is basis'.
- viii) Allottee shall not make any alterations/additions to the structure erected on the site without prior/explicit written permission of competent authority.

**Note:** *The Board of Directors of the Corporation/State Govt. can change/modify any of the conditions without any notice.*

## **Chapter 18**

### **Residential Sites/ Units for Industrial Workers**

The Corporation has developed a number of Industrial Estates in the State of Haryana. Recognising the need for provision of decent and affordable housing for workers employed in the Industrial Units located in the area, it has been decided to make provision for Industrial Worker Housing facilities in the IMTs/ larger Industrial Estates. These campuses would consist of individual residential units as well as dormitories. Initially, the said housing units have been constructed at Industrial Model Township (IMT) Manesar, but the concept is being replicated in other Estates/IMTs as well. The Industrial workers housing project can be executed by HSIIDC, Haryana Housing Board, through Public Private Partnership mode or by way of allotment of land to private developer(s).

The allotment, transfer & other issues pertaining to the said residential units allotted by HSIIDC shall be governed by the following guidelines: -

#### **18.1 Eligibility for Allotment:**

- i) In general, allotment of Industrial worker housing unit(s) shall be made to an allottee of an Industrial plot in an Industrial Estate of the Corporation, who has commenced production activity on the Industrial plot, in that particular Estate.
- ii) In case the number of units available is more than the demand of allottee units, these residential units can be considered for allotment to an Industrial worker who is an employee of a unit which is in production of that particular Estate.

#### **18.2 How to Apply:**

- i) An advertisement detailing the number of residential units (single room/ Dormitory) available for allotment, tentative cost of each unit, procedure for making application, date of opening & closing of scheme etc. will be released in the leading news papers.
- ii) Interested parties will be required to complete the prescribed application form and deposit it along with 10% tentative price of the residential unit;

#### **18.3 Mode of Allotment**

- i) The allotment of residential units shall be made by holding draw of lots for the eligible applicants for each category of units. The draw will be held within 60 days of closing date of scheme.

- ii) The letters intimating member of units allotted to the successful applicants & refund of application money to the unsuccessful applicants will be dispatched within 60 days of the date of draw. No interest will be paid on the application money/refund amount;
- iii) Although there will be no restriction for an existing allottee of a housing unit(s) to apply under a subsequent scheme to meet his incremental requirements, preference will be given to applicants who have not been allotted residential units in earlier schemes.
- iv) Multiple applications by a single allottee will not be allowed/ accepted.

#### **18.4 Pricing of Single Rooms/ Dormitory Units**

The allotment price of the residential units will be fixed after taking into account the cost of land, development cost, interest, maintenance cost, or any other cost as may be found to be attributable to the construction of such units. The allotment price will be approved by the BoD/HSIIDC.

#### **18.5 Payment Terms**

- i) Earnest money equivalent to 10% of the tentative price is to be deposited along with the application;
- ii) 15% of the tentative price of the unit to be deposited within 30 days by way of a DD drawn in favour of HSIIDC payable at Panchkula, from the date of issue of allotment letter. In case of failure to deposit the said amount within 30 days, additional period of 30 days can be allowed on specific request & on payment of interest @14% p.a. for the extended period. If payment is not made within this period also, the allotment shall be cancelled and the earnest money, deposited along with the application shall be refunded;
- iii) The balance 75% amount may be deposited in lump sum without any interest within 60 days from the date of issue of the allotment letter or in 8 equal half yearly instalments. The first instalment will fall due on expiry of six months from the date of issue of allotment letter. The instalments shall carry interest @ 11% per annum on the remaining amount of tentative price of the unit from the date of 'offer of possession'. Any delay in deposit of instalments shall result in levy of interest @ 14% p.a., compounded annually on the amount in default for the defaulted period. A default of more than 2 consecutive instalments shall render the unit liable for resumption.
- iv) The price of the unit (s) is tentative and any additional price as a consequence of enhancement in compensation awarded by the court(s) shall

be payable by the allottee in lump sum within 60 days from the date of demand notice or in 6 half- yearly instalments carrying interest @ 11% per annum. In case of default, interest @ 14% p.a., compounded annually, on the amount in default for the period of default shall be payable. In the event of non-payment of such enhanced compensation within the stipulated period, the unit shall be liable for resumption.

- v) The possession of the residential units will be offered on completion of the construction works, with all attendant facilities.

#### 18.6 Surrender of the Unit

No surrender of unit shall be allowed.

#### 18.7 Transfer of the Residential Unit

- i) The residential unit shall continue to belong to the Corporation until the entire consideration money, together with interest and other amount, if any, due to the Corporation on account of allotment of unit is paid. Allottee shall have no right of transfer the unit by way of sale, gift, mortgage or otherwise or create any right, title or interest thereon till the full price is paid to the Corporation;
- ii) On payment of 100% price of the unit, the deed of conveyance shall be executed in the prescribed form and in such manner as may be directed by Corporation. The charges for registration and stamp duty will be borne by the allottee.
- iii) The unit shall be transferable, with the prior written permission of Corporation, only to an allottee of an industrial plot in that Estate, who is in production in that Estate or its employee. The transfer fee for first transfer shall be as under:

Sr. No.	Particulars	Amount (Rs.)
a)	Single Unit	15,000/-
b)	Dormitory Unit	60,000/-

- iv) Subsequent / Family transfer and transfer in case of death shall be allowed on payment of applicable processing fee.
- v) Application for transfer of unit shall be made along with original allotment letter, Undertaking of the proposed transferee for compliance of terms and conditions of allotment and payment of enhanced compensation and other dues payable to the Corporation from time to time, self attested Photographs of transferee or authorized signatory, PAN card of the transferee.

On submission of the above documents, provisional permission for transfer will be granted and the re-allotment letter in favour of the transferee will be issued after payment of transfer/processing fee at the applicable rate; furnishing of Indemnity bond by allottee that he will indemnify Corporation in case the Corporation suffers any loss on account of the said transfer; Copy of Sale Deed in favour of the transferee & any other document specifically demanded.

**18.8 Resumption of the Unit:**

- i) The HSIIDC will be competent to resume said unit in its Estates in case an allottee defaults in complying with the terms and conditions of allotment. In case of resumption of the unit, the principal amount deposited will be refunded without any interest after deducting 10% of price of unit. The amount of interest, delayed interest and penalty etc. paid on instalments, if any, shall also stand forfeited.
- ii) An appeal against resumption of unit shall lie before the Committee headed by Secretary Industries, Haryana with Director Industries, Haryana and Managing Director/Haryana Financial Corporation as the other members. The appeal, wherever preferred, may be filed in the office of Secretary, Department of Industries, Haryana, within a period of 90 days of the resumption order.

**18.9 General Conditions**

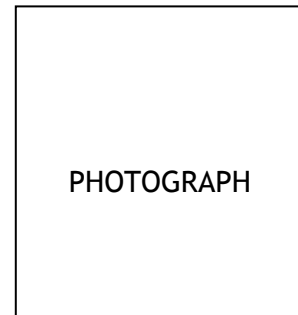
- i) The unit shall not be used for any purpose other than for which it has been allotted. The allottee shall not make any alteration/ modification/ addition in the unit and no fragmentation of the same shall be permitted;
- ii) Clubbing of two units shall not be permissible; (The allottee shall not make any structural changes in the dwelling units that may have an adverse effect on the structural safety of the building.)
- iii) If the allottee appoints any attorney (without right of disposal/transfer of the property), he/she/they shall submit a certified copy of the Registered Power of Attorney along-with the photograph and signatures of the allottee duly attested by the Executive Magistrate within a week from the registration of deed by Regd. A/D post or in person. The attorney so appointed shall have no right to effect the transfer through General Power of Attorney;
- iv) The allotment shall be governed by the terms and conditions as laid down in the Allotment letter and Estate Management Procedures of HSIIDC with regard to the said units as applicable from time to time. The policy changes and guidelines issued from time to time regarding transfer charges etc. or

any other issue pertaining to the allotment of the said unit shall be binding on the allottee;

- v) The allottee shall pay the maintenance charges as per the demand of HSIIDC;
- vi) The allottees can constitute their own committee/association to maintain the complex/community kitchen etc.
- vii) The allottee will be required to get the unit insured till the full payment/execution of conveyance deed. The insurance policy should be endorsed in favour of HSIIDC.
- viii) The allottees of Industrial plots who have given their unit on lease shall not be eligible for applying for allotment of industrial housing units (Single room/dormitory).

**(Format of Undertaking to be furnished by existing allottees for those who wish to switch over to EMP-2011)**

*To be executed on non-judicial stamp paper of Rs.10/- to be purchased in the name of the executant in case of individual/ in the name of partnership firm in case of partnership firm/ in the name of company in case of company and signatures should be got attested from notary public/ first class magistrate and photograph of the director/ individual/ partner signing the undertkaing on behalf of the company/ individual/ partnership firm should also be pasted and attested from notary public/first class magistrate.*



**UNDERTAKING**

The Managing Director,  
Haryana State Industrial & Infra. Development Corporation Limited,  
C-13-14, Sector-6  
Panchkula.

I, \_\_\_\_\_ S/o \_\_\_\_\_ resident  
of \_\_\_\_\_  
\_\_\_\_\_ Director/  
Partner/Proprietor of M/s \_\_\_\_\_,  
having its registered office at \_\_\_\_\_,  
allottee of plot/ shed No. \_\_\_\_\_ Phase/Sector \_\_\_\_\_, Industrial Estate \_\_\_\_\_  
do hereby agree and undertake as under:-

1. \* That I have been duly authorized by the Board of Directors of M/s \_\_\_\_\_ (allottee) vide resolution passed in the Board meeting of the allottee company held on \_\_\_\_\_ to furnish this undertaking on behalf of the allottee company. (A certified copy of the resolution of Board of Directors is enclosed.) (\* Applicable in the case of Company).
2. \*\* That I have been duly authorized by the other partners of the firm namely S/Sh. \_\_\_\_\_, S/oD/oW/o \_\_\_\_\_, R/o \_\_\_\_\_ (either by way of authority letter or by way of partnership deed duly executed, whichever is applicable may be mentioned) to give this undertaking on behalf of the

- partnership firm. Copy of the authority letter/ partnership deed, duly attested is enclosed. (\*\*Applicable in case of partnership firm).
3. That I/we have been allotted/ re-allotted Plot/shed No. \_\_\_\_\_, phase/Sector \_\_\_\_\_, IE \_\_\_\_\_ measuring \_\_\_\_\_ Sq. Mtrs. vide Regular Letter of Allotment (RLA)/Re-allotment Letter dated \_\_\_\_\_ by HSIIDC and agreement in this regard has also been executed by me /us with HSIIDC accepting the terms and conditions of allotment /re-allotment.
  
  4. That I/We am/are aware that the allotting agency i.e. Haryana State Industrial & Infrastructure Development Corporation Ltd. (HSIIDC) has introduced Estate Management Procedures (EMP) - 2011, effective from 1<sup>st</sup> of January, 2011 for the management of its industrial estates. I/we have gone through the EMP-2011 and understood the contents thereof.
  
  5. That I am/ we are desirous of switching over to the provisions contained in EMP-2011 and am/are are aware that on furnishing this undertaking, the provisions of EMP-2011 shall become effective in respect of my/our plot / shed from the date of furnishing of this undertaking and the agreement executed earlier will be deemed to be modified to that extent. Further, I/we are also aware that the benefits of EMP-2011 will be available in my/our case from the date of furnishing this undertaking, without any retrospective effect.
  
  6. That I/ we, hereby unconditionally undertake to accept and be bound by the provisions of EMP-2011, as a package, from the date of furnishing this undertaking.

Executant

Place: \_\_\_\_\_

Dated: \_\_\_\_\_

**Haryana Government  
Industries Department**

**NOTIFICATION**

Dated 13<sup>th</sup> March, 2007

No. 49/40/07-4IBI: In partial modification of the notification issued by Govt. vide no. dated 6.6.2005, the Governor of Haryana is pleased to order that entrepreneurs with disabilities as defined in the Persons with Disabilities (Equal Opportunities, protection of Right and Full Participation) Act, 1995 shall be allotted industrial plot on preferential basis up to 2% of the total number of industrial plots available for allotment for the establishment of industrial unit. However, same price of plot would be charged as applicable to general category. The interest on instalments to be paid shall be 7% and the penal interest, if any, shall be @ 11%. A person with disabilities shall be eligible for allotment of industrial land if:

- i) he is a bona-fide resident of Haryana for the last three years preceding the date of application. For this, the applicant shall have to give sufficient proof viz. name in the voter's identity card, ration card, electricity connection, water connection etc.
- ii) he has attained the age of 18 years on the date of application;
- iii) he has not been allotted any industrial plot earlier in his/ her name or in the name of his /her spouse;
- iv) he is a person with disability as defined in the Persons with Disabilities (Equal Opportunities, Protection of Right and Full Participation) Act, 1995 and a certificate to this extent is issued by the Disability Board Constituted for the said purpose by the State Govt. of Haryana.

The difference in amount due to less rate of interest on instalments shall be paid by the Department of the developing agency.

The policy shall come into force with immediate effect.

P.K. Chaudhery  
Financial Commissioner and Principal Secretary  
to Govt. Haryana, Industries Department  
Chandigarh