

ALLOTMENT OF INDUSTRIAL PLOTS

Chapter 3

Allotment of Industrial Plots

3.1 For the purpose of allotment, each sector/phase of the Industrial Estates/IMTs shall be declared as saturated after 90% of the area of carved out industrial plots has been allotted.

3.2 **Reservation of industrial plots:**

1. The reservation of industrial plots shall be available only in unsaturated estates as under:

a) Up to 10% of the plots/sheds will be reserved in each Estate for allotment to NRIs/ PIOs and for units with 33% or more FDI in total investment. In case of NRI Plots, the entire amount towards the price of the plot has to be remitted through NRE Account of the applicant or in remittances from abroad/ foreign exchange. In the case of FDI, at least 33% of the Project Cost has to come from the FDI route. However, the 10% limit would not preclude allotment of plots in the FDI category as a part of the general scheme of allotment;

b) Preferential allotment up to 2% of the plots/sheds in each Estate has been

prescribed by the Government for allotment to persons with disabilities as defined in the Persons with Disabilities (Equal Opportunities, Protection of Right and Full Participation) Act, 1995. The Government has also prescribed a differential rate of interest on instalments for this category (*For complete details in this regard, Haryana Government Notification No. 49/40/07/4IBI dated 13.03.2007 may be referred*). However, in case no applications are available from the eligible category, the unallotted plots may be utilised under the general category.

c) Any other reservation of industrial plots/sheds as may be decided by the State Government/HSIIDC from time to time.

1. In saturated estates, there will be no reservation for these categories and their applications shall be considered as general category applications.

1. Irrespective of number of industrial plots allotted under the above categories in the past, the number of plots reserved for future allotment in unsaturated areas, shall be worked out on the basis of total number of plots available for allotment as on 30.09.2015.

3.3 Subject to the above, the allotment of Industrial plots shall be governed as under:

1. i. **On an on-going basis in the following cases:**

- a) Mega Projects involving fixed capital investment (i.e. land, building, machinery & misc. fixed assets) of Rs. 100 crore and above or projects involving employment generation of more than 500 persons and serving as anchor units for proliferation of ancillaries.
- b) Prestigious projects involving fixed capital investment (Land, Building, Plant and machinery & misc. fixed assets) as mentioned hereunder:
 - i) Category `A` Estates - Rs. 50 crore and above.
 - ii) Category `B` Estates - Rs. 40 crore and above.
 - iii) Category `C` Estates - Rs. 30 crore and above.
- c) Allotment under fast track scheme to Central/State Government PSUs;

The HSIIDC would display the availability of industrial plots under above categories on its website and the applications in respect of all these categories can be submitted on an on-going basis to the HSIIDC.

1. The applicants other than those under above categories shall be invited through advertisement.

3.4 **Process of Allotment:**

1. i. **General / NRI / FDI / Persons with Disability Category Allotment:**

- a) The HSIIDC shall invite applications for allotment of industrial plots of various sizes and one month period shall be given for submission of applications.

The process of allotment of industrial plots, in respect of applications received in a particular month shall be finalized preferably in the next two months. The number of plots against which applications are to be invited shall be decided by MD/HSIIDC;

b) All the applications received under the above categories shall be evaluated against the following evaluation criteria by the In-house Committee of Senior officers of HSIIDC, whose recommendations shall be put up to the Industrial Plot Allotment Committee for approval:

Sr. Criteria No.	Marks/ Weightage	Remarks
1. Qualification (qualification of the applicant/any of its promoters).	10	a) Graduate/Polytechnic Diploma / ITI- 5 marks b) B.Tech/Professional qualification-10 marks
2. Experience of the promoters	12	a) Business /job experience- 6 marks b) Experience in the line-trading/manufacturing or relevant job experience-12 marks.
3. Shifting from non-conforming area/rented premises	8	
4. Land Utilization	5	Where proposed built-up area is more than 60% of the plot area
5. Level of proposed investment	6	The proposed investment in building and plant & machinery being more than; a) twice the value of land- 2 marks b) 2.5 times the value of land-4 marks c) 3 times the value of land- 6 marks
6. Women entrepreneur/Ex-servicemen/Scheduled Caste	5	The promoter falling in any of these categories should hold majority stake (51% or more) in the project.
7. First generation entrepreneurs intending to set up business for the first time	5	

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| 8. Resource Position | 5 | The promoters/applicant submitting detail of liquid resources to the extent of atleast 25% of the total investment, supported by a Chartered Accountant Certificate. |
| 9. Extent of employment generation | 9 | Projects involving employment generation in the ratio of
a) 75 persons per acre- 3 marks
b) 100 persons per acre- 6 marks
c) 150 persons or more per acre- 9 marks |
| 10. Income Tax Payments by the promoter/applicant | 10 | In case the applicant and/or its promoters are paying in aggregate income tax equal to Rs.2.00 lakh per annum (as per last Financial Year details) and applying for a plot of 1000 sq. mtr. or in proportion thereof. |
| 11.Past performance of existing operations of the applicant/group concerns | 10 | In case the annual turnover of applicant and/or group concerns is Rs.2.00 crore or more and applying for a plot of 1000 sq. mtr. or in proportion thereof depending upon the size of the applied plot. For this purpose, the promoter should be holding atleast 26% stake in the group concern. |
| 12.Expansion by applicant / its promoters proposing to set up expansion project | 10 | The promoter should have stake of atleast 26% in existing running unit and marks shall be assigned as under:-
Existing unit running in the same industrial estate - 10 marks
Existing running unit located other than the same industrial estate - 5 marks |
| 13.Start-up, new technologies/projects with innovative ideas | 5 | |

The benchmark for selection of the applicants in respect of the estate falling in A, B & C category shall be 45, 35 and 30 marks respectively. Further, the following guidelines shall be taken into consideration for evaluation of applications by the committee constituted for this purpose:

- i) The proposed project should be falling in the category of permissible activities; should not involve high pollution, high water consumption and the project parameters should be matching with the infrastructure facilities of the particular industrial estate.
- ii) Where the applicant / its promoters are already having industrial plots in HSIIDC Industrial estate and the plot is lying vacant/project is yet to be implemented, the requirement of additional land must be justified by the applicant.
- iii) Where the applicant / promoters are in default towards payment of dues of the Corporation in respect of existing allotted plots, the same shall be required to be cleared before issuance of Regular Letter of Allotment.
- iv) Justification of land applied.
- c) In case the number of qualifying applications after evaluation are found to be less than the number of plots offered for allotment, the allotment shall be made by the Industrial Plot Allotment Committee comprising of MD/HSIIDC, MD/HFC, DI/Haryana and MD/HARTRON. Senior most member shall act as Chairman of the Committee;
- d) In case the number of qualifying applications after evaluation are more than the number of plots offered for allotment under the above categories, the allotment shall be made through limited e-auction amongst the qualifying applicants;
- e) In saturated estates, in case the number of applications received are less than the number of plots offered for allotment, the same may be re-advertised/the time period for submission of applications may be extended by the Managing Director, HSIIDC. In saturated estates, normally 25% - 50% of the available plots shall be offered for allotment in one go, however, MD/HSIIDC will take a final view in this regard. In case of re-advertisement, the number of offered plots may be reduced by the Managing Director.
- f) The applications for allotment of adjacent plots to the existing running units in unsaturated industrial estates shall be received by the Corporation along with other general category applications and allotment shall be made, irrespective of size of plot, at the weighted average auction price of the respective lot. In case there is more than one application for allotment of the same plot, the allotment shall be made through e-auction between the applicants.

1. ii. **Prestigious Projects Category:**

- a) The applications under this category shall be received by the HSIIDC on an on-going basis. The HSIIDC will display the availability of Industrial plots for prestigious projects category on its website.

b) The allotment under this category shall be made at allotment rate(s) fixed/revised by the HSIIDC from time to time, by Higher Level Plot Allotment Committee

comprising of Administrative Secretary of the Industries Department, MD/HSIIDC, MD/HFC and DI/Haryana. Administrative Secretary of the Industries Department shall be Chairman of the Committee.

c) In case the number of applications received in respect of any plot-size category are more than the number of available plots, the allotment shall be made through limited e-auction.

1. **iii. Mega Projects Category:**

a) Applications for allotment of plots under this category shall be received by the HSIIDC on on-going basis;

b) The allotment of industrial plots under this category involving concessional rates with other incentives (a customized package) shall be made by Haryana Enterprise Promotion Board under the Chairmanship of Hon'ble Chief Minister/Haryana.

1. **iv. Central/State Government PSUs Category:**

a) The allotment of industrial plots to set up permissible projects by well-known Central / State Govt. Public Sector Undertakings, shall be made on fast track basis. The applications for allotment of plots under this category shall be received by the HSIIDC on on-going basis.

b) The allotment under this category shall be made by MD/HSIIDC at allotment rate fixed/revised from time to time.

1. **v. Specific Industry Clusters Category:**

In case the HSIIDC receives proposal from any cluster/group of industrial units falling under a particular industry category seeking allotment of land for setting up/re-location of their units engaged in a specific trade, in HSIIDC Industrial estates as a cluster, involving aggregate investment of at least Rs.100 crore, the HSIIDC may carve out a special cluster for such industrial units. The procedure for allotment of industrial plots in such cluster shall be the same as for general category allotment.

3.5 Committees appointed for the purpose:

i) For Mega projects having fixed capital investment (land, building, machinery and misc. fixed assets) of Rs. 100 crore & above or projects involving employment generation of more than 500 persons and serving as anchor units for proliferation of ancillaries, seeking allotment of plots at concessional rates with other incentives (a customised package), allotment of industrial land/ plot shall be made on ongoing basis by the Haryana Enterprise Promotion Board (HEPB) under the Chairmanship of Chief Minister, Haryana.

ii) Allotment of Plots for prestigious projects involving specified fixed/tangible capital investment (Rs. 50/40/30 crore or above) as mentioned at 3.3 (i) (b) above, will be made by the following committee:

1	Administrative Secretary of the Industries Department	Chairman
2	MD/ HSIIDC	Member- convenor
3	MD/HFC	Member
4	Director, Industries	Member

iii) For categories of applications received under para 3.3 (ii) above, the Committee will be as under:

1	MD/HSIIDC	Member
2	MD/HFC	Member
3	Director of Industries, Haryana	Member
3	MD/HARTRON	Member

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

3.6 Payment Terms

- i) 10% of the tentative price of the plot along with the application as earnest money;
- ii) 15% within a period of 30 days of issue of RLA (date of issuance of RLA to be excluded), further extendable for 30 days with interest @ 15% p.a. for the extended period;

an allottee fails to make payment of
- iii) In the event an allottee fails to make payment of 15% tentative price of the plot within 60 days period (date of issuance of RLA to be excluded), the RLA shall automatically lapse and the amount deposited by the allottee towards the price of the plot shall be refunded without interest, without any deduction;
- iv) No interest will be payable in cases where the allottee makes the total balance payment in lump-sum within a period of 60 days of issue of Regular Letter of Allotment (RLA), date of issuance of RLA to be excluded;
- v) Remaining 75% of the tentative price of the plot is to be paid in eight equal half-yearly instalments due on 30th June & 31st December;
- vi) Interest @ 12% p.a. shall be charged on the balance outstanding after 'offer of possession' of the plot/shed. Default in payment of instalments shall entail a penal interest @ 3% p.a. over and above normal interest rate of 12% p.a. for the defaulted period on the amount in default, compounded half yearly;
- vii) In a case where the allottee approaches HSIIDC for taking over physical possession of the plot in an area of which possession has not been formally offered on account of non-completion of basic infrastructure development works, the same may be allowed subject to the allottee furnishing an undertaking in the prescribed format that he would not raise any claims against HSIIDC on this account. As an incentive to such an allottee, he will not be charged any interest on his balance instalments till the possession is formally offered by the HSIIDC on completion of minimum basic amenities. However, in case of any default in payment of instalments on due dates, interest @ 15% p.a. will be charged on the amount of default for the period of default, compounded half yearly. The period for fulfilment of all obligations/conditions qua implementation of the project by the allottee shall count from the date of taking over physical possession of the plot by the allottee;
- viii) As regards existing allottees who have been allotted industrial plots/sheds before coming into force of EMP-2015, any additional price of the plot/shed, as a consequence of enhancement in compensation that has been/may be awarded by the Court(s) in any matters/cases arising out of the acquisition proceedings or any incidental or matters connected thereto, shall be payable by the allottee in lump-sum

within 60 days from the date of issue of demand notice without any interest. In the alternative, the allottee shall have the option to make the payment on account

of enhanced cost in six half-yearly equal instalments due on 30th June & 31st December, with interest @ 12% p.a. on the balance amount outstanding. Default in

payment of instalments shall entail interest @ 15% p.a. for the defaulted period on the defaulted amount, compounded half yearly;

ix) In the Enterprises Promotion Policy 2015, announced by the State Government, a decision has been taken that no enhancement will be charged in respect of industrial plots/sheds to be allotted by HSIIDC in future. HSIIDC was mandated to formulate a suitable scheme in this regard;

Accordingly, no enhancement will be charged by the HSIIDC from allottees who are allotted plots after coming into force of EMP-2015. However, the existing allottees who have been allotted plots before coming into force of EMP-2015 shall be required to pay enhanced cost on proportionate basis as per the terms and conditions of their allotment against enhancement in land compensation awarded/to be awarded by the competent courts;

x) The allottee shall get the conveyance deed executed in his/her/its favour within six months of making payment of full price of the plot/shed, including enhanced cost, if any.

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

3.7 Processing Fee

a) For allotment of plot

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

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

8101 and above Rs. 25,000/- Rs. 15,000/-

b) For all other services

Processing fee for other services, where ever payable as per EMP-2015, shall be charged at following rates:

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

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

3.8 **Service Sector Enterprises**

Considering the importance of service sector enterprises, it has been decided to allow activities of service sector enterprises directly providing services to the manufacturing enterprises. The following services which support the manufacturing activities in industrial estate/IMTs shall be eligible for allotment of industrial plots:

- 1 Repair, Maintenance and parking of machineries/equipment used for industrial activities
- 2 Industrial/Technical Test lab
- 3 Industrial photography
- 4 Bulk courier services
- 5 Weigh bridge
- 6 Blue printing/drawing/computer designing facilities/drafting facility/CAD-CAM
- 7 Research & Development relating to industrial activities
- 8 Tool room for facilitation of industry
- 9 Media houses, printing, publishing services
- 10 Industrial kitchens/catering services
- 11 Engineering & Design services
- 12 Repair & maintenance, servicing of vehicles without any provision of showroom/display of new vehicles

Upto 25% of the industrial plots may be earmarked by HSIIDC for service sector enterprises in its industrial estates, at its sole discretion.

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