

# CHAPTER-1

## ALLOTMENT / DOCUMENTATION / POSSESSION

### GUIDELINES/PROCEDURE FOR ALLOTMENT OF INDUSTRIAL PLOTS / STRUCTURES

Normally applications for industrial plots shall be received only against advertisements published after approval of the C.E.O/Authorised officer. However as an exception, in following cases applications can be received even without advertisement:

- (a) Applications by Joint/*Assisted* Sector organizations of Central Govt./State Govt.
- (b) Applications referred under any program operated by *institutions* undertakings promoted by Central State Government
- (c) Applications by Joint/*Assisted* Sector units of financial institutions of Government of U.P.
- (d) Applications by units with proposed projects investment of Rs100 crores
- (e) Applications by 100% export oriented units.
- (f) Applications by NRI entrepreneur/unit proposed to be established with foreign capital investment.
- (g) Applications by running unit proposed to be extension of existing unit. Running unit means the unit running from last two years.

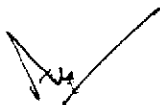
The applications fulfilling any of above requirements may be accepted without advertisement and shall be put up to CEO/Authorised officer with recommendations clearly mentioning the category. Allotment in such cases shall be approved by CEO/Authorised officer

Applications not "falling in above categories and made *suo moto* shall be returned back to the applicant within 7 days advising him to apply when advertisements are published.

#### 1.01 Marketing and Advertisement proposal

Authorised officer shall periodically prepare a marketing proposal for the vacant plots for approval of CEO/Authorised officer. The proposal shall include

- a) List of plots available for allotment
- b) Advertising / other promotional proposal
- c) Draft advertisement minimum possible space-from advertising agencies recognized by GIDA (i.e. who are in panel of the GIDA), media plan and media cost.
- d) Prevailing rate (with proposal for change if any)
- e) Proposal for distribution and receipt of forms i.e. whether through bank or office etc.
- f) Proposal for interview/ other processing method, allotment committee, dates for interview processing.
- g) The advertisement shall be made in leading and widely circulated news papers.



Advertisement shall be published only when the marketing proposal is got duly approved by CEO.

Note- Authorised officer shall ensure that all the advertisements along with other relevant details are displayed on the website of the GIDA.

### 1.02 Application

Interested entrepreneur has to apply for industrial plots/shed in an industrial area of the GIDA on prescribed form in duplicate. He should clearly refer the advertisement against which the application has been made. The application form can be purchased from the Authorised Bank/GIDA office. Name of Bank mentioned in the advertisement. The application form is also available on website or with any other office specified in the advertisement however, if application is made on application forms obtained from elsewhere, copy of receipt of payment towards cost of form or the draft towards its payment should be enclosed additionally. The cost of form shall be decided by the CEO.

Along with application following documents duly authenticated should be submitted in duplicate

- (a) Project profile duly signed by the applicant
- (b) Earnest money as desired in the advertisement or as detailed in the application form. This has to be deposited through Bank Challan in specified Bank & Branch.
- (c) Other documents which are mentioned in Advertisement & Application Form.

**(i) Earnest Money-** Rates as per approval of the GIDA Board

(ii) Proposed land utilization plan in duplicate, duly signed by the applicant. As per current policy, the allottee should cover minimum 30% of allotted area.

(iii) Documents pertaining to status of applicant (in duplicate) who could be individual, proprietorship firm, partnership firm, registered society, private limited company or public limited company. In case of:-

- (a) Partnership Firm - Copy of partnership deed duly notarized
- (b) Registered Society - Certificate of registration, Bye-laws of Society certified by Secretary/Chairman of society, List of members with their addresses
- (c) Private limited Company - Certificate of incorporation, Memorandum and Article of Association, List of shareholders and directors along with their share holding authenticated by CA
- (d) Public Limited Company - Certificate of incorporation, memorandum and articles of association, list of directors and their shareholding authenticated by CA

### 1.03 Processing Of Applications

- (i) On Receipt of application it shall be first entered in the Dak Receipt Register. Authorised officer may decide whether time of receipt also has to be entered. "The application shall then be put up before CEO/Authorised officer on the same day.
- (ii) After it is marked it will be entered in the application Register within three days of the receipt



- (iii) The Bank Draft received against the earnest Money shall also be encashed within this limit and where Bank Challan has been submitted it should be verified from the Bank.
- (iv) CEO/Authorised officer shall decide whether an incomplete application is to be rejected or whether the applicant is to be asked to complete the shortcomings. The decision shall be based on time available(, i.e. last date of filling application for depositing) nature of shortcomings etc. and shall apply for all applicant.

#### 1.04 Approval of Allotment

The applications complete in all respects shall be processed and steps shall be taken to get approval of the appropriate authority by CEO/Authorised officer in following manner For interviews the applicant, shall be clearly asked to bring documents substantiating financial strength technical expertise, past experience to substantiate their averments:-

(i) Screening Committee: It shall be constituted by the CEO, GIDA. It shall consist of a senior officer in finance, property, planning, law section, chartered accountant and officers of other department whom CEO might find needful. It shall check whether the application is completely filled or not and relevant documents required.

(ii) Allotment Committee: It shall be constituted by the CEO, GIDA. It shall consist of a senior officer in finance, property, planning, law section, officer of district industries centre, officer of U.P. pollution control board and officers of other department whom CEO might find needful. It shall call for the interview those applicant who are selected by the screening committee and after taking the interview, it shall decide which applicant is best suitable for setting up an industrial unit at GIDA.

(iii) Normally plots less than 450 sq.mtr. shall not be plotted. Under unavoidable circumstances, there are chances that few plots less than 450 sq.mtr. may be plotted but those plotted would be less than 1% of the total planned area.

(iv) Allotment of applicants of industrial plots upto 500 sq.mtr., selected by the screening committee, shall be done by the lottery system.

#### 1.05 REJECTION OF APPLICATIONS

The application for allotment of plots/sheds may be rejected by C.E.O/Authorised officer on the following grounds:-

- (i) If the proposed project to be set up is hazardous as' categorized by UP Pollution Control Board.
- (ii) If the proposed industry is likely to- discharge heavy liquid effluents, like wet printing plant, paper manufacturing plant etc. These can be allowed only in the Industrial Sector specifically categorized by the GIDA for the or in a zone earmarked for such industries.
- (iii) If the proposed industry is likely to create environmental nuisance to the neighboring units like cement plant. These can be allowed-only in Industrial Areas specifically Categorized by the GIDA for the purpose.
- (iv) If the Proposed Type of industry is banned by the Government in any specific Area/ Region.
- (v) Non-submission of documents as listed in *para 2.02* even after request writing to do so.



- (vi) Non-acceptance of the area proposed to be allotted by the GIDA.
- (vii) For any other reason in conformity with the policy of the Government and GIDA as framed from time to time.
- (viii) The Applicant not found fit for establishing unit by the Allotment Committee or other entrepreneurs in interview are found to be more suitable and in better readiness to establishment of unit.

**NOTE:-**

1. Allotment for units such as Paper Project, Poultry Farm, Dairy Farm, Slaughter House, Tannery Units—Pesticides etc. may be considered with prior approval of the GIDA Board, case to case basis and on concurrence of the concerned pollution and district authorities
2. Wherever the allotment is made by joining plots, the plots would be considered amalgamated. Normally the application for the size of individual plot shall hold precedence (preference) over the combined allotment. The case of application for combined plots can be only considered with specific reasons justifying such consideration and shall be go duly and separately approved from C.E.O/Authorised officer.
3. Wherever slab rates are applicable, the cost of the plot in case of combined allotment shall be worked out separately for each individual plot and then summed together.

**1.06 ISSUE OF ALLOTMENT LETTER**

- (i) Procedure for allotment shall be initiated only after approval of C.E.O/Authorised officer after sanction in of Layout Plan and fixation of rate of premium by the competent authority. Normally on those plots shall be taken up for marketing which have tracings based on actual measurements, free of any stay or dispute or encroachment and are not already allotted
- (ii) A copy of approved minute (or relevant portion containing the decision with regard to the plot under consideration in case the full minute is voluminous) of the allotment committee shall be kept in each allotment file. The noting containing the proposal for allotment should clearly refer to the decision or relevant portion of minute.
- (iii) After ensuring the above procedure, allotment letter of the plot shall be issued on the prescribed proforma within 30 days from the date of approval by the competent authority.
- (iv) The allotment letter shall be sent only Registered Post with acknowledgment due. Allotment letter can also be delivered to the allottee in person from the office upon his express required in writing and after obtaining his/her signatures.

C.E.O/Authorised officer have been authorized to issue formal allotment letters of land/constructed sheds of all Industrial Plots .after approval of allotment from competent authority as above.

**1.07 LOCATION CHARGES FOR INDUSTRIAL PLOTS**

- a. Plots facing 30 mts. or more wide road - 5% of the rate of premium
- b. Plots having access to two or more roads - 10% of the premium rate

Location charges shall be levied upto first 5 acres only. No location charges shall be levied in the industrial Areas of "No industry District" as categories by the Government of India.



**Explanation** - for a plot facing 30 mtr. or more wider road and having access to two or more roads location charges @ 15% of the premium rates. **shall be payable.**

**Note:-**

1. In case plots have been jointly allotted for giving a larger area and it attracts location advantage or is in corner, the charges be levied upto 5 acres, unless there is a slab system of rates effective in the area.
2. Location charges are for advantageous location and shall be levied even if there is an intervening service road or green area as per approval of **GIDA BOARD**

## **1.08 ALLOTMENT FOR USES OTHER THAN INDUSTRIAL PURPOSE**

Allotment of plots can be made for uses other than industrial purpose in the manner detailed below. Allotments in these cases can be made only upon the approval of C.E.O/Authorised officer. Proposals for such allotment should clearly mention about the availability/previous allotments of the facility whose allotment is being proposed, in the industrial sector under consideration.

### **I. POWER - SUBSTATION**

Allotment to UPSEB can be made on their request in every industrial Area free of cost subject to following limit:

- 33/11 KV - 1,000 sq. mtrs.
- 132/33 KV - allotment can be made on prevailing industrial rate of premium after assessment of-land requirement as per demand

# Beyond this limit premium shall be charged at the normal rate.

### **II. FIRE STATION**

Allotment can be made free of cost on request of the department. However, area shall be decided. be GIDA BOARD.

### **III. TELEPHONE EXCHANGE**

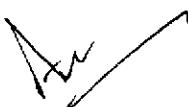
After assessment of land requirement as per demand normal industrial rate of premium shall be charged.

### **IV. HOSPITAL/DISPENSARY**

Land can be allotted at current rate prevailing in cocern sector on the date of allotment for above purpose subject. to assessment of land requirement as per demand to F.S.I. Hospitals/Dispensary, This facility shall be available in all Industrial Sector uniformly.

### **V. ALLOTMENT OF LAND TO ASSOCIATION**

Land admeasuring 500-1000 mtr. can be allotted to representative association of Industrial Area on



Industrial rates. The purpose of this allotment shall be only for holding meetings and other association activities. Commercial use of the plot by association or its subletting shall render the allotment liable for cancellation.

## **VI. ALLOTMENT OF LAND FOR PURPOSES OTHER THAN INDUSTRIAL**

In Industrial Areas land can be allotted for Commercial or other purposes after specific approval of GIDA BOARD.

### **1.09 RECOVERY OF BALANCE PREMIUM**

The balance 90% of the premium amount shall be recovered in eight half yearly equated installments along with interest as prevalent on the date of allotment on diminishing balance of the premium as per guideline for recovery of GIDA dues. The first such installment of premium shall be payable on subsequent 1<sup>st</sup> January or 1<sup>st</sup> July after expiry of six months from the date of allotment.

#### **EXPLANATION**

If the allotment letter is issued on 1<sup>st</sup> July or thereafter but on or before 31<sup>st</sup> December, the first installment of premium and interest shall fall due for payment on 1<sup>st</sup> July of subsequent year and likewise.

### **1.10 INTEREST RATE AND REBATE**

At present the rate of interest 15% to be charged and rebate 2% (in case the payments are deposited on time) to be allowed in respect of all allotments. The interest shall be simple in nature.

### **1.11 EXECUTION OF LEASE DEED**

Licence Agreement / Lease deed of the plot shall be executed in favour of the allottee after deposit of reservation money and submission of requisite stamp paper and other papers. The allottees are required to get licence Agreement / lease deed executed within 90 days from the date of allotment. Necessary action for this shall be taken by the Authorised Officer. Calculation of stamp duty shall be made in accordance with state policy after consultation with District authorities if required. However, the allottees shall confirm the stamp duty from the concerned Sub Registrar so as to avoid any confusion/future complication.

On the date of execution of licence Agreement / lease deed the allottee should not be a defaulter. On receipt of the documents from the allottee the same shall first be entered into the Dak-Receipt Register and shall be put up before CEO/Authorised officer who shall mark it to concerned person. The concerned Dealing Assistant shall ensure that the fact of receipt of documents is entered in the Documentation Register within 3 days of receipt.

The document shall then be checked and if any deficiency is found, allottee shall be informed about the same within 10 days of the receipt of the documents. If the documents are found in order, allottee shall be called upon to execute licence Agreement / lease deed within 15 days of the receipt of the complete documents, if no response is made by allottee, a 30 days legal notice for execution of lease deed shall be sent and action as per terms of the notice shall be taken. The concerned Dealing Assistant shall certify that all the conditions laid down by the GIDA from time to time have been incorporated in the licence Agreement / lease deed. After the licence Agreement / lease deed is executed by the allottee the same shall be put up before the CEO/Authorised officer along with Documentation Register for his signatures.



## 2 POSSESSION OF PLOT

- (i) The Date of Possession of plots shall be fixed by the Authorised officer after registration of licence Agreement / Lease Deed itself.
- (ii) The date so fixed shall be intimated to the lessee along with the first copy of the licence Agreement / lease deed and the concerned Junior Engineer for necessary action on their part through a letter.
- (iii) Effort shall be made to hand over possession-within 30 days of the registration of the lease deed as for as practicable.
- (iv) If the lessee fails to take possession even after issuance of letter, legal notice for the same may be issued and plot cancellation proceeding shall be initiated.

### 1.13 VARIATION IN THE AREA OF PLOT AT THE TIME OF POSSESSION

Effort should be made to make allotments after actual area measurements / tracings. If however a variation in the area of plot as mentioned in the allotment letter and on physical verification at the time possession is found, following rule shall apply:

- (i) Where the difference in the actual measured area and the area mentioned in the allotment letter/ licence Agreement / lease deed is upto 20% on upper side, the rate of premium to be charged in respect of excess found area, shall be the rate of premium prevalent on the date of original allotment.
- (ii) Where the difference in the actual measured area and the area mentioned in the allotment letter is more than 20% on upper side, the rate of premium to be realized in respect of excess found area shall be the rate of premium applicable on the date of communication of excess found area to the lessee. The premium of such excess found area as above shall have to be paid by lessee within one month from the date of intimation failing which interest at the prevalent rate applicable on the date of intimation shall be charged from the date of issuance of such letter 'without any rebate.

**Note:** In exception to above, those cases where the area difference is observed after the allottee has obtained the plot by way of transfer i.e., the plot was not originally allotted to him by the GIDA the increased area- irrespective of the percentage of increase, can be allowed on new prevailing rates only.

### 1.14 APPROVAL OF BUILDING PLANS

Allottee need to get his building plan approved by the Authorised Officer, GIDA. He/she need to prepare the building plan as per GIDA by laws. After approval by the GIDA only, he/she can begin the construction work.

### 1.15 CHANGE OF PLOT

- a) If an allottee has applied for change of plot within the same industrial sector due to some reason or other and there are no outstanding dues and plot of required size is available for allotment his request shall be put-up to C.E.O/Authorised officer for consideration and decision. In case the request of



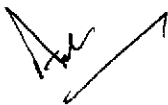
change of plot is allowed, the date of allotment shall remain the same and he shall have to pay interest from the date of original allotment on the original premium upto date of change where from interest would be charged on the premium of the changed plot. If the area of the changed plot is more than the area of original plot, current rate of premium shall be charged for excess area as applicable on the date of change.

- b) Where for some reason like encroachment, litigation etc., the GIDA is not able to hand over the possession of plot, the allottee can be offered alternate plot on following conditions;
- i. Alternate plot shall be offered in the same industrial sector in which the original allotment was made.
  - ii. If the plot is not available in the concerned industrial sector as second priority change in the same category of the other industrial sector shall be made subject to availability.
  - iii. Alternate plot area shall be the same as mentioned in allotment letter and in any case it shall not be more than 20% of the original allotted area.
  - iv. Current premium rate shall be applicable for the alternate plot and difference of the current premium rate shall be considered for determination of premium rate.
  - v. Dues on the original allotted plot till the change of alternate plot shall be paid by the allottee. If the original premium of the plot is more than the premium of alternate plot then excess amount shall not be refunded rather it shall be adjusted against the dues of the plot.
  - vi. All other terms & conditions of allotment of the changed industrial area shall be applicable as prevalent on the date of change.
  - vii. The allottee shall have to get the lease deed executed at his cost even if lease deed of the original plot was executed.
  - viii. If allottee has made any construction on the original plot the same shall not be compensated for by the GIDA.
  - ix. The alternate plot shall be changed only on receipt of consent of the allottee on the above terms & conditions.

### 1.16 CHANGE OF PROJECT

If the allottee/lessee desires to change his project to any other industrial project at any stage after allotment then, he can do so by submitting the following documents to the concerned regional office.

1. Project report in duplicate duly signed by allottee.
2. An affidavit duly signed and notarized to the effect that
  - i. New project shall require a covered area not less than 30% of the plot area.
  - ii. New project shall not discharge liquid effluent exceeding the discharge of old project.
  - iii. New project shall not discharge any obnoxious gaseous effluent to the detriment of surrounding units/areas.
  - iv. Allottee shall arrange to obtain *NOC* from the pollution control Board within six calendar months or start of production whichever is earlier and submit a copy thereof to the GIDA.
  - v. Allottee shall submit a provisional SSI registration/IEM to SIA within 90 days of its





application

The allottee shall apply for change of the project giving reason alongwith copies of the self- attested project reports. At present CEO/Authorised officer can allow such changes for plots .

### 1.17 ADDITION OF PRODUCTS

If the allottee/lessee has implemented the project for which the land was allotted and desires to manufacture additional products/implement additional project under the same constitution, then he can do so by submitting the following documents.

1. Project report in duplicate duly signed by allottee.
2. An. affidavit duly signed and notarized to the effect that
  - i. Constitution/ownership is the same as given in license/lease.
  - ii. Additional project/items shall not lead to discharge of any liquid effluent
  - iii. Additional project/items shall not discharge any obnoxious gaseous effluent to the detriment of surrounding units.
  - iv. The allottee shall obtain NOC from Pollution Control Board and submit the same I within 6 months or start of production whichever is earlier.
  - v. The allottee shall obtain revised SSI registration/IEM and submit the same within 90 days of its application.
  - vi. The total covered area on the plot shall not exceed the permissible limits.

### 1.18 ESTABLISHMENT OF UNIT NO-2

The permission for installation of more than one industrial unit on a plot of land, in case the same are proposed to be set up by the same allottee under the same constitution of firm or the company may be granted by the C.E.O/Authorised officer only.

### 1.19 TRANSFER OF LEASE DEED TO FINANCIAL INSTITUTION

In case the lease deed is required by any financial institution or any other bank (even private or foreign) recognized by RBI with a request to permit equitable mortgage the same shall be sent to them permitting creation of equitable mortgage, provided :-

- i. The request has been made in writing by the concerned financial institution/bank as well as by the lessee. The financial institution shall clearly mention that a loan has been sanctioned for the project approved by the GIDA specifying quantum of sanctioned loan and they need it to secure their loan amount and
- ii. The financial institution undertakes to pay the balance premium, if any, of the plot under question alongwith interest till receipt of the payment Alternatively if the financial institution is ready to pay only premium portion, then the allottee shall be required to pay 3 months advance interest on the balance premium, if the financial institution does not undertake to pay the premium/ interest as above, the same shall be paid by the allottee beforehand, and



- iii. In case it is proposed to send the lease deed to any bank for mortgage, full payment of balance premium alongwith outstanding dues shall be paid beforehand either by bank or allottee.
- iv. The allottee has deposited duplicate copy of registered lease deed with the GIDA. In case the plot is fully paid, the lease deed may be sent to financial institution for securing its interest against other facilities provided to the allottee like cash credit limit, working capital etc.
- v. The loan has been sanctioned for the existing/proposed unit on the plot.
- vi. The loan has been sanctioned to allottee and not to his/her sister firm/concern/Sublette.

In no case, lease deed shall be transferred to any financial institution if the allottee defaulter in making the payment of dues of the GIDA. While sending lease deed to the financial institutions, it shall be ensured that:-

1. Entry of this fact in the register kept for this purpose is made
  2. The amount to be received from the financial institution in the covering letter is clearly mentioned.
  3. The date by which payment is to be received from financial institution is also shown clearly.
- vii. The following conditions are included:
- a) That permission for mortgage is valid against the concerning financial institution only and on repayment of loan/termination of facility to the lessee, lease deed shall be returned to the GIDA only and shall in no case be handed over to the lessee/other financial institution. If this clause is violated the permission of mortgage shall stand automatically rescinded without any notice.
  - b) That permission for mortgage shall cease to have any effect if payment is not made within stipulated period.
  - c) That mortgage permission is subject to the conditions of the lease deed. Format of the covering letter to be sent in this case is given at Annexure-4.
  - d) In case the FI/ Bank directly or by intervention of District authority/ DRT/ any other court take action for auction of the plot to recover their dues then prior notice shall be given to the GIDA. While dues, if any, shall remain the first charge additionally transfer levy etc shall be payable by the auction purchaser,
  - e) It shall be clearly mentioned in the letter forwarding the lease deed to bank/financial institution that before taking any action as mortgagee the GIDA shall be informed before hand and its NOC shall be obtained so as to recover its dues and enforce the applicability of transfer levy. Otherwise any sale/auction *transfer* made by *bank* financial institution shall not be recognised by the GIDA.

## 1.20 PERMISSION FOR JOINT MORTGAGE

In case more than one financial institution are involved in financing the project, joint equitable mortgage can be allowed by the GIDA. For this one financial institution shall work as lead institution with whom lease deed shall be mortgaged. Other financial institutions shall have pari-passu charge over the plot for which all of them shall have to agree in writing and their consent must be received by the GIDA before such permission



granted. This permission can be granted by Head Office only. In this case, all the conditions of transferring lease deed to financial institutions as mentioned earlier shall apply except that the financial institution under question shall be Joint mortgagee.

#### 1.21 PERMISSION FOR CREATION OF SECOND CHARGE:

Permission may be accorded in following cases:

- (i) If the payment are up-to-date and the allottee applies to any financial institution/bank for sanction of loan/working capital for the unit set up/proposed to be set up over the plot.
- (ii) If first charge has been created in favour of any financial institution bank who has made full payment to the GIDA, second charge of another financial institution/bank may be noted provided the first FI/Bank gives its no objection for creation of second charge.



## CHAPTER-2

### GUIDELINE FOR CANCELLATION

#### 2.01 CANCELLATION

Plots are lease with the specific purpose of establishment of unit covering a minimum area as stipulated in the lease/undertaken by allottee while applying for the allotment. There are other conditions as elaborated in the lease deed which the lessee has to abide with. Allotment of plots allotted for industrial units/Housing Can be cancelled, lease can be terminated on making default of payment or utilisation or on violation of any condition of allotment/lease by allottee or lessee. The C.E.O/Authorised officer of the GIDA are authorised to cancel the allotment of plots in cases where the allottee/lessee has made defaults in payment of GIDA dues or has not utilised the plot as per the terms of allotment letter/license agreement/lease deed

(i) Reservation/ allotment money: 10% of total premium of plot within 30 days of allotment after adjustment of the application/earnest money.

(ii) Balance Payment: 90% of the total premium of the plot in 8 equal 6 monthly installment alongwith simple interest @15% on reducing balance. Rebate @2% admissible in case of timely payment

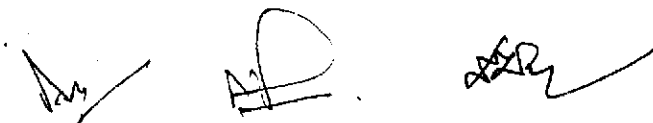
(iii) Date of payment: Interest and installment of premium shall be payable half yearly on the 1st day of January and 1st day of July each year. The first installment of such payment is due after commencement of 6 months from the date of allotment, whichever comes first, i.e., 1st day of January or 1st day of July of the year.

#### 2.02 GROUNDS

Cancellation can be made on the three grounds namely non-payment of dues, non-utilisation and breach of other conditions of allotment/lease.

#### I. CANCELLATION ON NON-PAYMENT

In case of default of payment of installment and interest, recovery of dues or cancellation proceedings shall be initiated.



## II. CANCELLATION ON THE GROUNDS OF NON-UTILISATION

If effective steps for utilization of the plots/shed are not taken and/or the plot/shed is not utilized for the purpose for which it was allotted, within prescribed time limit as stipulated, legal notice for cancellation of allotment termination of lease deed shall be issued:

- a. If effective steps for construction of factory building are not taken within the period stipulated in the lease deed.
- b. If the unit has not been established and put under production within the period stipulated in the lease deed.

In all the above cases, 30 days legal notice for utilisation shall be issued to the allottee if not mentioned otherwise in lease deed except in the cases where the lease deed stands transferred to financial Institutions where 60 days notice shall be required to be issued to the concerned financial Institution and the lessee. In case the allottee requests for additional time in reply to notice or on his own and the GIDA is satisfied with the reasons for default and new proposed time-bound programme, time for utilisation can be extended in steps of 1 year. The lessee has to bear time extension fee as applicable.

## III. CANCELLATION ON BREACH OF OTHER CONDITIONS OF ALLOTMENT LETTER/LEASE DEED

If the allottee has committed breach of any other conditions of allotment letter/lease deed action for cancellation with prior service of notice as per the terms of Lease Deed shall be taken by Authorised officer, All notices/cancellation letter etc. should be sent to the last known address (es) of the allottee. However, cancellation shall be made only after approval of the C.E.O/Authorised officer for which effective steps shall be taken by Authorised officer i.e. shall be made in each case separately after exercising proper *care* and with due diligence.


### **NOTE:**

While initiating the process of cancellation in cases where permission for mortgage in favour of Financial Institution/Bank has been granted by the GIDA, it should be ensured that notice as per terms of lease deed to allottee/lessee as well as Financial Institution/Bank has been properly served. If need be, personal discussion with Financial Institution/Bank may also be made.

### **2.03 SERVICE OF NOTICE**

As per provisions applicable in civil procedure code.

### **2.04 FORFEITURE IN CASE OF SURRENDER/CANCELLATION OF ALLOTMENT**



#### A. ON SURRENDER

In the event of surrender of allotment, the following amounts shall stand forfeited to GIDA.

- i) Interest from the date of allotment upto the date of surrender of allotment on the total balance premium from time to time allowing rebate in interest irrespective of the fact whether the payments were made in time or not,
- ii) Use and-occupation charges/lease rent/time extension fee/ maintenance charges any other fee/ charges from the date of allotment till the date of surrender, and
- iii) 10% of the cost of shed towards depreciation in case of constructed sheds allotted by GIDA

The balance amount, if any, out of the deposits made by allottee till the date of surrender after deducting the amounts to be forfeited as above shall be refunded.

#### B. ON CANCELLATION

- I. In the event of cancellation of allotment due to non-payment of reservation money, 'only 1 % of the earnest money amount at prescribed rate shall be forfeited irrespective of the amount deposited before allotment whether under any Advance Registration Scheme or otherwise.
- II. For the remaining types of cancellation of allotment following amount shall be forfeited in favour of the GIDA :-
  - a. Interest at the rate prescribed in the allotment letter from the date of allotment on the total unpaid premium from time to time till the date of cancellation of allotment without allowing rebate in interest irrespective-of the fact whether the dues had been paid in time or not.
  - b. Use and occupation charges/lease rent/time extension *fee/* maintenance charges' any other *fee/* charges from the date of allotment till the date of cancellation, and.
  - c. In case of constructed sheds allotted by GIDA 10% of the cost of shed towards depreciation.

The balance amount, if any, out of deposits made by allottee till then after deducting the amount to be forfeited as above shall be refundable.

Note-

- I. In case the allotment is surrendered/cancelled before deposit of reservation money, 1 % of the earnest money and processing fee both shall be deducted
- II. In case of cancellation where re-entry has been made, possession has been taken back and the plot has been declared vacant for allotment recovery of outstanding dues in respect of the plot under question shall not be enforced.


#### 2.05 RE-ALLOTMENT

If allotment of plot is cancelled and re-entry has been made it can be allotted to other entrepreneurs provided:



- A) The cancellation letter has been served, and
- B) Re-entry has been made (if applicable), and
- C) No representation for restoration of plot is pending, and
- D) At least a period of 30 days has lapsed from the date of cancellation.

While making fresh allotment, procedure laid down / made for this purpose shall be followed strictly. The cost of constructions/property existing on the plot shall be realized along with reservation money. The valuation of construction shall be got done by the Engineering office or Government approved valuer. The cost to be charge be got approved by C.E.O/Authorised officer



## CHAPTER-3

### GUIDELINES FOR RESTORATION OF ALLOTMENT OF CANCELLED PLOT IN INDUSTRIAL AREAS

The policy of restoration has been provided with a view to give an opportunity to entrepreneurs who defaulted due to genuine reasons and felt to correct and communicate it after cancellation. It seeks to minimize chances of litigation by ex-allottees in regard to cancelled plots. Restoration of cancelled plots in favour of original (last) allottee only can be considered by the GIDA on following terms and conditions:-

1. Application for restoration of allotment of cancelled plot shall generally be considered upto 30 days from the date of cancellation. However, application beyond the above period may be considered in cases where, plot remained unallotted due to stay by court or possession of the plot could not be obtained by the GIDA or due to other reasons.
2. The ex-allottee shall have to apply for restoration of allotment along with affidavit in prescribed format.
3. Restoration of allotment shall be made only in favour of the entity who was allottee/lessee at the time of last cancellation and the plot has not been allotted to someone else.
4. The entire outstanding dues against the cancelled plot upto the date of cancellation shall have to be paid before restoration is allowed irrespective of the fact that re-entry has been made, possession has been taken back and the plot was declared vacant for allotment.
5. A processing fee of Rs 2,000 or Rs. 1.00 per sqm. which ever is higher shall accompany each application for restoration. Besides above the ex-allottee shall have to pay the outstanding dues and restoration levy due before restoration.

While calculating the restoration levy the location charges of a particular plot shall not be considered and only basic premium shall be taken into account

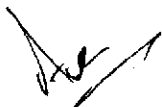
Category of Industrial

Sector

Rate of Restoration Levy of current premium/Sq.m)

Time elapsed from date of cancellation

All Industrial Sector	Time elapsed from date of cancellation					
	Upto 1 Year	>1 Year = 2 Year	>2 Year = 3 Year	>3 Year = 4 Year	>4 Year = 5 Year	>5 year
	10	12	14	16	18	





Along with request for restoration, the ex-allottee shall have to submit time-bound programme for implementation of the project for which two years time from the date of restoration shall be allowed. In case the allottee fails in setting up project within stipulated period, the plot shall be liable to be cancelled as per existing rules. However, allottees call avail time extension on payment of Time Extension Fee. For determining TEF in case of restored plots, the original premium rate and of Restoration levy shall be clubbed together which shall be the original rate of premium for calculating TEE Further time elapsed for TEF purpose shall be counted from the date of restoration.

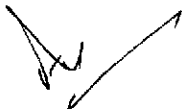
2. In case of restored plots, date of allotment shall be the same as per the original allotment letter.
3. Restoration of cancelled plots shall not be considered in cases where any court of Law has passed orders in favour of the GIDA in legal suits filed by ex-allottee against cancellation or delivery of possession of the plots to the GIDA
4. The restoration shall be made to the last allottee and all prior sanctions or orders shall also be deemed to be restored as if there was no cancellation i.e. status as on 'the date of cancellation shall be restored in all respect
5. In cases of restoration the allottee shall be required to 'execute supplementary /correction deed and stamp duty on the amount of restoration levy has to be paid. It shall be ensured by Authorised officer that such stamp duty is paid in ordered to avoid any loss to state exchequer.
6. In case where the unit of the plot was running unit on or before the date of cancellation, the rate of restoration levy shall be 50% of the applicable slab rate. The status of running unit should be substantiated by documentary evidence as explained in Chapter-6 relating to transfer of plots

### **RE-RESTORATION OF INDUSTRIAL PLOTS**

In case the restoration of the plot is taken back due to default of terms of restoration, re-restoration of Industrial Plots in favour of ex-allotees can be considered by the GIDA only in following cases:

- a) Ex-allottee (Sole proprietor /Principal partner I Major Share holder / Promoter) has suffered from severe ailment and has been admitted in hospital at least for 6 months.
- b) Minimum 10% covered area on the plot has been completed and construction work is in progress.
- c) If re-restoration has been instructed by the competent court of law.
- d) If C.E.O/Authorised officer is of the opinion that there is some other adequate reason for allowing re-restoration.

All terms and conditions of first restoration shall remain same in case of second restoration also.



## CHAPTER-4

### TRANSFER/ RECONSTITUTION OF INDUSTRIAL PLOTS

As per the conditions of lease no lessee can transfer the allotted plot without prior permission of, GIDA. The following are the current guidelines for approving transfer/reconstitution in respect of the plots in the Industrial Sector of the GIDA. The terms used in-regard to Transfer/Reconstitution are defined as below :-

#### 4.01 VACANT PLOT

The plot shall be treated vacant only in following cases :-

- i) There is no construction on plot.
- ii) If the covered area on plot is less than 5% though the unit might have been in production:
- iii) If the covered area is even more than 5% but the unit has neither been in production nor is in running condition.

NOTE- After transfer the status of plot shall revert back to the status of 'Vacant', Although the constructions carried out by previous allottee shall be deemed to be of transferee yet the transferee shall have to establish his own unit and start production to achieve the 'non- vacant' status.

#### 4.02 FACTORY BUILDING -

Means the work shed for manufacturing process plus an additional constructed area up to a maximum of 10% of the total area of the plot for the purpose of offices, stores, godown, and other service/ utilities as per plan approved by the GIDA.

#### 4.03 COVERED AREA -

Means and includes factory building covered by roof and open constructions like chimney, water tank, boiler as required in the process of production in the said unit.

#### 4.04 RUNNING UNIT -

Means a unit which is/was established on non-vacant plot and manufacturing the product mentioned in the application for allotment of the plot in question or thereafter permitted by the GIDA on the plot

#### 4.05 TRANSFER LEVY -

Per sq.m @ 5% to 10% of the rate of premium prevailing on the date of submission of application for transfer of plot along with transfer levy shall be charged. While calculating the transfer levy the locational charges of a particular plot shall not be considered and only basic premium shall be taken into account.

#### 4.06 TRANSFER -



Means disposal of controlling interest in the venture by the existing allottee. GIDA charges transfer levy while approving cases of 'transfer'.

**Explanation-**

1. Controlling interest in case of partnership firm- the original partners at the time of allotment/ transfer to maintain 51 % stake in profit, loss and capital of the firm either together or severally for the period specified in the relevant clause. While calculating the above, stakes of family members covered in the definition of family shall be added.
2. Controlling interest in case of company- the original shareholders at the time of allotment/ transfer to maintain 51 % shareholding either together or severally. While calculating the percentage the shares owned by FIs, Public and other -neutral bodies should be deducted from the total shareholding. While calculating the above, shares of holding companies (in which the shareholders hold majority) and family members covered in the definition of family shall be added.
3. Controlling interest in case of society- Original members and their family members to remain in majority.

**Exception-**

1. Transfer amongst family members or to holding/group companies.
  2. Transfer by operation of law, in case of death, inheritance.
- i) Following shall be the percentage of prevailing premium rates to be charged as transfer levy in case of vacant plots:-

Sl no.	Transfer if proposed within	Transfer Levy Rate
1	1 Year	5%
2	1 to 3 year	7.5%
3	Beyond 3 years	10%

**In case of non-vacant plots**

- ii) Transfer levy @5% of the current premium per Sq. Mtr. prevailing on the date of submission of application for transfer of plot along with transfer levy shall be charged in those cases of transfer where the covered area is at least 30% of the plot area and the unit has been set up on the plot and is running or had been under commercial production continuously for a minimum period of two years.
- iii) If the covered area is less than 30% and the unit has been set up on the plot and is running or had been under commercial production continuously for a minimum period of two years, transfer levy per Sq.M. at the rate 5% of the rate of premium prevailing on the date of issuance of transfer order be charged for that much area of the plot of which the covered area on the plot is 30% and full transfer levy at the rate of 10% of the current premium be charged only for balance area.

**In case of EOU transferees**



- iv) Transfer of plots to 100% EOU units.- In case the transferee is a 100% EOU and undertakes to abide by certain additional conditions, the GIDA allows 50% reduction in corresponding transfer levy. The transferee in such cases shall have to submit a proof for being an 100% EOU and shall have to submit annual financial statement for 5 years showing the unit on the plot to be doing 100% export. Otherwise the concession allowed' shall be withdrawn and the transferee shall have to pay balance transfer levy (50%) as per rules applicable on the date of withdrawal of concession.

**NOTE:**

The transferee shall be treated a fresh allottee who shall clear all the dues by way of outstanding interest and premium pending against the previous allottee. The balance premium to be charged shall be worked out by adding transfer levy and the remaining premium which was to be charged from the allottee in case of non-transfer. The premium so worked out may be recovered in installments with interest at the rate prevailing on the date of transfer.

In case of transfer/reconstitution the GIDA shall not demand the cost of any property existing on the plot except the balance dues, if any, pertaining to buildings/property originally allotted by the GIDA. The amount paid by previous allottee towards premium shall be credited to the account of the premium after transfer, which shall include premium as per original allotment and transfer levy.

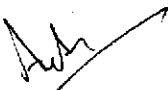
**4.07 RECONSTITUTION**

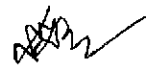
Reconstitution means the change of constitution of the allottee from original constitution to other form of Enterprise which may be from proprietor to partnership (or vice-versa), proprietor to company limited by shares (or vice-versa), partnership to company limited by shares (or vice-versa) shall be allowed without levy provided 'the controlling interest of original (i.e. at the time of allotment of proprietor, ..partners, shareholders is retained. In case the controlling interest is not retained by the original constituents (i.e. proprietor, partners or shareholders), such change shall be considered as case of transfer and be deal with as per provisions of transfer on payment of transfer levy as above clause

In all cases of reconstitution as per above the, date of allotment, rate of allotment shall remain the same as in the original allotment i.e. status quo ante shall be maintained for all ' factors except the name of allottee if applicable.

**I IN CASE OF COMPANY :**

(a) Principal or holding company to subsidiary company and vice-versa.	If a subsidiary company desires to transfer the land to its principal or holding company or vice versa i.e., holding company to subsidiary company.
(b) From one company to another Company	If the common share holders of the transferor and transferee companies' hold at least 51 % shares in the paid up capital of each of the two companies at the time of the application for permission





## II IN CASE OF FAMILY MEMBERS :

- (a) To family members or partnership of family members If transfer is proposed to be made by a person to his wife / husband / children / real brothers/ real sisters, grand children, son in law, daughter in law and vice versa or when any such family members are to be taken as partners.
- (b) In case of family members outsiders taken as partners If outsiders are also taken simultaneously In to partnership and along with such members as mentioned above at (a) the shares of outsiders in the capital profits and a loss must not be more than 49% .and such family members (partners) shall under take not to retire or withdraw from the partnership so as to reduce their shares in capital, profit and loss to less than 51 % during the period of five years from the date of such permission. Transfer levy shall become payable at the day and on the prevailing rates whenever the stake is reduced below 51 % during the above stipulated period ..

## III TRANSFER OF PLOTS IN CASES OF ALLOTTEE BEING COMPANY UNDER PRODUCTION

In cases of take-over, acquisition, merger, demerger and unbundling of companies no transfer levy shall be charged in following cases provided the allottee company was running unit on the plot under question;

- a) If the management of the company has changed from one group of share holders to other group due to transfer of staff whether the name of company has been changed or not.
- b) If the company has been merged into another company.
- c) If after demerger of the company one or more companies have come into existence and the plot under question is vested in one of such companies.
- d) If only name of the company has changed.

Following shall be criteria for determining the running unit :-

- i. The original allottee company has made constructions on minimum prescribed area of the plot as per conditions of allotment I lease deed.
- ii. The original allottee company has started commercial production after installation of necessary plant and machinery.


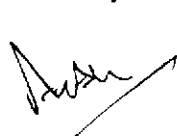
### EXCEPTION

- A In reference to sub clause-III (d) above relating to change in name only i.e. without change in management conditions relating to running of unit (i) and (ii) above shall not-apply
- B If the State Govt. or an agency of State Govt. which has promoted the company makes any change in the constitution of the company even Before commencement of production in order to save the project from foreclosure, the conditions mentioned above at i & ii shall not be applicable.

For proper implementation of the above order it has to be ensured that in all lease deed specific condition should be made to start production within two years or duly extended time from the date of allotment with minimum 30% coverage of the total area of the plot.

## IV TRANSFER BY OPERATION OF LAW

If transfer is necessitated by operation of law or by inheritance under the law or by succession by operation of law. In such cases application for transfer shall be processed in usual manner and shall be decided by CEO, GIDA on merit of each case individually,



## TRANSFER ON DEATH OR DISABLEMENT OF THE ALLOTTEE

In case of transfer on death of proprietor allottee or on disablement of the proprietor allottee the transfer shall be allowed without charging transfer levy. This is applicable in case of transfer to any person whosoever i.e., even to outsiders. However, this facility shall be available for a period two years from the date of disablement / death. This disablement shall mean permanent total disablement.

### VI BIFR CASES

If in order to save or rehabilitate the unit as per orders of BIFR new shareholders are inducted/ shares are transferred to infuse funds it is allowed without any transfer levy provided- the plot is retained with the allottee company. However, if it is decided by the BIFR to dispose- off the plot through auction, the auction purchaser shall be recognized only after payment of transfer levy at the rate applicable in cases of normal transfer provided BIFR has not directed otherwise (See Auction cases 6.07(VIII)).

### IMPORTANT

Any breach of the terms and conditions of approval for transfer/reconstitution/shall result in automatic cancellation of allotment /termination of lease as the case may be. A clause to the above effect may be included in the Lease Deed to be executed after transfer/reconstitution is permitted.

### NOTE :

- I. In all cases of reconstitution except in favour of family members as mentioned above, the previous allottee shall spell out his income Tax/Sales Tax index numbers in the affidavit/indemnity bond he submits to the GIDA. These index numbers shall be sent to the concerned authorities for verification and checking on annual basis.
- II. In all Lease Deeds to be executed henceforth a Clause to the effect that the lease would be automatically determined if there is any change in the constitution of partnership/private limited company etc. as on the date of execution of the lease deed, without prior approval of the Grantor/Lessor,

### VIII AUCTION CASES

As per general policy, auction cases whether by District authorities, Banks, DRT, courts, are considered transfer cases and the auction purchaser is recognized as lessee only if he agrees for payment of applicable transfer levy. Exception to above are auction cases under section 29 of SFC Act in which the auctions are conducted by UPFC/ PICUP after taking possession of the plot. In such cases if the application for regularization is moved by the auction purchaser for regularization within 3 months of sale letter issued by UPFC/PICUP then it shall be regularized without levy. If the application is moved after 3 months but, before 6 months transfer levy shall be payable @5% of the prevailing premium. In cases such application is moved after 6 months but before 12 months transfer levy shall be charged @7.5% of prevailing premium while for applications received after one year full transfer levy shall be charged. In case of slow moving areas such transfer levy shall be halved as per usual norms.

As in normal cases of transfer rebate in transfer levy on ground of production and applicable percentage of constructions shall be admissible in cases of auction also. Since it is difficult for a purchaser obtain evidences for production carried out by erstwhile allottee, even submission of minimum documents



narrated on 6.08 which point to continuous two years production. For this purpose even records available in office file such as JEs survey report) submission of documents by erstwhile allottee in past shall also be utilized.

For Section 29 cases UPFC/PICUP should be impressed upon to inform regarding the date of auction of the plot and to seek NOC and dues position and call the concerned CEO/Authorised officer of the GIDA at the time of disposal of any plot after its acquisition under section 29 of SFC's Act. Also UPFC/ PICUP shall include clear condition in their sale letter directing the auction- purchaser to apply for regularization with GIDA within 3 months of sale letter failing which they shall have to bear transfer levy.

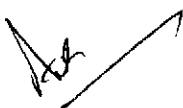
Besides-above in auction purchase following shall be adhered to-

- a. The outstanding dues of GIDA shall be paid in full before. its adjustment by UPFC/ PICUP. Subsequently the dues of UPFC/PICUP would be adjusted. In those cases where the amount received by disposal U/S-29 is more than the combined dues of GIDA, UPFC/PICUP, the balance shall be payable to GIDA towards transfer levy (as applicable otherwise) and only that amount which is left after adjustment of transfer levy would be refunded to the original entrepreneur (s).
- b. The auction purchaser shall pay the prescribed processing fee along with application in prescribed form
- c. Auction purchaser shall execute a deed in prescribed proforma with GIDA in respect of the lease rent only to obtain a clear title as a lessee of GIDA for the un-expired period of lease unless the purchaser pays transfer levy. in which case the purchaser shall have to execute normal Lease Deed. UPFC shall ensure a suitable amendment in its sale deed accordingly,

#### 4.08 PROCEDURE FOR DISPOSAL OF CASES OF TRANSFER

After receipt of application for transfer in prescribed form and application supported by affidavit on Rs. 100 non-judicial stamp paper along with allotment letter, project report, processing fee and transfer levy from the proposed transferee, the same shall be entered in dak receipt register and shall be processed by the concerned dealing assistant, if there is any deficiency in the application the same shall be intimated to the allottee within a week time, It shall also be ensured that the allottee surrenders lease deed along with an affidavit mentioning clearly that he has surrendered the lease along with possession I allotment letter (whichever is applicable) for transfer of plot in favour of proposed transferee, After the application is found complete in all respect the same shall be allowed by the CEO/Authorised officer depending on the powers delegated in this regard from time to time. The CEO/Authorised officer should satisfy himself about the production activity of the unit, presently or in past after proper inspection of the unit and document evidences which may include any or all of the following:

- a) Permanent SSI registration/other registration as per law in cases of medium / large industries
- b) Trade tax assessment order for two consecutive years. In case the industry is exempted from this tax copy of exemption order may be submitted.
- c) Meter sealing certificate.
- d) Copy of Power bills indicating that the unit has been under production during the relevant period.
- e) Copy of purchase bills of raw material.



- f) Copy of sales bills of finished product.

Covered area shall be measured by the J.E. and it shall be verified by the concerned Dy. Manager / Manager . It shall also be noted carefully that the letter of transfer should be addressed to the transferee with a copy to transferor (allottee). Transfer levy shall be paid by the transferee and no consent of transferor shall be sought after issuing transfer letter.

#### **PROCESSING FEE**

The Processing Fee shall be charged as follows in respect of all cases of transfer/reconstitution:

Re. 1 per sq.mtr.or Rs. 2,000/ whichever is higher.

#### **TIME LIMIT**

All cases of transfer/reconstitution shall be decided by the CEO/authorised officer as the case may be within 15 days time after receipt of format request. All said time should strictly be adhered to.


#### **POWERS FOR TRANSFER / RECONSTITUTION**

##### **A) TRANSFER**

Presently, CEO has full power to give approval for transfer of plots,shed or building. As much power delegated by the CEO to the authorised officer, till that limit only, the officer can exercise his power for approval of transfer of plot, shed or building.

##### **B) RECONSTITUTION**

Presently, CEO has full power to give approval for reconstitution. As much power delegated by the CEO to the authorised officer, till that limit only, the officer can exercise his power for approval of reconstituion.





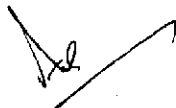
## CHAPTER-5

### SUB DIVISION AND AMALGAMATION OF PLOTS

#### 5.01 SUB DIVISION OF PLOTS

The GIDA may allow the allottees to subdivide their plot so that they are able to generate finance from the extra area available with them. Alternatively, it may allow them to amalgamate plots located contiguously to enable ease in functioning and expansion of unit. The comprehensive guidelines for permitting sub division of the plots and their transfer after sub division shall be as below. It shall be, mandatory to obtain the express and unconditional consent of the allottee applying for sub division, on all the conditions narrated below, before processing the proposal submitted by him.

1. No subdivision proposal shall be processed in which NOC from the Financial Institution Bank, which has financed the allottee and where the Lease Deed has been mortgaged, has not been obtained and submitted along with the subdivision proposal by the allottee.
2. At the time of applying for the subdivision, the original allottee should have no outstanding dues of premium/interest/other charges pending against him.
3. Subdivision of plots of area less than 5000 Sq. M. shall not be allowed and also the minimum size of any resultant subdivided plot shall not be less than 2500 Sq. M.
4. Subdivision shall attract a processing fee of Rs 1 per sq. mtr. or Rs.2000 whichever is the highest and a subdivision fee @5% of the premium prevailing at the time of transfer of subdivided plots. This fee shall be charged from the original allottee on the plotted area of subdivided plots which are subsequently transferred by the original allottee.
5. The area falling under Roads, Drains, Culvert, spaces for infrastructure and open spaces shall have to be surrendered by the original allottee without any compensation in favour of the GIDA and the same shall become the property of GIDA. A suitable clause to this effect may be incorporated in all the documents executed with the new allottees (transferees).
6. Full industrial plot can be divided into only two parts.
7. Subdivided plot cannot be subdivided again.
8. Subdivision should not cause any effect on GIDA layout plan.
9. GIDA shall not provide infrastructure as road, drain, culvert, electricity line, water supply etc. on the subdivided plots.
10. Unit should be established on subdivided plot under 2 years from the date of subdivision of plots.
11. Rules and regulations applicable for cancellation of subdivided plot shall be same as that of newly allotted plot.
12. The new allottees/transferees of the subdivided plots shall be liable to pay maintenance charges from time to time as per the scheme prescribed in this regard by the GIDA.
13. The new allottee/transferee of the subdivided plots would have to bear the cost of external power on pro-rata basis if the same is demanded by UPSEB at any future stage for release of



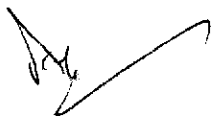
power to the units being established on such subdivided plots.

14. The subdivision plans shall be prepared by the allottee in accordance with the byelaws of the GIDA. The plots proposed should be in allottable condition. Only those proposals shall be considered which do not have dead ends i.e. circulation has been ensured.
15. Minimum plots size in sub-division plan can be 2500 sq. mtr.
16. The allottee shall give the exact dimensions of the constructions existing on the plot, delineating the same on the proposed plan for subdivision failing which no benefit for the existing construction shall be given at the time of transfer of sub-divided plots, if applicable. Junior Engineers of the GIDA shall certify on the map the correctness of the dimensions and area of the constructed portion on the each copy of map showing proposed subdivision, as submitted by the allottee,, which shall be countersigned by the Authorised Officer. In case, the allottee proposes to retain the pre-existing constructions after subdivision, it should be verified after examining the structure whether it shall be practically possible to retain the said building after accommodating for the mandatory sets back for the plots arising out of the subdivision.
17. Plot after subdivision shall be transferred to the entrepreneurs of original allottee's choice subject to suitability for allotment for setting up industries permissible in the area under question.
18. The allottee/allottees of the subdivided plot/plots shall pay the transfer levy as decided by GIDA from time to time. This shall be in addition to the pro-rata original premium apportionable on the land transferred which shall also be have to paid by the new allottees. Rebate on the basis of production shall be admissible in transfer levy provided the allottee had run the unit for continuous 2 years. Actual levy shall be worked out on the basis of constructed area falling on the subdivided plot whose transfer is under consideration.
19. The new applicant for the sub divided plots shall have to complete all formalities as required in case of fresh allotments such as application, justification of land requirement, project details, agreement etc.
20. All procedures regarding payment, documentation etc. shall be the same as in cases of normal transfer / reconstitution.

The CEO/ Authorised Officer shall ensure that Sub-division plan submitted by the applicant / allottee is strictly in accordance with the bye-laws of the GIDA and Sub-division Policy of the GIDA. All cases of Sub-division of plots shall be Put up before CEO .

With a view to further streamline the processing and approval of sub-division proposals, the following shall also be ensured:-

1. Authorised Officer shall obtain 4 copies of proposed Sub-division plan from the allottee.
2. After decision of CEO/ Authorised Officer, one copy of Sub-division plan along with approval/ additional conditions if any, shall be sent to the Property section , one copy to Engineering & planning Section at GIDA Office for record and one copy shall be given to the allottee whereas the Forth copy shall be retained in the office file .
3. Sub-division plan shall necessarily include:-
  - a. Part lay-out of the Industrial sector showing location of the plot proposed for Sub-division.
  - b. Size and dimensions of the plot proposed for Sub-division.



- c. Scale and North pointer.
- d. Dimension of Sub-division plots along with plot lines and set-back lines.
- e. Existing construction on the plot along with dimensions showing sketch of area proposed for demolition (This should be got verified at the time of Sub-division and certified by Junior Engineer on the map itself since only the constructed area not falling under set-backs shall be considered for permitting transfer on concessional transfer levy).

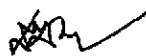
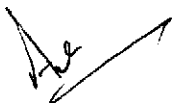
## 5.02 AMALGAMATION OF PLOTS

Policy of amalgamation has been provided for situation like expansion of units by the allottee by acquiring contiguous plots. For this purpose following shall be the conditions;

1. All the plots that are proposed for amalgamation have to be contiguous with each other (laterally-in a row, or back to back-in column) without any property which is not owned by / leased to the applicant Is, network-service line, or space for public use falling in- between. Such plots that are created as a result of the process of subdivision can further be amalgamated only in the framework of the boundaries of the original premises. Any fee if charged by GIDA shall be payable.
2. A rectification deed for amalgamation has to be prepared in favour of the applicant and the revision of sets backs, if granted by the authority, shall be marked in the Layout Plan. Subsequently a revised site plan / site of the conjugate plots shall be issued to the applicants.
3. Amalgamation of plots can only be considered for plots that are more than 1000 sq.m.
4. All other requirements of building / plot shall remain unaffected.
5. The amalgamation of premises shall not qualify the resultant premise to be put to any other use than that specified for the erstwhile un-amalgamated plots; except for socio-cultural/commercial facilities which are inadequate or those activities which have been accorded status of industry by Govt. of U.P. or such activities which are required in regional context and are classified as industry in National Industry Classification (NIC 98).
6. The revision of sets backs: if sought by the applicant/s, shall be considered for the reconstituted plots prescribed in the bye laws. This shall precede the submission of proposal for sanction of building plans by the applicants on the reconstituted plot.
7. The applicants may seek to maintain all the original sets backs of all the erstwhile individual premises while applying for amalgamation, which would mean that the resultant premises shall not be liable to the larger set back profile required of the resultant larger size. Relaxation of individual/single sets backs shall not be entertained on arbitrary basis.

### NOTE:

1. Completely new sets backs may be proposed in the front, sides and rear as per the rules, for the various categories of plots, 'mentioned in Building Regulation of the Authority.
2. Population / workers and employees density:  
The gross standards of Industrial work force shall be upset as a result of smaller parcelization of premises; as compared to abutting / adjoining areas in the same zone / sector, accordingly additional provisions of facilities and open spaces shall have to be provided.



... be paid by allottee on first day of January each year. In case of non-payment of Maintenance charges  
... as above interest shall also be charged on prevailing rate. As in case of any other dues if the Maintenance  
Charges are not deposited allotment may also be cancelled treating the allottee defaulter.



## CHAPTER-6

### TIME EXTENSION & MAINTENANCE CHARGES

#### 6.01 TIME EXTENSION

The GIDA has a policy of allowing two years time from the date of allotment to allottees for setting up unit on the plot and commencement of production. Beyond this period the GIDA has following policy for allowing time extension as per various Board decisions from time to time and resultant insertions of conditions in the allotment / transfer letter issued to the allottee / transferee.-

**Time extension fee (TEF) shall be charged as per following in industrial sector :**

Up to two years from the date of

allotment	without any extension fee.
2 to 3 years	1% of the current premium as TEF.
3 to 4 years	2% of the current premium as TEF.
4 to 5 years	3% of the current premium as TEF.

After five year from the date of allotment plot shall be cancelled automatically After that Restoration fee shall be charged as per following in industrial sector.

5 to 6 years	10% of the current premium as Restoration fee
6 to 7 years	12% of the current premium as Restoration fee
7 to 8ycars	14% of the current premium as Restoration fee
8 to 9years	16% of the current premium as Restoration fee
9 to 10 years	18% of the current premium as Restoration fee

**Detail of Time Extension Policy in Industrial Areas are as under :-**

- It shall be applicable in all cases of new allotment and transfer
- It shall be responsibility of Authorised Officer to identify all such cases which remain vacant after 2 years and. serve appropriate notice to the defaulters.
- Request for time extension shall have to be made by the defaulting allottees before the expiry of original/extended period and in case no such request is pending and plot is vacant then, the Authorised officer shall ensure cancellation of such cases as per rules.
- In case request of time extension is made after the expiry of original / extended period and plot could not be cancelled in the meanwhile, then TEF would be payable for the entire period elapsed since expiry of original/extended time limit.
- If a proposal for time extension is received, the same shall be allowed only after assessing the genuineness of request upto the period for which he is empowered.



In case unit commences production, beyond 2 years from the date of allotment/transfer or any extended period, then TEF shall be payable for the minimum period of one year after original / extended period. In case TEF is not paid by the allottee, allotment shall be liable for cancellation on ground of non-payment of TEF.

- g. The burden of submitting proof in regard to utilization such as permanent SSI registration. Trade Tax Assessment order etc. along with completion certificate shall rest with the allottee.
- h. Time extension shall not be granted if the allottee has violated any terms & conditions of allotment / lease deed other than conditions regarding utilization of the plot.
- i. During duly allowed/ .extended period, a plot would still remain liable for cancellation on grounds of violation of conditions of lease other than non-utilization.
- j. TEF shall be payable on yearly basis.
- k. Interest on unpaid TEF would be charged as per usual practice and its demand shall be raised in the demand notice.
- l. TEF shall not form part of premium and shall not therefore be refunded / adjusted in any case whatsoever.
- m. Authorised officer shall ensure that clause pertaining to playability of TEF with complete schedule is incorporated in allotment /transfer letters, lease deed to be executed with allottees.

It is further clarified that considering the practical aspect for time extension the cases should be put up before CEO.

1. Allottee has deposited total outstanding amount and has applied with time extension fees.
2. TEF applicable in such case for past expired period has also been deposited.
3. There is no change in constitution of partnership/shareholding in companies.
4. Signature of allottee conforms with the signature available in record and for confirmation of identification signature has been certified by the bank or copy of PAN card has been obtained.

## 6.02 MAINTENANCE CHARGES

With a view to generate funds for ensuring proper and effective maintenance of industrial areas following policy for levying maintenance charge on annual basis shall be applicable:

1. **All Industrial Sector :**
  - i For year 2002-07 @ Rs.2/-per sq.m. per annum
  - ii For year 2008-12 @ Rs.4/-per sq.m. per annum
  - iii For year 20013-17 @ Rs.6/-per sq.m. per annum

Maintenance Charges for subsequent years shall be decided on the basis of Wholesale Price Index prevailing in the previous year vis-a-vis Wholesale Price Index in the 20th years. Maintenance Charges shall be paid by allottee on first day of January each year. In case of non-payment of Maintenance charges as above interest shall also be charged on prevailing rate. As in case of any other dues if the Maintenance Charges are not deposited allotment may also be cancelled treating the allottee defaulter.



# CHAPTER-7

## SUBLETTING

### 7.01 SUBLETTING OF INDUSTRIAL PLOTS TO ANY ENTREPRENEUR

Permission may be granted to the allottees to sublet their plots/sheds in full for setting up Industrial units in the Industrial Areas of GIDA on the terms and conditions as stipulated below:-

- I. The specific permission of GIDA, in writing, must be obtained by the allottee before subletting the plot to other entrepreneur(s)
- II. Subletting shall be permitted for a maximum period of 12 years only, either in one slot or in small terms, and such facility shall be restricted to the cases in which the unit is either running or has run in past.
- III. GIDA shall charge a processing fee of Rs. 1.00 per sqm. or Rs 2,000 which ever is higher and subletting charges / rent @ 2% of the prevailing premium rate for the Industrial land per sq. mtr. Every year for the area to be sublet and the liability of this payment shall be on the allottee / lessee
- IV. The allottee shall have to apply in writing for such permission clearly stating the status/constitution of the proposed sublettee with the details of the unit to be set up by the sublettee along with the project report and other supporting document
- V. The allottee shall have to deposit the rent, calculated as per above clause no.III for one year in advance along with the application for permission of subletting from GIDA. Next year rent need to be submitted before 15 days of completion of the year and a copy of deposited bank challan of rent is to be submitted in GIDA office.
- VI. A tripartite agreement shall be entered into amongst GIDA, the Lessee and Sublettee which shall contain all terms and conditions of such subletting. This agreement shall ensure that person who has taken the premises on rent shall abide by the conditions of our normal lease deed and agreement shall also make it the joint responsibility of the allottee/ sublettee to pay the subletting charges.
- VII. The original allottee shall have to clear all outstanding dues in respect of land/shed towards premium, interest and lease rent. The allottee shall also pay total balance premium and subletting charges/rent in advance, before subletting permission is granted by GIDA.
- VIII. While applying for the permission for subletting, the allottee shall have to submit specific NOC from the concerned financial institution for each case where the unit on the plot has been financed by financial institution/institutions,
- IX. All the constructions standing on. the plot at the time of granting the subletting permission and those raised thereafter shall be deemed to have been raised/constructed by the original allottee/ lessee of GIDA only and shall be subject to the provisions of the terms and conditions of the lease deed.

**NOTE:**

1. The minimum and maximum period of such subletting shall be 1 year and 12 years respectively. No part of Annual Subletting fees shall be refunded even if, subletting is determined before end of the year. Period of subletting can be renewed for, 1-12 years before expiry of present subletting on request of allottee on the terms and conditions prevalent on the date of such permission.
2. Subletting shall be allowed only on the plots on which unit is running or has run in the past.
3. The subletting charges are a percentage of prevailing premium and hence it shall change if the premium rate of the industrial sector changes.





# CHAPTER-8

## POLICY OF RESIDENTIAL PLOTS

The GIDA has developed Residential' Plots in select Residential sector located across the GIDA area. The policy related to allotment and other functions related to residential plots shall be governed by following guidelines-

### 8.01 Allotment

Allotment process shall be initiated by the concerned officer / D.A. by proposal for approval of launching scheme to CEO GIDA . The proposal shall clearly mention all the details 'of the scheme namely-

- a) Whether allotment shall be made through ARS
- b) Any new terms and condition for allotment. General terms & conditions of allotment which must be in conformity with the Terms & Conditions of allotment letter.
- c) Details of category with area and number of plots for which allotment is being proposed.
- d) Draft advertisement to be released in news papers clearly mentioning the amount of earnest money, reservation money, payment plan and other details like period within which allotment shall be made, mode of selection of successful applicants, reservation to different category of applicants, rate of premium, number of plots and size, location of Residand other salient features (if any), date of opening of scheme, point of sale of application form, last date of receipt of application form, date of lottery etc.
- e) Only those plots shall be included in schemes which are possessions worthy unless and otherwise explicit permission has been granted by CEO/Authorised officer.
- f) The Details of Committee before whom the lottery shall be drawn as the allotment shall be made through lottery only.
- g) Any other point which CEO/Authorised officer thinks relevant and appropriate.

The proposal shall be approved by the CEO/Authorised officer .

#### 8.01.01

The Application received shall be entered in separate register clearly mentioning the details of applicant, bank Challan and date of receipt. If required, time of receipt shall also be recorded. After the date of closure of scheme the applications received shall be scrutinized by the CEO/Authorised officer and a list of eligible applicants shall be prepared category wise and shall be put up before the committee constituted for lottery. The lottery shall be held as per schedule in presence of committee members and applicants. After finalization of successful' applicants the list shall be put up to CEO/Authorised officer for final approval. After receipt of approval list shall be displayed on the notice board and allotment letters shall be issued in prescribed format.

#### 8.01.02 Rate of Premium & location charges:

Allotment shall be made at the prevailing rate of premium fixed by the GIDA for residential plots in various Residential sector, Location charges per Sqm. in case of residential plots shall be as follow:



- i) Plots facing Park 5% of the premium rate.
- ii) Corner Plots 10% of the premium rate.

In case a plot has location conforming to two or more of the above categories, then location charges shall-be sum total of charge for specific categories.

**Note:** Location charges are due to the location advantages and hence shall be charged even if there is an intervening green area or service road.

**8.01.03 Licence agreement**

- a) Immediately after -submission of reservation money, the allottee. Becomes eligible for execution of licence agreement . The allottee shall be called to execute licence agreement and a list of requisite documents for the purpose shall be provided alongwith the allotment letter
- b) licence agreement shall be executed only if the allottee has made up to date payment along with Maintance charges/lease rent.
- c) In case the allottee submits a letter of intent from bank/FI regarding payment land cost, an NOC can be issued for allowing mortgage after full payment of plot.
- d) In case the bank/FI insists on execution of tripartite agreement for intervening period (i.e. till the term loan is being processed) same shall be executed on the proforma
- e) Lease Deed may be transferred to bank / financial institution provided full payment alongwith one time lease rent / upto date Maintance charges has been made and loan has been sanctioned for. construction of dwelling unit on the same plot.

**8.01.04 Possession and Approval of Building Plan**

Possession shall the handed over only after execution of licence agreement / Lease Deed. After possession the allottee becomes eligible to submit building plan. The building plan shall be considered for approval as per byelaws of GIDA and payment of requisite fees.

**8.01.05 Transfer**

Transfer of residential plot shall be permissible only upon payment of transfer levy .Following shall be the percentage of the prevailing premium rates to be charged.

Sl no.	Transfer if proposed within	Transfer Levy Rate
1	1 Year	5%
2	1 to 3 year	7.5%
3	Beyond 3 years	10%

**Exception-**

- 1. Transfer amongst family members or to holding/group companies.
- 2. Transfer by operation of law, in case of death, inheritance.

Such transfer levy along with due installment of premium and interest, if any, may be payable. Such installments, which are not due at the time of transfer, shall be transferred in favour of the transferee(new allottee) and transferee is bound to follow old rules and regulations. Transfer shall only be permitted provided

allottee and transferee submit:

- I. Transfer form
- II. Form of undertaking' duly notarised
- III. Processing fee @Rs. 1/sq. mtr. or Rs. 2000, whichever is higher.

The transfer order should be sent only by registered post to the address in allotment letter or such other address conveyed by allottee later (prior to filling application for transfer). Transfer should only be considered / effectuated after acceptance letter from both the allottee and transferee is received and after the allottee surrenders the lease right of the plot through surrender of licence agreement / Lease Deed and possession letter / allotment letter.

Transfer without levy shall be permissible only in following cases:

- 1) **Transfer of lease hold right among blood relations:** The allottee may transfer the residential plots in the name of father/mother/son/daughter/ husband/wife without any transfer levy.
- 2) **Co-allotteeship:** Permission for co-allotteeship and vice-versa in favour of father/mother/ son/daughter/husband/wife of original allottee can be granted without any levy
- 3) **Transfer in case of deaths of allottee(s):** In case of death of original allottee the plot shall be transferred in favour of lega heir(s) without any levy. In case of death of allottee lessee, who got the plot through any co-operative society, his plot shall be transferred in name of members /allottee's nominee subject to submission of copy of nomination form duly signed by the member.

#### 8.01.06 Restoration

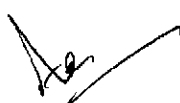
Restoration of Residential plots shall be considered as per same policy applicable for Industrial Plots. The rate of restoration levy shall also be the same as in case of industrial plots (premium rate shall be that of residential plots). The permission for restoration shall be granted by CEO/ Authorised Officer.

#### 8.02 GROUP HOUSING

Quite a few Residential sector specially the newer ones have group housing plots. These plots can be allotted following bid method. Authorised Officers shall submit comprehensive proposal for the marketing of these plot for approval of CEO/ Authorised Officer

The proposal shall include amongst others following-

- a) The area, dimensions and location of plot / land.
- b) Permissible Ground Coverage, FAR and Setbacks
- c) Previous marketing in the area of group housing plots and highest bid received and its utilisation
- d) Proposed reserve price
- e) Proposed date for launch of marketing/advertisement, duration of scheme, point of sale and submission of bid forms
- f) Media Plan and cost
- g) Draft advertisement from empanelled advertisement agency.



- h) Type of bid i.e. single or two bid, minimum standards for technical bid in case two- bid system proposed
- i) Proposal for bid committee

After approval is received proper arrangements for unobstructed availability of bid form and for its free, easy and secured submission is made, the advertisement shall be released. The bid committee shall process the bids according to the approved norms. The advertisement shall be released in at least two widely circulated and leading news papers in the concerned area (one Hindi and one English).

**Note:**

If allotment is proposed through bid system and minimum two bids are not received by closing time and date fixed for receipt of bids, then the scheme shall be re-advertised as per above process. The bidder/ bidders against the earlier advertisement shall have the option of not seeking withdrawal of deposit and making a fresh bid again against the money already deposited (unless the earnest money has been revised in which case the draft for additional amount shall need to be deposited). If again, the minimum required number of bids (two) are not received, a third advertisement in different news papers shall be made following above process. Even if for third time the minimum required number of bids (two) are not received, then the bid/bids received shall qualify for consideration of allotment provided the bidder(s) fulfills the conditions laid down / formulated in this regard. The GIDA shall have the right to reject the bids / close the scheme even after third advertisement



## CHAPTER-9

### POLICY FOR COMMERCIAL PLOTS

#### 9.01 Allotment

Allotment of-Commercial Plots shall be made through bid system, which may be single or double bid system. Authorised Officer shall put up proposals for marketing of commercial plot located in GIDA AREA whenever they feel that there is a demand and need felt for the commercial plot amongst the allottees. The marketing program must include proposals for plot numbers with their area, minimum reserve price, promotion plan including the draft of advertisement, media plan and cost, duration of the scheme, bid committee and date for opening of bid. Advertisement should be published only after CEO/ Authorised Officer duly approves the marketing proposal. The advertisement shall contain the permissible uses for the plots put up for bid, area of the plot, minimum reserve price, FAR allowed, ground coverage, amount of earnest money, reservation money, payment schedule for the balance cost, period of completion of work etc. The advertisement shall also clearly spell out the date and time by which the bid offer can be received and when they shall be opened and places/ location from where the forms shall be made available and accepted.

Normally the bid form shall be made available @ Rs 200. Similarly the processing fee shall be Rs 1,000 for plots . The earnest money shall be 10% of the RESERVE PRICE whereas the reservation/ Allotment money shall be 25% of bid amount. The balance shall be recovered in 8 half yearly installments alongwith interest on the reducing balance @ 15%. rebate shall be admissible in case of timely payment @ 2%. Authorised Officer may propose other plan/rates depending upon the market prospects. Such proposals should narrate the reasons for proposals clearly.

Similarly, in slow moving areas the bid form shall be made available @.Rs 500. and the processing fee shall be Rs 5,000 for plots below 1 acre and Rs 50,000 for plots of 1 acre or more. The earnest money shall be 5% of the

**Note:** The bid process shall be the same as described in case of Group Housing plots in Chapter-10

#### 9.02 Transfer

For Transfer of Commercial Plots or part thereof the GIDA has formulated following policy. Accordingly directly allotted commercial plots by GIDA or commercial plots allotted by developers/ constructed buildings can be transferred as per procedure mentioned below:

##### A. Transfer of Commercial Plots

Per sq.m @ 5% to 10% of the rate of premium prevailing on the date of submission of application for tranfer of plot along with transfer levy shall be charged. While calculating the transfer levy the locational charges of a particular plot shall not be considered and only basic premium shall be taken into account. Following shall be the percentage of prevailing premium rates to be charged as transfer levy in case of vacant plots:-

Sl no. Transfer if proposed within

Transfer Levy Rate



1	1 Year	5%
2	1 to 3 year	7.5%
3	Beyond 3 years	10%

**B. Transfer of Commercial Building/Part of the Building**

- a) Transfer of part of the constructed building shall only be allowed in case of plots allotted to developers. Commercial plots allotted for self-use can be transferred in full along with building erected thereon.
- b) Transfer levy for allottees of commercial plot allotted for self use shall be determined as per point no. A (a) and A (b) above.
- c) Transfer of part of the building by developer shall be allowed as per following
  - (i) Developer shall inform the GIDA about the independent constructed blocks within the main building which can be transferred independently.
  - (ii) The GIDA shall determine apportioned plot area of each such independently transferable block. The apportioned plot area shall be obtained by dividing total plot area with sum total of independent constructed blocks and then by multiplying fit-factor thus obtained to the area of the constructed block! shop whose transfer is under consideration.
  - (iii) Transfer levy shall be determined on above apportioned plot area at the rate of transfer levy and premium rate calculated as above.

**9.03 Restoration of Commercial Plots:**

Rate of restoration levy for commercial plots shall remain as per the policy applicable in case of industrial plots. Current premium rates for restoration levy shall be determined

**9.04 Reconstitution of Allottee of Commercial Plots:**

The policy of reconstitution as applicable in case of industrial plots shall apply in this category also. In case where there is change of controlling interest due to reconstitution the same shall be allowed only after charging transfer levy, as per 9.02 A(a) and 9.02 A(b) above.

**11.05 Sub-division of Allotted Commercial Plots for self use**

No sub-division shall be allowed in case of such commercial plots.



