

## LEASING & RENTING OF PREMISES CONSTRUCTION Chapter 7

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

7.1 Leasing of the premises constructed on industrial plots/sheds will be allowed for permissible activities in order to ensure optimum utilisation of the built-up industrial space subject to the condition that the allottee has obtained the occupation certificate. The allottee once allowed to lease out his premises under the previous policies can continue to lease out the premises. Leasing of Industrial Plots as such (i.e. where a building has not been constructed thereon) will not be permitted. The following service sector activities shall also be eligible for leasing of premises on 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

13

ATM

14

Documentation/typing centres/STD/ISD/Tele printer/Fax/Internet facilities  
for

industries

15

Renting/leasing of industrial/construction equipment

7.2 With a view to giving impetus to the technical training/ skill development for meeting requirement of skilled manpower for the industry in Haryana, leasing of industrial premises to technical training /skill development centres providing hands on training on industrial machines, leading to capacity build-up for the industrial sector shall be permissible, subject to prior written permission of the Corporation.

7.3 In order to be eligible for leasing, the allottee/applicant should have obtained the occupation certificate in respect of the premises, must not be a defaulter in payment of any dues of the HSIIDC and also must not have committed any violation of the building bye-laws after obtaining the occupation certificate. The plots/sheds on which project has been implemented by any of the previous allottee(s)/ lessee(s), shall also be eligible for leasing. Further, lease instruments exceeding 11 months period should be registered as per legal requirements.

Estate Management Procedures (EMP) - 2015

7.4 Leasing Fee and Processing Charges:

The leasing fee will be @ 50% of the normal transfer fee applicable for the plot area, and shall be chargeable only once in respect of the plot/ premises irrespective of the period of lease and the number of leases. In case of shed, the leasing fee shall be payable on the area of the plot under shed. However, in case of flatted factory, leasing fee shall be payable on the plinth area basis. The leasing fee shall be payable on the basis of FAR availed in the following manner:-

FAR availed

Leasing fee payable

Up to 125%

Leasing fee rate x plot area

Above 125% & up to 150%

Leasing

fee rate x Plot area x 150

125

Above 150% & up to 175%

Leasing

fee rate x Plot area x 175

125

Above 175% & up to 200%

Leasing

fee rate x Plot area x 200

125

Above 200 & up to 250%

Leasing

fee rate x Plot area x 250

125

In case of bigger size plots of two acres and above, where the allottee had not availed complete FAR (125%) and leases out a part of the building, the formula for charging one time leasing fee for such allottees of industrial plots shall be as under:

a.

Plot area

: \_\_\_\_\_ sq. Meters

b.

%age built-up area

: Built up area/plot area x 100

Leased out plot area :  $100 / \%age \text{ of built up area} \times \text{leased out built up area}$

Leasing fee to be paid : Leased out plot area x rate of applicable leasing fee

No leasing fee shall be charged in cases where premises is leased out to a concern/firm owned by the original allottee/his family members with minimum 51% share, subsidiary or holding company of the allottee company or a firm/company owned by original promoters of allottee firm/company. Further, no

leasing fee shall be payable in case the premises is leased out, after running the industrial unit on the plot/premises by the original allottee/subsequent allottees, combined together, for a period of five years or more. Wherever, the leasing fee (excluding interest and penalty) equal to 50% of the current transfer fee or more has already been paid in the past in respect of that plot/shed by the present allottee/ earlier allottee(s), under previous EMPs, no fresh leasing fee would be payable now. In other cases, the allottee will be required to pay the difference between the amount due under this policy and the amount already paid.

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The Leasing Fee, wherever applicable, would become due from the effective date of lease. Payment of Leasing fee/processing fee shall have to be made along with request for first leasing permission. Interest @ 12% p.a. shall be payable on the due amount from the due date till the date of payment.

#### 7.5 Number of permissible leases:

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

#### 7.6 Procedure:

##### i) First Leasing:

The allottee, after obtaining the occupation certificate and fulfilling the eligibility criteria as defined in clause 7.3 above, shall apply for the leasing permission along with the applicable leasing fee/the processing fee and requisite documents to the concerned Estate Manager, who shall examine the eligibility of the applicant and issue the requisite permission within a period of 30 days of the receipt of application. In case the applicant is found to be ineligible, the Estate Manager shall communicate the same to the applicant within a period of 15 days stating the reasons therefore and decline the permission.

##### ii) Second/Subsequent Leasing:

For second/subsequent lease or change in lessee, no permission is required from the Corporation. The allottee shall submit the requisite information pertaining to second/subsequent lease or changed lessee, preferably within 15 days of such change.

iii) In case the first lease was allowed without charging any leasing fee, in favour of a concern/firm owned by the original allottee/his family members with minimum 51% share, subsidiary or holding company of the allottee company or a firm/ company owned by original promoters of allottee firm/company as per clause 7.4(iii), for subsequent lease in favour of a third party, the allottee shall be liable to pay one time leasing fee as defined under clause 7.4(i).

iv) The allottee shall file an annual certificate/return, by 30th April each year in the prescribed format as under:

Estate Management Procedures (EMP) - 2015

Sr.

Particulars

Remarks

No.

1

No. of units operating at site

2

Name of the units

3

Products being manufactured

4

Turnover of the previous FY (Rs. in Cr.

For each unit)

5

Export turnover of the previous FY

(Rs. in Cr. For each unit)

6

Employment in each unit –

Haryana domicile

Outsiders

7.7 Consequences of un-authorised leasing

i) A premises is deemed to have been leased out unauthorisedly if the allottee:

a) Leases out his premises or part thereof without complying with the eligibility criteria as defined in the EMP.

b) Leases out the premises for an activity which is not permissible.

ii) In case of any instance of unauthorised use/leasing of premises, the allottee will be given a period of three months, with a provision for one more extension of three months (a maximum of six months) to discontinue the lease/ rectify the breach. In case the allottee fails to comply with the directions so issued, the Corporation will take recourse to resumption of the plot. Additionally, the

allottee will be liable to pay leasing fee at three times the normal fee as penalty for compounding the violation during such period. In case of commercial use of the premises, the penalty shall be six times the normal leasing fee rate.

Further, overall compliance of the terms and conditions of allotment of the plot will be the responsibility of the Allottee qua the HSIIDC and the Corporation will not enter into any correspondence with the lessee on this account.