



# GOVERNMENT OF KERALA

## Abstract

Industries Department – Land Assignment & Allotment Rules 2020 – Development Areas/Plots – Amendment to the existing Rules - Orders issued.

### INDUSTRIES (F) DEPARTMENT

G.O.(Ms.)No.8/2020/ID

Dated, Thiruvananthapuram, 08/01/2020

- Read :-
1. G.O.(P) No.220/Rev dated 30/03/1964.
  2. G.O.(Ms.)No.420/68/ID dated 22.10.1968.
  3. G.O.(Ms.)No.169/69/ID dated 05.04.1969.
  4. G.O.(Ms.)No.297/70/ID dated 24.08.1970.
  5. G.O.(Ms.)No.60/2013/ID dated 10.06.2013.
  6. G.O.(Ms.)No.110/2013/ID dated 13.09.2013.
  7. G.O.(Ms.)No.17/2016/ID dated 30.01.2016.
  8. D.O.Letter No.DIC/13511/2018-ID1 dated 28.11.2019.

## ORDER

Department of Industries is leasing Industrial land to entrepreneurs, as per the provisions contained in the Government Orders read as 1<sup>st</sup> to 7<sup>th</sup> papers above. These rules needs to be amended as per the changing needs of the industry, to ensure that the land assigned is used for the purpose for which it is allotted.

2. In this context, the Director of Industries & Commerce has proposed certain changes to the existing rules. The proposal of the Director of Industries & Commerce was examined and stakeholder meetings were organized to understand the needs of the industry.

3. After detailed examination and consideration of the need to amend these rules, Department of Industries is pleased to convey its approval for the amendments proposed by the Director of Industries & Commerce. Accordingly, the amended version of the rules is issued and appended to this Government Order. The Director of Industries & Commerce will take appropriate steps to implement these rules.

(By order of the Governor)  
K.ELLANGOVA  
PRINCIPAL SECRETARY

To:

The Director of Industries & Commerce, Thiruvananthapuram.  
The General Manager, all District Industrial Centres.  
Revenue Department.  
Stock file/ Office Copy.

Forwarded /By order  
*Shabna*  
Section Officer

**RULES FOR ALLOTMENT OF PLOTS IN INDUSTRIAL DEVELOPMENT AREA/  
DEVELOPMENT PLOT/ INDUSTRIAL ESTATE**

1. Short title and commencement: (1) These rules shall be called the Government Land (Allotment and Assignment for Industrial Purposes) Rules 2020. They shall apply to the whole State of Kerala and shall come into force at once.
2. Definitions : In these Rules, unless the context otherwise requires:
  - a) Alienation includes sale, gift, will, mortgage, hypothecation, lease or transfer of possession including dilution of ownership/controlling interest by more than 50%.
  - b) 'Allottee' means the person to whom the land is allotted under these Rules, and includes successors – in – interest or permitted transferee.
  - c) 'Industrial Land Allotment Committee' means committee constituted for the purpose of considering applications for land and finalizing allotments. All allotments upto 10 Acres shall be done by District Industrial Land Allotment Committee (DILAC) and allotments of 10 Acres and more than 10 Acres shall be considered by a State Industrial Land Allotment Committee *constituted vide GO(Rt ) No 732/ID dated 24.5.2017.*
  - d) 'Assignment' means transfer of land on *registry /hire purchase /lease.*
  - e) 'Assignee' means a person to whom the land is assigned under these Rules and includes successor-in-interest or permitted transferee.
  - f) 'Land' means land vested with the competent authority on acquisition by Government, land transferred or assigned by the Government or Local Self Government Institutions, land purchased directly by the competent authority, land on lease by Government for the purpose of developing the same for industrial purposes.
  - g) 'Collector' means the Collector of the Revenue District where the land is situated.
  - h) 'Director' means the Director of Industries and Commerce.
  - i) 'Form' means the form appended to these Rules.

- j) 'General Manager' means General Manager, District Industries Centre in whose jurisdiction the land is situated.
- k) 'Industrial Estate' means Development area/Development Plot/Functional Industrial Estates/Multistoried Industrial Estate under Directorate of Industries & Commerce provided with infrastructure facilities of water, road and electricity and with or without industrial buildings for the industrial occupants.
- l) 'Industrial purpose' means use of land for the purposes of carrying on industry and for provision of common amenities like Banks, Post Offices, Business Centres, Medical Centres, Estate offices, Canteens or any other common facilities.
- m) 'Entrepreneur' includes a person or group of persons forming a Limited Company, Limited Liability Partnership, Partnership firm, a co-operative society, or a proprietorship engaged in or intending to engage in industry.
- n) 'Plot' means any plot of land allotted under these rules to an allottee or an assignee
- o) 'Rules' means the Government Land (Allotment and Assignment for Industrial Purposes) Rules, 2019
- p) 'Industry' means all manufacturing and service enterprises which are defined in MSMED Act 2006.
- q) ***'Committee' means the District Industrial Land Allotment Committee consisting of General Manager, District Industries Centre as Chairman, representatives of KINFRA, KSIDC, SIDCO, KFC AND LDM. KINFRA shall be the convenor of the committee.***
- r) 'Tahsildar' means the Tahsildar in charge of the Taluk where the land is situated
- s) ***'Service enterprises' means units engaged in rendering support services for the existing manufacturing enterprises within the industrial estates such as logistics, facilities including godown (excluding stand alone godowns solely for storage purposes), food courts, hotel, canteen, medical centre, conference hall, petrol/diesel pumps, cold storage etc. to support the industries in industrial land. But this shall not include activities like automobile servicing and repairing, retail trading, laundry, medical testing labs and so on***
- t) ***'Logistics Activities' means Integrated Logistics Parks /Logistics Hubs / e-commerce related logistics activities, Logistics outsourcing including Third-Party Logistics (3PL) and Fourth-Party Logistics (4PL).***
- u) ***'Premises' means and includes any plot in the land, sheds, buildings, any structures etc. which is meant for allotment***

- v) *'Project Report' means a document of which economic viability and technical feasibility of the proposed industrial activity can be analysed; prepared by the entrepreneur to be submitted along with the application for allotment of land .*
- w) *'Implementation' means where the unit was fully implemented and commenced commercial production to the capacity indicated in the project report and has fully utilized the plot /land allotted for the purpose for which it is allotted as envisaged in the project report.*

### 3. Allotment of Government land for industrial purposes:

- i) Land owned by Government shall be allotted and/ assigned for industrial purposes under these Rules. Government shall identify and issue orders notifying land as industrial land for the purpose of these Rules.
- ii) The availability of land for allotment under these Rules shall be notified by the General Manager, District Industries Centre for general information of the public and applications shall be invited *online* for the same.
- iii) Land allotted or assigned under these Rules shall be used only for industrial purposes.

### 4. Conditions for Allotment :

Land shall be allotted to entrepreneurs on out-right purchase basis or on hire purchase basis subject to the following conditions:

- 1) The allottee shall take possession of the plot as it is. Further improvements or developments inside the allotted plot shall be the responsibility of the allottees.
- 2) Allottees shall not effect any excavation upon any part of the allotted plot or remove any stone, sand ,soil and trees or any other material there from or do any act detrimental to the interest of the industrial area except in so far as may be necessary, in the opinion of the General Manager, for the purpose of construction including laying the foundation, erection of compound walls or any other work permitted specifically by the General Manager. Trees if any, standing on the plot at the time of allotment, shall be the property of the Government and the allottee/Assignee shall not cut or remove any trees on the land, except in accordance with the relevant provisions of the Kerala Land Assignment Act and Rules.

- 3) The allottee shall not, at any time, do, cause or permit to be caused any nuisance in or upon the allotted land which may be obnoxious or injurious or offensive by reason of effluent, dust, smoke, gas, noise, vibration or fire hazards to neighbouring industries. The General Manager shall have full right to regulate these matters.
- 4) The allottee shall keep the General Manager indemnified against any and all claims for damages arising as a consequence of the establishment and running of her / his unit.
- 5) The General Manager reserves the right of utilising vacant portions of allotted or assigned plot at any time for laying of pipelines, cables, underground drainage or drawing overhead lines, installation of transformers, constructing overhead water tanks, drilling bore wells, open wells, ponds or underground water tanks without paying any compensation to the allottee/ assignee for such use.
- 6) The allottee shall also observe and comply with all rules and regulations of all authorities, statutory or otherwise, relating to site clearance
- 7) All established rights of way and all kinds of easement rights shall be respected by the allottee or assignee.

#### 5. Application for allotment:

1. Application for allotment of land for industrial purpose shall be submitted in **Form No.1** to the General Manager along with a copy of the project report, the lay out and building plan and copy of the partnership deed/Certificate of registration of co-operative society/Company, whichever is applicable or any other relevant documents as demanded by General Manager . The General Manager shall place the same before the Allotting-Authority with his specific recommendation thereon in respect of the matters mentioned in rule 7 within 30 days of receipt of the application.
2. Each application for allotment of land under these rules shall be accompanied by an earnest money deposit of Rs 10000/-. *The amount shall be adjusted towards the initial payment that has to be made by the allottee at the time of taking possession of land*
3. The earnest money shall not be refunded except, where the application is rejected or the non-allotment of land is not due to the fault of the applicant.

#### 6. Allotment

The allotment of land for industrial purpose shall be done by the Allotting Authority. The General Manager, District Industries Centre shall be the allotting authority up to 10 acres of land and for above 10 acres, the Director of Industries & Commerce shall be the allotting authority; on the recommendation of the respective land allotment committees at District and State level.

**7. Matters to be considered by the allotting authority :**

Application for allotment of land shall be disposed of by the allotting authority within a period of one month taking into consideration of the viability of the project, the desirability and the suitability of the industry proposed in the area, investment and employment potential of the proposed unit, the capacity of the applicant to conduct the industry, the pollution sensitivity of the area and any other matter as may be ordered from time to time by the Director of Industries and Commerce. The need for the extent of land applied for should be clearly stated. The Allotting Authority shall scrutinize the application after interviewing the applicant and shall provisionally allot the plot to the applicant as per the actual extent of land assessed by the District Industrial Land Allotment Committee (DILAC). An order rejecting the application must specify reasons for rejection. ***The provisional allotment order shall be in Form No. II.*** In the case of rejection of the application the reasons therefore shall be specified in the order.

**8. Allotment order:**

The allottee shall remit 50% of the cost of the plot for allotment on hire purchase basis or 100% of the cost of the plot for allotment on outright purchase basis and execute an agreement with the General Manager in **Form No. III** within 15 days from the date of receipt of the provisional allotment order. The General Manager, shall thereafter issue necessary allotment order in **Form No: II A** and shall intimate this fact to the Allotting Authority. Advance possession of the land shall be given only after issuance of such allotment order. The allottee shall issue a receipt for the plot and improvements, if any taken over by him in **Form No. IV** duly certified by the Estate Officer/ Industries Extension Officer having jurisdiction over the area. In the case of allotment on hire purchase basis, the balance 50% shall be paid by the allottee in five equal annual installments starting on or before the first anniversary of the execution of the agreement

with interest at the rate of 10% per annum and an additional penal interest at the rate of 2% per annum over and above the normal interest on delayed payment. Alternatively, the allottee may effect full payment of the balance cost of land at any time within the continuance of the hire purchase agreement.

**9. Responsibility of the Allottee:**

Allottee shall take possession of the allotted plot within one week from the date of receipt of the allotment order. The allotted plot shall be fenced/protected by compound wall by the allottee within three months from the date of taking possession. The allottee shall commence effective improvements on the allotted / assigned plot within six months from the date of taking possession of the land and shall commence production within one year from the date of execution of the agreement, unless further time has been specifically granted in this regard by a written order of the General Manager with the consent of the Allotting Authority. General Manager, District Industries Centre with the consent of the committee shall have power to grant extension up to a maximum of twelve months. If the request for extension of time is not granted by the allotting authority, the allottee may prefer an appeal within 30 days before the Director of Industries & Commerce on receipt of copy of the rejection order and the Director of Industries & Commerce shall dispose the appeal within 30 days. In the event of the land gets resumed by the General Manager within the period of two years, the allottee can prefer an appeal before the Director of Industries & Commerce and shall dispose the appeal within a period of 30 days. After this extended period, the land will stand resumed automatically and land will come to the possession of the General Manager or the officer entrusted by the General Manager.

**10. Approval of General Manager:**

The allottee shall obtain the approval of the General Manager for the specifications, building and site plans, estimate, sectional drawing and details of the buildings to be erected / constructed on the allotted plot. No construction shall be carried out without such prior approval.

**11. Defaulted payment:**

In the case of defaulted payment, amounts paid by allottee shall be adjusted first towards penal interest, then towards interest and only thereafter towards principal amount.

**12. Indicative Value(Value of the Land)**

The cost of land is calculated on the basis of cost of acquisition of land including survey and demarcation charges and cost of development with interest there on at @ 10% per annum on Government investment upto the date of allotment. The land value thus calculated shall be termed as Indicative Value of land thereafter. The Indicative Value shall be enhanced by Government from time to time.

**13. Payment of enhanced compensation has to be made:**

In the event of a competent Civil Court ordering payment of enhanced compensation to the persons affected by acquisition at a later date, such amounts, including those paid and payable, if any, may be apportioned to the allottees in respect of the land allotted or assigned to them and such amounts shall be payable by the allottees or assignees as if those were a part of the original cost of the land allotted or assigned to them.

**14. Liability to pay further amounts:**

Allottees and assignees shall also be liable to pay all further amounts as demanded by the allotting authority on account of provision of infrastructure and costs of maintenance on existing assets that may be incurred subsequent to the allotment / assignment.

**15. Allottee not to sublet:**

The allottee shall not sublet, underlet or rent out, part with possession, or in any way encumber the plot and the improvements thereon, including superstructures and building, or any part thereof during the continuance of the agreement in **Form III** without the prior sanction in writing of the General Manager. Allottee shall not change the line of industrial activity without sanction in writing of the General Manager, District Industries Centre, concerned.

*A penalty of Rs 3000 per day shall be charged from the allottee if the violation of this clause is noticed and established in due course.*

**16. Application to be submitted to General Manager:**

Application for assignment shall be submitted by the allottee to the General Manager after full payment of the allotted land in **Form V** appended to these Rules. *Assignment shall be given to the units on satisfying the conditions that the unit is working in full swing and the entire extent of land is utilized for the purpose for which it is allotted. General Manager shall forward the application with due recommendation in Form*



*VI to the District Collector who shall thereupon issue the orders of assignment in Form VI A.*

**17. Assignment:**

The Assignment of industrial land shall be ordered by the District Collector on payment of cost in full by the allottee, full utilization of the allotted land and on functioning of the industrial unit in full swing

**18. Patta to assignee:**

The Tahsildar of the Taluk in which the industrial land is situated shall issue patta to the assignee in **Form VII** on receipt of the assignment order from the Collector.

**19. Assigned land heritable and alienable**

- i) The land assigned under these Rules shall be heritable and alienable with prior permission in writing of the General Manager.
- ii) Each Assignee intending to transfer land shall submit an application to the General Manager District Industries Centre in **Form VIII**
- iii) Each transferee shall give an undertaking in **Form VIII A** to the effect that he shall;
  - a) Remit an amount equal to the revised land value as demanded by the Allotting Authority under Rule 12 and 13 and outstanding dues, if any, towards apportioned amounts under the Rules, less the land value and apportioned amounts paid by the original assignee/transferee
  - b) Utilise the entire extent of the plot for industrial purpose only.
  - c) Provided however, that where industrial use other than the original line of activity is contemplated, prior permission of the General Manager District Industries Centre shall be obtained.

**20 Revised assignment order:**

For giving effect to such transfer in revenue records, the General Manager shall, after realizing the difference in land value if any, issue a proceedings in **Form No. VIII B. A**

copy of such proceedings accompanied by her/his recommendation shall be forwarded to the District Collector for effecting necessary changes in the revenue records and for issuing revised assignment order in the name of the transferee. The revised assignment order shall be issued by the Tahasildar and the transferee/s shall be bound by all the provisions of these Rules as if he/she/they were the original assignee(s)

**21 First charge on the assets of industrial unit:**

Industries Department shall have complete title and ownership of the allotted land and first charge on the assets of the industrial unit provided that this shall not apply where the financing institution or bank, which has financed the allottee, undertakes in the form given in **Form No. X** to the General Manager to pay off the balance payable on the allotted land.

**22 Land encumbered to financial institutions:**

The land allotted/assigned under these Rules and assets/improvements thereon may, however, be encumbered to any Government financial institution or Bank for raising funds to set up or run an industrial unit in the plot with the prior permission of the General Manager, District Industries Centre. Such financial institution/Bank on creation of charge, shall after obtaining due permission of the General Manager in tripartite agreement in **Form IX**, have first charge over such plot and Government shall have the second charge. In the context of the allottee fails to conduct the industry and on its getting wound up, the allottee shall intimate the General Manager of the chances of attachment of the property by the financial institution / Bank. The financial institution / Bank shall also have powers to take over the plot in case of default of payment or misutilisation by the mortgagor and to transfer the plot with unit to any other entrepreneur to recover their dues with the approval of the General Manager, District Industries Centre on the condition that the purchaser agrees to adhere to the land allotment rules and shall execute an agreement to this effect and the land should be used only for industrial purposes. The sales proceeds shall, in such cases, be adjusted against the dues to financial Institutions/ banks and the rest shall be adjusted against Government dues and balance if any, shall be taken as revenue to Government.

**23 Defunct Units:**

It shall also be open to the General Manager to dispose of defunct units with the consent of the Banks/ Financial Institutions involved after following the due procedure in fixing

the first charge on the sale proceeds to the dues of the financial institution/ bank, next charge to Government dues, and balance, if any shall be taken as revenue to Government.

#### **24 Resumption of Industrial Units:**

In the following cases, the land allotted shall be resumed by the Competent Authority.

- i) A maximum period of two years is fixed as the period within which the allottee should utilize the land for the purpose for which it is allotted. So the maximum time limit to start a unit is only two years.

If the allottee does not start the commercial production on the allotted land within the extended period, the land will automatically be resumed. A penalty of Rs 3000/- per day will be charged for each day of delay after the expiry of two years from the date of agreement till the date of resumption if the land could not be resumed for any reason whatsoever. And if the allottee does not pay the penalty, the Revenue Recovery formalities as per Revenue Recovery Act of 1968 shall be initiated.

Beyond the annointed date of resumption specified in the rule, the penalty will take effect irrespective of any proceedings whatsoever pending in any forum. The General Manager is to take appropriate action to calculate and collect the penalty including by revenue recovery of the same by the established procedure.

- ii) If a unit is found not functioning, a period of one year shall be given to the allottee to restore the unit to normalcy and restart production process. By this time, notices shall be served to the allottee and opportunity to be heard shall be given. Land shall be resumed without further notice, if the allottee fails to restart the business within one year and no extension of time will be granted further.

If a transfer or takeover is proposed during the period of restoration, then the transfer may be allowed on condition that the transferee should start the business within one year from that date of transfer. If the transferee cannot start the production process within the one year period, then the land will automatically stand resumed. A penalty of Rs 3000/- per day will be charged from the transferee for each day of delay after one year till the date of resumption if the land could not

be resumed for any reason whatsoever. And if the transferee does not pay the penalty, the Revenue Recovery formalities as per Revenue Recovery Act of 1968 shall be initiated. The maximum period for the restarting of the unit will be 24 months (12 months + 12 months (if there is transfer/takeover)).

Beyond the annointed date of resumption specified in the rule, the penalty will take effect irrespective of any proceedings, what so ever, pending in any forum. The General Manager is to take appropriate action to calculate and collect the penalty including by revenue recovery of the same by the established procedure.

- iii) If the allottee violates any of the terms and conditions of the Land allotment Rules or Agreement executed at the time of allotment of land.
- iv) If the industrial land allotted is found as not fully utilized, then the unutilised portion shall be resumed after affording an opportunity of being heard and such cases shall be disposed off within a period of one month .
- v) If the original allottee sublets/ underlets the land.

The allottee,if aggrieved by the decision of General Manager ,may file appeal,before the Director of Industries & Commerce within 30 days on receipt of a copy of resumption order and the Director shall dispose the appeal within 30 days.

## **25 Power of General Manager in resumption of assigned land:**

The General Manager shall have powers to resume assigned land in the circumstance outlined in Rule 24 after giving the assignee a notice to show cause within 30 days and after hearing him. The General Manager shall resume the land and request the District Collector to cancel the patta.

## **26 The circumstances under which the allotment or assignment cancelled:**

The allotment or assignment of plot shall be liable to be cancelled if it is found that it was grossly inequitable or was made owing to misrepresentation of facts.

## **27 Adjustments of amounts paid for allotment or assignments:**

Amounts paid for industrial lands which are resumed or where allotment/assignment has been cancelled subsequently shall be treated as rent for use and occupation of the plot

and such rent shall be calculated at the rate of 10% per annum of the land value at the time of resumption and the excess, if any, shall be refunded to the allottee/ assignee as the case may be.

**28 Procedures in case of resumption:**

In case of resumption, the following procedure shall be followed:

- a) If the allottee/assignee has made any improvement on the land without mortgaging such improvement to any financial institution, he shall be paid compensation for such improvement based on the valuation made by competent authority after deducting all amounts due to Government, provided that instead of paying the value of the improvement, it shall be open to the General Manager to direct the allottee to remove any of the improvements within a period of 30 days at the cost of the allottee and if he fails to do so, the General Manager may arrange the same to be removed at the cost of the allottee and dispose of the materials by public auction. If the sale proceeds of such disposals are in excess of the amount due to Government from the allottee, such excess shall be paid to the allottee. *If any of the prospective applicant in the priority list is willing to take over the land with the improvements, it shall be considered favourably on priority basis on the condition that the cost of improvements and assets are valued and returned to the original allottee*
- b) If the allottee / assignee has mortgaged or in any way encumbered the improvements on the land, superstructure etc. to a bank or financial institution for the purpose of raising funds for the construction of buildings, purchase of machinery, working capital etc., thereby creating a first charge in favour of such bank or financial institution, the procedure followed should be as mentioned in rule 22.

**29 Recovery of defaulted amount:**

All amounts due to Government under these rules shall, in case of default, be recoverable from the allottee / assignee as arrears of land revenue under the provisions of Kerala Revenue Recovery Act 1968 for the time being in force.

**30 Payment of taxes:**

The allottee shall pay all taxes, cess, land revenue and other dues payable in respect of land from time to time.

**31 Expenses of execution of documents:**

All costs and expenses incidental to the execution of any document under these rules shall be borne by the allottee.

**32 Right to enter the allotted premises :**

The General Manager and officers under her/him shall have the right to enter and inspect at all reasonable times in the allotted premises to review the progress of project to ensure that no contravention of the terms and conditions of allotment / assignment / agreement takes place.

**33 Maintenance of Registers.**

The General Managers shall maintain registers in Form No XI and in Department website for each Industrial Area giving, details of allotted units, details of allotment / assignment / patta issued, payment effected, dues outstanding and such other relevant details.

**34 Lock inPeriod:**

i) There will be a lock in period imposed such that no transfer/ change in constitution will be allowed for a period of three years from the date of commencement of production. This will be applicable to subsequent changes also.

ii) Lock in period in respect of change of product/activity shall be six months only.

**35 Transfer and Change of Possession:**

For the above purpose, transfer of allotted property will mean transfer of allotted property to a new legal entity including merger, acquisition, and amalgamation of the companies. It will also include transfer of allotted property by an Individual / Firm / Company or any other allottee as the case may be. Proposal for transfer of allotted property will be considered only after a period of three years from the date of commencement of commercial production by the original allottee. This lock in period is applicable for subsequent transfers also.

The following cases shall be deemed as transfer:

- i) In the case of proprietorship firm to partnership firm causing change in the share of the original allottee falls below 51%.
- ii) To a person other than the legal heirs of the deceased allottee; in the case of sole proprietorship.

- iii) In the case of partnership firms and limited liability partnership firms, if the shares of the original partner/partners falls below 51%.

In the case of private limited company,

- i) The major share (51 % or above) gets transferred through exit of the shareholders, at the time of allotment.
- ii) By induction of new share holders the share of the original shareholder(s) is diluted to below 51%.

In the case of Government company, change in ownership through investment of shareholding of 51% or more or by way of disinvestment.

Transfer of land will be allowed with the condition that the transferee should start the production process in the land, so allotted, within one year from the date of transfer. If the transferee fails to start the production process within the period of one year, resumption of land will be done by the General Manager after issuing notices and giving opportunity to be heard in accordance with the rules prescribed under this policy.

A penalty of Rs 3000/- per day will be charged from the transferee for each day of delay after one year till the date of resumption if the land could not be resumed due to reasons beyond the control of the General Manager. And if the transferee does not pay the penalty, the Revenue Recovery formalities as per Revenue Recovery Act of 1968 shall be initiated.

Beyond the announated date of resumption specified in the rule, the penalty will take effect irrespective of any proceedings what so ever, pending in any forum. The General Manager is to take appropriate action to calculate and collect the penalty including revenue recovery of the same by the established procedure.

In the case of transfer of land, the transferor shall pay the difference between the

indicative value of land at the time of transfer and the original land value already paid by him.

If an allottee fails to utilize the land properly and engage in unauthorized transfer or violate the agreement, land will stand automatically resumed and the allottee will become ineligible for any allotment of industrial land in any DA/DP/FIE in future.

If a land is transferred without prior consent of the Competent Authority, then there will be a penalty of Rs 3000/- per day from the date of unauthorized transfer. And if the transferee does not pay the penalty so imposed, the Revenue Recovery formalities as per Revenue Recovery Act of 1968 shall be initiated.

In case of transfer of land, the transferee shall pay the difference in land value upto the date of remittance and 10% of the Indicative Value of Land towards processing fees.

### 36 Change in Constitution

Change in constitution means change in share holding pattern of the allottee and or change in legal status of the allottee.

The proposal for change in constitution will be considered by the competent authority only after three years from the date of commencement of commercial production.

This lock in period is applicable for subsequent constitution changes also.

For any change in constitution, prior permission of the competent authority shall be obtained.

The following cases shall be considered as constitution changes:

- a) In case of proprietorship, if the original allottee dies, and if the unit is transferred to legal heirs (with no other changes).
- b) In the case of partnership firm / company and wherein changes occur on account of death of members/partners/shareholders/directors of the allottee and if a legal heir(s) occupies his/their position (with no other changes).



- c) In the case of partnership firm/ company if the position of the deceased person is occupied by person other than legal heirs and if that person's share holding doesn't exceed 49%.
- d) In the case of induction / retirement of partners / share holders, the shareholders / partners / members at the time of allotment should hold not less than 51% equity share in profit & loss of the business.

All constitution changes (except a and b) will be allowed only by remittance of 10% of indicative value as processing fees. Lock in period of three years will not be applicable for (a) & (b).

### **37 Change of Product or Industrial Activity or Name of Entity**

37.1 The allottee shall not change the proposed product or activity without the prior permission of competent authority.

37.2 An allottee shall be allowed to switch over to new product/activity only after six months from the date of commencement of commercial production and in the following circumstances only.

- i) The existing product has no much demand in the market.
- ii) Due to change of policy of the Government, the existing product/activity is not a permissible industrial activity.
- iii) If the permission from Pollution Control Board or other statutory authority is not forthcoming for the product originally envisaged.
- iv) On transfer of land the new entrepreneur wishes to change the product as an ancillary to his existing industry.
- v) When a unit is merged with any other unit under a scheme of amalgamation or merger.
- vi) For any other valid reason when the competent authority considered desirable that a change of product/activity is to be allowed.

37.3 The request of the allottee for change of name of the firm will be approved by the competent authority provided it does not fall under the category of change in constitution/ activity/ product or transfer.

The competent authority shall, at its absolute discretion, reject any application for change in product/activity if such a product/activity is not a permissible industrial activity in any industrial land earmarked for a specific product/activity. The entrepreneur should obtain prior permission from the competent authority for the proposed activity/ product, who shall also certify the suitability and desirability of the new activity/ product.

37.4 The allottee shall remit 10% of indicative value as processing fee along with the application for change of product/ industrial activity.

37.5 If any change of activity or product is made without the prior consent of the Competent Authority, the allottee shall remit an amount equal to 25% of the total a indicative value as penalty to get this change regularized.

If the allottee undertakes any activity not permissible in the industrial land, then this action shall be treated as a breach of the Rules and the land shall be resumed forthwith

### **38 General Conditions**

- i) Any application for transfer of land, change in constitution or change in activity should be disposed off within 45 days from the date of receipt of application by the General Manager . If the reason for the request is not justified, the application has to be rejected. If the General Manager fails to take a decision within the specified period, the approval is deemed to be obtained
- ii) The allottee shall not sublet, underlet, or otherwise create any encumbrances of the land under any circumstance. Subletting of industrial unit in DA/DP/FIE shall not be permitted under any circumstances and the Competent Authority shall have the power to resume that land without notice, if found so.
- iii) The allottee shall pay land tax, building tax and all other kinds of taxes, cess etc. if any, payable, to the local authority and other Governmental Agencies from time to time, in respect of the land and furnish a copy of the receipt to the competent authority for record purpose.

- iv) The allottee shall not alter the survey boundaries of the property and excavate the sand and minerals from the land except for the foundation of the building proposed to be constructed for setting up the unit as per the plan approved by the appropriate authority.
- v) The allottee shall not cut and remove any trees standing on the land, except when it is absolutely necessary for removing soil for foundation with the consent of the competent authority. The Director of Industries & Commerce will have full authority to dispose of all such materials in public auction.
- vi) The allotment is liable to be cancelled if allottee contravenes any of the provisions mentioned above.
- vii) The allottee can be permitted by the competent authority to mortgage the property to raise finance for the industrial unit situated in that land after executing a tripartite agreement in prescribed format
- viii) Government land for industrial purposes under the Department of Industries & Commerce are named as Industrial Development Area / Industrial Development Plot / Functional Industrial estates. Department of Industries shall be vested the powers to administer, control, manage and monitor the activities in the above Industrial Development Area / Development Plot / Functional Industrial estates. The Department of Industries & Commerce shall have the powers to make and amend the relevant rules from time to time in the best interest of industrialisation, including the revision of rates from time to time

### **39 Vertical Development Model for Industrial Space in State**

#### **Objectives:**

The unallotted land or resumed land available in industrial estates can be utilised under the Vertical Development model with private participation proposed herein. The main objective of the Vertical Development Model is deploying of unused land for industrial purpose with private participation in a transparent way so as to generate employment as well as revenue in terms of building tax, professional tax, GST etc without no investment commitment by the State.

There are industrial plots of different sizes in the state, which have been allotted to entrepreneurs. With change in time and future growth of MSMSE, it is essential that more space is made available for industrial use. Therefore in a small state like Kerala where there is paucity of industrial land, vertical development is inevitable.

Entrepreneurs may be allowed to undertake vertical development on their own investment or in association with any investor of their choice.

In this model, the following terms shall have meaning as specified hereunder.

Vertical Development means constructing multi storied building and deploying it for running industries, services or trading related with industries within DA/DP

Sub-Lessee means a person to whom the Original Allottee of industrial land lease out / rent out the built up space for approved industrial activity after obtaining approvals from the competent authorities.

#### Salient Features:

The model proposes to Lease the unutilised or resumed land parcels in the existing industrial estates to interested private parties on the conditions specified for vertical development hereunder. An allottee of industrial land in DA/DPs (Original Allottee ) can make vertical development and sublease it to prospective entrepreneurs. Upon termination of the agreement , the land along with the building therein shall be surrendered to government/ department without any cost to the government.

#### Application Categories :

Under vertical development there shall be three categories of applications

##### i) Applications exclusively for vertical development

In this case Allottee shall complete the entire vertical development (construction) within 2 years from the date of allotment.

##### ii) Application for land to run his own industry alone with application for vertical development

In this case a period of one year is fixed as the period within which the Allottee shall utilize the land for starting his own industry and shall also complete the entire vertical development (construction) within 2 years from the date of allotment.

##### iii) Application for vertical development by an already existing unit

In this case the original Allottee shall complete the entire vertical development construction within 2 years from the date by which permission for vertical development is granted.

Even though the time limit stipulated for completing the entire project is two years, the allottee can file an application for extension of time and Director of Industries & Commerce shall be competent to grant extension of time upto a period of one year.

#### Terms & Conditions:

The Allottee shall abide by the following terms and conditions of lease under vertical development model.

1. All construction shall be strictly in compliance with the existing building rules.
2. The activities for Sub-Lessee shall be manufacturing, industry or service industry or trading related with industries or industrial start ups permitted under DA/DP. However prior approval from Department shall be obtained mandatorily for the activity before execution of sub-lease by the Original Allottee. The Space shall not be sublet for shops, trading for consumer products or lodging purposes.
3. The Original Allottee shall submit the applications for Sub-lease and the proposed activity shall be got approved by the Department.
4. There shall not be any restriction on a Construction or Leasing company in becoming an Original Allottee provided the sub-leasing shall only be for industrial/ industry related service/ industrial trading purposes.
5. The lease period of the sub-lessee shall not extend beyond the period of agreement of the Original Allottee.
6. A tripartite agreement shall be executed between the Original Allottee, Sub-lessee and the Department or the Sub-Lease of the space and such tripartite agreement shall ensure that the allotted space is used by the Sub-Lessee for the approved purposes only.
7. The sublessee shall commence the operations of the industry/ service from the allotted space within six months from the date of allotment and in the event of failure to do so, it shall be the responsibility of the Original Allottee to resume the space from the Sub-Lessee. The Original Allottee may re-allot the resumed space. If the Original Allottee

- fails to resume as specified, then the department shall resume the space and the department shall have the right to re-allot the resumed space.
8. The rights of Sub-Lessee shall always be subordinate to the rights of the Original Allottee.
  9. Department shall not be responsible for any disputes arising between the Original Allottee and Sub-lessee on financial or any other matters.
  10. The rules governing the industrial lands shall apply mutatis mutandis to Sub-lease.
  11. If the building/space/land is kept idle, in full or part, for a period of more than two years, Government / department will take over the space so kept idle from the Original Allottee without any cost to the government.
  12. 'Logistics Activities' including Integrated Logistics Parks /Logistics Hubs/e commerce related logistics activities, Logistics outsourcing including Third-Party Logistics (3PL) and Fourth-Party Logistics (4PL) will also be permitted in the DA/DP's, Functional Industrial Estates. But stand alone godowns solely for storage purposes shall not be permitted. Lease/sublease will be permitted for logistic activities also.

#### **40 Effect of acts done:**

All acts done with regard to industrial land such as allotment, assignment, resumption etc. in accordance with the rules superseded shall be deemed to have been done under the corresponding protection of these Rules.

## FORM I

## (Rule – 5)

**APPLICATION FOR ALLOTMENT OF PLOTS IN INDUSTRIALS DEVELOPMENT AREA/  
DEVELOPMENT PLOT/INDUSTRIAL ESTATE**

1. (a) Name and full postal address of the Applicant with telephone number, if any.  
(b) Permanent address of the applicant with telephone No., if any
2. Nature & Constitution of applicant i.e Proprietary/Partnership/Private Ltd./Public Ltd. Company under in corporation/Co-operative.  
*(Whether it has been registered as such; if so, a copy of Certificate of registration/ incorporation to be enclosed)*
3. (a) Name/s of proprietor/partners/Board of Director  
*(Copy of Partnership deed/Memorandum and articles of Association of Company to be enclosed)*
4. Whether the applicant belongs to scheduled Caste/ Scheduled Tribe *( If so, certificate to be enclosed)*
5. Proposed capital outlay on
  - i) Land
  - ii) Building
  - iii) Machinery
6. Nature of Industry that the applicant proposes to set up *(manufacturing activities proposed to be undertaken and brief project note to be enclosed)*
7. Extent of area required
  - i) Present requirement.
  - ii) Anticipated.
8. Type and Size of the shed required.
  - i) Break up of total plot area to be indicated
    - a) Factory buildings
    - b) Office and other ancillary purposes
    - c) For open space, garden, lawn or road
    - d) For expansion requirements *(details of proposed expansion to be briefly indicated)*
  - ii) Plinth area of the proposed buildings:  
*(Lay out plan of the proposed build up area to Be enclosed.)*
  - iii) Period within which construction work is expected to be completed from the date of taking over possession of plot.
  - iv) Date by which the unit is expected to become Operational.

9. (A) Whether the undertaking is covered by the Industries (Development and Regulation) Act, 1951.
- If yes, a copy of the license/letter of intent to be enclosed.*
  - Particulars of registration/approvals

(B) Whether registered as a Small Scale Industrial Unit With the State Directorate of Industries.

*If so, number & date of registration certificate to be furnished.*

10. i) Details of Manufacturing activity proposed

Name of the product Capacity	Annual proposed	Installed capacity
---------------------------------	-----------------	--------------------

11. Details of future expansion proposed, if any

12. Staff and Labour (Strength)

- Administrative
- Skilled
- Unskilled
- Other categories, such as technical/  
Supervisory etc.

13. a) Power supply required (*in Kilovolt ampere*)

- Quantum of Kilowatts required and time period within which unit is expected to be energised.

14. Anticipated water requirement for Industrial/other uses.  
(*in gallons/day*).



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15. A) Nature of effluent, if any.

Whether effluent shall be treated to be standards prescribed by State Pollution Control Board before discharge.

B) Quantity of effluent, if any, per day

16. Details of remittance of Earnest Money Deposit

*(Treasury chalan/ Demand Draft with No. and Date Name of Treasury, Bank Etc)*

17. I/We have read the rules governing the Allotment/Assignment and use of industrial Land and I/We undertake to abide by the same.

I/We further state that the particulars given above are true and correct to my/our knowledge and belief.

Place :

Date :

SIGNATURE OF APPLICANT

**FORM NO. II**  
**(RULE -7)**  
**PROVISIONAL ALLOTMENT LETTER**

No.

From

The General Manger  
 District Industries Centre

.....

To

Sri/Smt

(Applicants address)

Sir,

Sub:- Industries- Provisional allotment of land for Industrial purpose in .....  
 ..... - intimation reg.

Ref :- Application dt .....

Your application under reference has been considered by the allotting authority in its meeting held on .....

And you are hereby informed that ..... h/a ..... areas ..... Sq. ms  
 of land in Survey Number .....

.....Village ..... Taluk .....

..... District, in Development Area/Development Plot/Industrial Estate .....

(location) is provisionally allotted in the name of ..... (name and address of unit) for the  
 establishment of an Industrial unit for the manufacture of .....

.....(activity) with effect from the date of issuance of this letter.

The allotment shall be purely provisional and shall be subject to the following conditions:-

- 1) The provisional cost of the land shall be ..... Per are/cent
  - i) The allottee shall remit 50% of the cost of the plot for allotment on hire purchase basis/ 100% of the cost of the plot for allotment on outright purchase (whichever is applicable) within 15 days of the date of receipt of this letter.
  - ii) The Allottee shall execute an agreement in stamp paper with the undersigned in Form III Appended to these rules within 15 days from the of receipt of this letter.  
 In the event of contravention of either/any of the above conditions, the allotment shall be liable for cancellation without further notice.

GENERAL MANAGER  
 DISTRICT INDUSTRIE CENTRE

Copy to:

1. Industries Extension Officer .....
2. Asst. District Industries Officer .....
3. Stock file .....

**FORM IIA****(Rule-8)****Allotment Order****Proceeding of General Manager, District Industries Centre, .....****(Present :Shri/Smt. ....)**

Sub: Industries- Allotment of land for Industrial purpose on hire purchase/outright purchase  
Basis-sanctioned-orders issued.

No.

Dated:

Read : -

1. Application dated ..... of Shri/Smt ..... M/s  
.....
2. Provisional allotment letter No. .... Dated .....  
..... Shri/Smt./Messer/s .....

(Full Name and Address) has/have applied for the allotment of land on outright/hire purchase basis in the  
Development Area/Plot/Industrial Estate .....

for the establishment of a unit for the manufacture of .....

The application had been considered by the allotting authority at its meeting held on ..... and it  
was decided to provisionally allot the land in the name of ..... Accordingly  
provisional allotment was ordered vide reference 2<sup>nd</sup> cited by this office.

Now the allottee has remitted an amount of Rs. ....being 50%/100% Cost of land for hire  
purchase/outright purchase basis vide chalan No. .... Dated .....  
in ..... District Treasury/Sub Treasury and has executed necessary agreement in Form III on  
..... (date) within the time limit stipulated.

**ORDER**

In the above circumstances and in exercise of powers conferred on the undersigned as per Government Land  
(Allotment & Assignment for Industrial purposes) Rules 1998, sanction is hereby accorded for the allotment of  
land measuring ..... Hectares/Acre/Sq. Meters comprised in survey No. .... in .....

Village in Development Area/Plot/Industrial Estate

(as described in Schedule 1 of this order) on outright/hire purchase basis to (Name and Address in full ) (M/s.

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For the establishment of their/his/her unit for the manufacture of

Subject to the terms and conditions contained in Government Land (Allotment & Assignment for Industrial Purposes) Rules, 1998 and specifically subject to the following conditions :-

- 1) The land shall be allotted on an as is where is condition at a provisional cost of Rs. .... percent.
- 2) The allottee shall take possession of the allotted plot within one month from the date of receipt of this order. The allotted plot shall be fenced in by the allottee within three months thereafter. The Allottee shall commence effective improvements on the plot within six months from the date of taking possession and shall commence production within one year, failing which the land shall resumed by the Department without assigning any further reasons. Loss, if any, incurred by the Department shall be realised from the allottee as per rules.
- 3) The balance payable towards the land value is to be paid in five equal annual instalments as per terms and conditions in the agreement ( *To be included in the case of hire purchase only*)
- 4) The Industries Extension Officer, Development Area/Development Plot/Industrial Estate is hereby authorised to give possession of the land described hereunder after completing all formalities as per rules. Sanction is also hereby accorded for putting up factory building as per lay out plan submitted

**GENERAL MANAGER**

To

M/s.

Schedule 1

Extend of land (Hectare)	Acre (Acre)	Cent (Sq.M.)	Sq.links
-----------------------------	----------------	-----------------	----------

Survey No. Village

Taluk

District

Boundaries :-

North-

West-

South-

East-

Copy to :-

The Industries Extension Officer,

.....

Stock file/Spare.

**FORM III**

**Rule 8**

**AGREEMENT FOR ALLOTMENT OF PLOT ON HIRE PURCHASE/OUT RIGHT PURCHASE**

4175605/2020/IND (F)

ARTICLES of Agreements made this the days of .....of .....

BETWEEN The Governor of Kerala (hereinafter referred to as “Government”) on the one part and Shri..

Son/daughter/Shri.

Aged

Village

Taluk, on behalf of

M/s.

Company /Co-operative

Society in corporated/registered under the

Act and having its registered office at

a firm constituted under

and having its office at

*(hereinafter referred to*

*as “the allottee”)* which shall include his/her/their heirs/ executors, administrators, legal representative and permitted assignes on the other part.

WHEREAS on the application of the allottee under Government Land (Allotment and Assignment for Industrial Purposes) Rules, 1998 *(hereafter referred to as the Rules)* the Government have agreed to let and the allottee has agreed to take on hire/outright purchase the land, as described in the schedule written hereunder *(here after reffered to as the plot)* for the purpose of setting up an Industrial unit for the manufacture

of ...../provision of .....

AND WHEREAS the allottee has paid a sum of Rs. .... The receipt of which the Government hereby acknowledge, representing 50%/100% of the total value of the plot including any improvements there on as fixed by the Government and requested Government to treat the balance amount as a loan advanced to the allottee repayable on such terms and conditions as herein contained together with interest as herein specified [*applicable in the case of hire purchase only*]

NOW THIS DEED WITNESSETH AND IT IS HEREBY AGREED AS FOLLOWS:-

1. The allottee shall pay the balance of the value of 50% of the total value of the plot namely Rs. .... in five equal annual instalments with interest at the rate of 10% per annum. The first instalment shall be payable on ..... (date) and the subsequent instalments shall be paid on the corresponding dates of the succeeding years.
2. The interest due on the entire amount outstanding at the time of payment of an instalment shall be paid along with that instalment.
3. Penal interest at the rate of 2% per annum over and above the normal rate of interest shall be paid on defaulted instalments calculated from the due date of such instalments to the date of actual payments.
  - *The clauses 1,2,3,shall be applicable only in the case of allotment on Hire Purchase.*
4. The plot shall be utilised exclusively for the purpose for which is allotted and no change shall be made without the written sanction of General Manger, District Industries Centre.

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5. The allottee shall not sublet, lease, part with possession or in any way encumber the plot or any part thereof during the continuance of this agreement without the previous sanction in writing of the General Manager, District Industries Centre, or any other officer authorised by the Government.
6. Until the entire value of the plot with interest as mentioned above is paid in full, the plot shall remain the property of the Government and the allottee shall not have any right or title over the plot. Provided, however that the plot with the assets of the unit there on may be mortgaged by the allottee to raise money from financing institution/Bank shall undertake, in writing to pay to Government, such sums as may remain due on the plot. The allottee shall also undertake to inform Government the details of finances so raised on the security of the plot from time to time till such loans are repaid, and the charge of the Government shall stand converted into a first charge when the obligation to the financing institution/Banks stands liquidated.
7. The allottee undertake and agrees to pay to Government all further amounts demanded under rule, 14&15 towards enhanced compensation and development charges apportioned and fixed on the plot from time to time.
8. The allottee agrees to take possession of the plot within one month from the date of receipt of allotment order, to fence in the plot within three months from the date of taking possession and commence effective other improvements within six month and to commence production within one year from the date of taking possession of land, unless further time has been specifically granted in this regard by a written order of General Manager, District Industries Centre.
9. The allottee undertakes and agrees to surrender and restore the plot to Government in case it is no longer required by him. In such a case the allottee agrees to treat all payments made by him till date as rent for use and occupation of the plot.
10. The allottee shall not effect any excavation upon any part of the allotted plot or remove any stone, earth, trees or any other material there from or do any act detrimental to the interest of the industrial area except in so far as may be necessary, in the opinion of the General Manager for the purpose of forming the foundation of the building and compound walls or any other work permitted specifically by the General Manager. Trees standing on the land at the time of allotment shall continue to be the property of Governments even after assignment.
11. The allottee shall get the approval of the General Manager for the specifications, plans, elevations, sections and details of the factory buildings to be erected on the allotted land. No work shall be commenced without such approval.
12. The allottee agrees to keep insured all the buildings or structures and fixtures in the plot against loss or damage by fire and also to keep Government indemnified against any fact and all claims for damages which may be caused to any adjoining units.
13. The allottee shall at all times maintain the plot and premises properly.
14. The allottee shall permit the Government to utilise vacant portions of the allotted plot at any time for laying pipelines, cables, underground drainage or drawing overhead lines.

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15. The officers of the Industries Department, authorised by the Government in this behalf shall have power and authority to inspect the said plot at any time and the allottee shall render necessary assistance and facilities for such inspection.
16. The allottee shall pay all taxes, cess and other charges payable in respect of the said property to Government, State or Central, Corporation or any legally constituted body from time to time.
17. The allottee shall have the right to purchase the said plot at any time by paying the whole amount due to Government (*Applicable only in the case of Hire Purchase*)
18. The allottee shall not put up additional structures within the land without prior written approval of the General Manager, District Industries Centre, in writing the non compliance of which will result in the removal of the aforesaid structures by General Manager, District Industries Centre, at the Hirers cost.
19. When all the sums due to Government are paid and the Government are satisfied that the plot is maintained properly the Government shall , transfer the complete ownership of the plot to the allottee, as per rules.
20. In the case the allottee fails to surrender the said plot when demanded, the allottee shall be considered to be trespasser liable to be proceeded against and evicted under the provisions of the Land Conservancy Act for the time being in force.
21. In case the allottee commits breach of all or any of the provisions herein contained, the allottee shall surrender possession of the plot to the Government immediately on demand and the Government shall have power to deal with the plot in any manner they deem fit.
22. All sums found due to the Government under or by virtue of this agreement shall be recoverable from the allottee and his assets movable and immovable under provisions of the Kerala Revenue Recovery Act, 1968, for the time being in force as if such sums were arrears of land revenues and in such other manner as the Government may deem it.
23. In all matters of doubt concerning and in respect of this agreement, the decision of the Director of Industries and Commerce shall be final and binding on the Hirer
24. During the continuance of this agreement, the Government shall have the power to add, delete or amend the conditions laid down herein and in the Rules.
25. The allottee shall be bound by the terms and conditions of the Rules with additions and amendments there to which shall form part of this Agreement as if incorporated herein.

**IN WITNESS WHERE OF SHRI/SMT.**

for and on behalf of Governor of Kerala and Shri/Smt.

The allottee ,have here unto set their hands on the day month and year first above written.

+

**SCHEDULE I****(Here enter the details of the plot)**

Name of Development Area/Development Plot/Industrial Estate .....

Plot No. .

Taluk

Revenue Village

Survey No.

Extent (Hectare/Acre)

Boundaries: East

West

North

South

Signed by Shri.

For and on behalf of the Government

In the presence of witnesses :-

1.

2.

Signed by Shri.

the Hirer in the presence of witnesses :-

1.

2.



## FORM IV

(Rule 8)

## RECEIPT

I ..... Son/Daughter  
 of ..... aged .....  
 Now residing ..... Village ..... Taluk  
 District ..... have taken possession of the plot of land measuring .....  
 hectare ..... acres ..... Sq.Mt. .... in Survey No. .... Village  
 ..... Taluk ..... District ..... in Development Area/  
 Development plot/Industrial Estate from General Manager, District Industries Centre .....  
 Allotted vide order No. .... dated ..... on this .....  
 day of ..... ( month) One/Two thousand ..... (year) along with  
 the trees and improvements specified below.

1.

2.

3.

Signature:

Name:

Address:

Handed over the plot as described above by the undersigned,

on behalf of General Manger, District Industries Centre, .....

..... As authorised by him today.

Place:

Date:

Industries Extension Officer

Signature:

Name

**FORM V****APPLICATION FOR ASSIGNMENT OF INDUSTRIAL LAND ON REGISTRY****(Rule 16)**

(To be submitted through the General Manager, District Industries Centre, in quadruplicate)

To

The District Collector

.....

Sir,

A plot of land measuring ..... h/a..... Sq. metre in Development Area/ Development Plot/Industrial Estate .....( the details of which are given hereunder) had been allotted to .....for the purpose described in the application. I/We have utilised the land for the purpose for which it has been allotted and I/We am/are eligible to get the land assigned on registry in my/our favour under the provisions of the Governement Land (Allotment and Assignment for Industrial Purpose) Rules, 1998. I/We therefore request that this land may be assigned to me/us.

1. Details of land

A. Name of Development Area/Development Plot/Industrial Estate

B. Plot No.(s) if any

C. Revenue Village and Survey No.(S)

D. Extent :

E. Boundaries: East

West

North

South

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## 2. Details of purpose of assignment

A. Name of Industrial Unit :

B. Constitution

Proprietary/partnership/limited/Company/Corporation/Co-operative/any other (*specify*)

C. Registration details of

Firm/Society/Company

D. Details of Small Scale Industries Registration/Letter of Indent/

Industrial Entrepreneurship Memorandum

E. Nature of activity (*manufacturing/others specify*)

F. Date of Commencement of commercial

Production ( if the unit is operational)

G. If not started, specify reason

H. No. and date of allotment order

## 3. Details of payment

**Amount Date of remittance Challan No. Name of Treasury**

I/We .....do here by declare that the details furnished above are correct. I/We do also declare that I/We have read the provisions of the Government Land (Allotment & Assignment for Industrial purposes) Rules, 1998 and I/We agree to abide by these rules and any attendant rules that may be framed in this regard by the Government of Kerala from time to time.

(Signature of the applicant)

Date:

Name:

Place:

Designation:

Address:

**FORM VI**

**(Rule 16)**  
**RECOMMENDATION FOR ASSIGNMENT**

No .

Date:

A plot of land measuring ..... Hectares ..... Ares ..... Sq. meter of land in Development Area/Development Plot/Industrial Estates ..... had been allotted to ..... (Name & Address of allottee) Vide this office Order No. .... dated ..... Possession of the land had been handed over to the party on ..... He/she /They have paid the full value of the land and are eligible for getting the land assigned in their favour. Hence I recommended that the land described hereunder may be assigned in favour of applicant (s) on registry for the purpose of establishing an industrial unit for the manufacture of ..... subject to the conditions prescribed in the Government Land (allotment & Assignment for Industrial purpose) Rules, 1998.

1. Name of allottee:
2. Full Address:

**3. Details of land**

A. Name of Development Area/Development Plot/Industrial Estate etc

B. Plot No. if any

C. Revenue Village & Survey No:

D. Extent:	<i>Hectare</i>	<i>Are</i>	<i>Sq. metre</i>
.	<i>(Are</i>	<i>Cent</i>	<i>Sq. links)</i>

E Boundaries:

East:

West

North

**South**

**4. Purpose of Assignment**

Nature of activity (Manufacture/Service/job work) .....

**5 Details of Land value calculation.**

The land value , as fixed by the committee constituted on this behalf, had been fully paid by the applicant and the remittance details are as follows:

Sl.No	Name of Treasury	Amount	Chalan No.& Date
-------	------------------	--------	------------------

1.

2.

3.

Copies of the following documents verified by the undersigned are also enclosed.

1. Permanent Small Scale Industries Registration
2. Affidavit/Indemnity bond(on stamp paper worth Rs50/ subject to change) to be executed by the applicant that further dues if any found payable after the date of assignment shall be paid by the allottee.
3. Declaration of the party
4. Copies of Chalan receipts with certified reconciliation statement.
5. Land allotment proceeding(Form IIA)
6. Proceeding of transfer of land , (Form VIII B)
7. Agreement (FormIII)
8. Form of Receipt(Form IV)
9. Land Value calculation statement
10. Survey Sketch
11. Partnership deed and Memorandum and Articles of Association with Registration Certificate as the case may be
12. Declaration of the agreement (Form VI A and VII)

Place:

Date

General Manager

District Industries Centre

**FORM VI A****RULE 16****ORDER OF ASSIGNMENT OF INDUSTRIAL LAND ON REGISTRY****Proceedings of the District Collector ,.....****(Present :.....)**

Sub:- Industries –Assignment of Industrial land on Registry-Sanction Accorded)

No.

Dated:

1. Application Dt.
2. Recommendation of General Manager,

District Industries Centre dt.....

Mr/Mrs/Messrs.....  
 Proprietor/Owner/Promoter of.....(*Name and address of the unit* ) is /are informed that his /her/their application for assignment of industrial land/lands described in the schedule appended to this order is hereby accepted and that the land/ lands described in scheduled is / are assigned to him/her/them/ subject to the following conditions laid down in the Government land (allotment and Assignment for Industrial Purposes) Rule, 1998

1. i) That the land assigned shall be heritable but shall not alienated or encumbered without the prior permission in writing of the General Manager, District Industrial Centre.
- ii) That the land assigned shall be used only for the following purposes.
  - a)
  - b)
  - c)

**(To be specified)**

2. That the registry shall be liable to be cancelled for contravention of the conditions specified in the Government land (Allotment and Assignment for Industrial Purposes) Rules, 1998, and also for contravention of any of the conditions specified in the patta.
3. The land shall be heritable , but shall not be alienated except for the purpose and subject to conditions expressly laid down in the Rules.

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4. The land may be encumbered only to financial institutions/bank/with prior permission of General Manager District Industries Centre and only for the purpose of raising funds to establish and operate the Industrial unit sanctioned for the plot.
5. In the event of alienation, the land shall not be registered in the names of transferee unless such transferee/transferor has remitted the difference in the land value if any, and all other sums outstanding to Government as on date of application for transfer of registry of land, and obtained a certificate to this effect from the General manager of the District Industries Centre.
6. That the registry shall also be liable for cancellation if it is found that it was grossly inequitable or was made owing to misrepresentation of facts or in excess of the limits of the powers delegated to the assigning authority or there was an irregularity in the procedure.
7. That in the event of cancellation of registry the Government may take possession of the land with the buildings and improvements, if any there on and pay the industrialist the amount paid by him as the value of the land or value of the land as fixed at the time of resumption by the District Collector, which ever is less, after deducting there from interest at 10% per annum on Government investment on the land for the period from the date of award to the date of resumption by the Government. Value of any building constructed or of any improvement effected therein by the assignee shall also be payable.
8. That the assignee shall be liable for the payment of the full assessment charged on the land with effect from the year in which the patta is issued.
9. That the land shall be subject to all local taxes and local rates payable by law or custom
10. That the assignee shall be liable to pay all amounts as provided for in the rules.
11. That the existing and customary rights of Government and the public with regard to roads, paths and rivers, streams and channels running through or bounding the land, and the right of Government to the mines and quarries in and adjacent to the said land, are reserved and are in no way affected by the grant.
12. That the assignee shall be bound by the Government Land (Allotment and Assignment for industrial Purposes) Rules, 1998 in force from time to time.
13. Other conditions, if any, which the Government may impose.
14. The assignee shall be bound to pay all further amounts demanded under rule 14 and 15 towards enhanced compensation and development charges apportioned and fixed on the plot from time to time.
15. Any other conditions (*to be specified by General Manager District Industries Centre/ District Collector*)
16. The land assigned by this order shall be liable to be resumed without payment of compensation for contravention of any/ all of the conditions of this order or of the terms and conditions laid down in the Government Land ( Allotment and Assignment for Industrial purposes) Rules, 1998.

1. Permanent Small Scale Industries Registration
2. Affidavit/Indemnity bond(on stamp paper worth Rs50/ subject to change) to be executed by the applicant that further if any found payable after the date of assignment shall be paid by the allottee.
3. Declaration of the party
4. Copies of Chalan receipts with certified reconciliation statement.
5. Land allotment proceeding(Form II A)
6. Proceedings of transfer of land / (Form VIII B)
7. Agreement (FormIII)
8. Form of Receipt(Form IV)
9. Land Value calculation statement
10. Survey Sketch
11. Partnership deed and Memorandum and Articles of Association with Registration Certificate as the case may be.
12. Declaration of the agreement (Form VI A and VII)

Place:

Date

General Manager  
District Industries Centre



**SCHEDULE OF LAND**

**NAME OF Development Area/Development plot/Industrial  
Estate.....**

**PLOT Number, If any.....**

-----  
 District                      Taluk                      Village                      Survey No                      Extent

-----

[      **BOUNDARIES**      ]

East:

South:

West:

North:

Assessment

Rs.

---

Survey and Demarcation Charges due	Land Value	Value of other improvement	Total amounts
--	------------	----------------------------	---------------

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Rs	Ps	Rs	Ps	Rs	Ps	Rs	Ps
----	----	----	----	----	----	----	----

Place

Date

Signature and Designation of

Officer issuing the order

To

Sri.....

M/s.....

**DECLARATION**

I..... (Proprietor /Managing Partnor/Managing Director)

M/s.....

Declare that I shall hold the grant subject to the conditions specified above and shall abide by the Rules which are now in force or may thereafter be issued by the Government in regard to the assignment of Government land in Development Area/Development Plot/Industrial Estate.

Place

Date

Signature of Assignee

FORM VII  
Rule 18

**PATTA**

Number

Taluk

Village

Pattadar

The amount of tax as per this patta should be paid to the Village Officer according to the Kistbandi mentioned below and receipt obtained therefore

Station:

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Date:

TAHASILDAR:

Amount

Rs

Ps

Kist:

September:

January:

1.Survey Number :

2.Sub –division number :

3.Wet or Dry :

4.Area : Hectare Are Sq.meter

Rs.

Ps

1. That the land shall be used only for the purpose for which it is assigned, namely :  
 manufacture/production of.....  
 Provisional ..... service in /by the industrial unit mentioned in the  
 first para by the applicant/ applicants and or by employees engaged by them for the purpose
2. The land shall be heritable, but shall not be alienated except for the purposes and subject to conditions expressly laid down in the Rules.
3. The land shall be mortgaged to financial institutions only with prior permission of the General Manager /District Industries Centre for raising funds to start an industrial unit in this land .
4. In the event of alienation , land shall not be registered in the names of transferees unless such transferee/ transformer has remitted the difference in the land value if any, and all other sums outstanding to Government as on date of application for transfer of registration of land and obtained a certificate to this effect from the General Manager of the District Industries Centre.
5. The Assign shall be bound to pay all further amounts demanded towards enhanced compensation and development charges apportioned and fixed on the plot under Rules 14 and 15 of Government land (Allotment& Assignment for Industrial Purposes) Rules, 1998.
6. Any other conditions (*Please specify*) .....

The land assigned by the order shall be liable to be resumed without payment of compensation for contravention of any/all of the conditions of this order or of the terms and conditions laid down in the Government Land(Allotment& Assignment for Industrial Purposes) Rules 1998.

**DECLARATION**

I ..... Proprietor /Managing Partner/ Managing Director of  
 M/s.....  
 (Name and Address) declare that I shall bind myself to all conditions specified above.

Place

Date

Signature of the assignee

**FORM VIII**

(Rule 19)

**Application for transfer of Land**

To

The General Manager,  
 District Industries Centre,  
 .....

Where as , I .....(Name of transferor) owner/partner/  
 Director/ Secretary of M/s .....(Name of firm/  
 Company/ Society) had been allotted /assigned.....(extent) of land,  
 described in the Schedule of this form, vide allotment order No .....  
 dated.....and assignment order No.....  
 dated .....and where as I, being fully authorized to act on this behalf, intend

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to transfer the land to Mr./Mrs/Miss/M/s.....who has signed under the schedule of land.

I, therefore, declare and affirm that all my rights and claims to the land described above, be and shall stand transferred to the above mentioned party under the provision of Rules, 21 of the Government land (Allotment & Assignment for industrial purposes) Rules 1998 and subject to all other relevant provisions of the above Rules.

I request that the above transfer may be accepted and necessary orders may be issued.

Place:

Date:

Signature of the transferor

Name:

Address:

**SCHEDULE**

1. Extent of land : Hectare Ares Squaremeter

2. Description :

A. Survey No. :

B. Village :

C. Plot No. (if any) :

3. Boundaries :

Northern :

Western

Southern :

Eastern :

4 Purpose for which land :  
had been assigned

5.Reason for inability :  
to run the unit

Signature of the Transferor

Signature of Transferee

**FORM VIII A****(Rule 19)**

To

The General manager

District Industries Centre

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.....

I intend to purchase .....

( extent) of land described in Schedule of Form VIII owned and possessed by Mr/Miss/Mrs/M/s.....

..... (Name and Address)

for the purpose of .....

I hereby agree to abide by all the provisions of Government Land (Allotment and Assignment for Industrial purpose)rules,1998. I also undertake to remit all such sums as may be due to government expend under the rules, including the dues under rules 14 and 15

\*I am also submitting application in form I of the rules, for allotment of this land (applicable only if proposed use is different from the Purpose for which land has been originally allotted/ assigned)

OR

\* I declare that I shall utilize land only for operating an industrial unit in the same line of activity for which it had been originally assigned (applicable if proposed use is same as the purpose for which the land had been originally allotted/assigned)

(\* *Strike off whichever is not applicable*)

Place:

Signature

Date:

Name

(transfer

Address

**FORM VIII B****(Rule 20)****PROCEEDINGS OF GENERAL MANAGER****DISTRICT INDUSTRIES CENTRE.....**

( Present: Sri .....)

No.

Dated

Sub :- Industries-Transfer of land-sanction accorded-

Read :-

1. Proceedings /Assignment order No ..... dtd.
2. Application dated ..... From the transferor.
3. Application dated ..... from transferee

An extent of .....Hectare .....Are ..... sq.metre ..... of

Land under Survey .No .....in Development Area/ Development

Plot/Industrial Estate has been allotted/ assigned to Sri/Smt .....

vide proceeding/ Assignment order cited above for starting an industrial unit for the manufacture of ... Now Sri/Smt. ....

(Name and Address) has applied for the transfer of above land in favour of Shri/Smt ..... (here enter the name and address of the transferee) for running the same line of activity /for manufacture of new product. The transferee has agreed to abide by all the provisions of the Government Land (Allotment and Assignment of Land for Industrial Purposes) Rules, 1998 and has remitted cost of land in full to Government including the difference in land value. The transferor has also agreed to transfer all his rights and claims in favour of all the transferee.

#### ORDER

In the above circumstances and in exercise of powers conferred on me by Rules 21 of Government Land (Allotment& Assignment for Industrial Purpose) Rules, 1998, sanction is accorded for the transfer of .....Hectare .....Ares .....Sq.metre of land comprised in Sy.No .....Village ..... In Development

Area/Development Plot/Industrial Estate ..... more specifically described in schedule of this order to the transferee Sri/Smt.....(Name and Address) for the establishment of a unit for the manufacture of .....

..... subject to the terms and conditions contained in Government Land (Allotment and Assignment for Industrial Purpose Rules, 1998 and more particularly subject to the following:

1. The transferee shall be bound by all the provisions of the Government Land (Allotmentand Assignment for Industrial Purpose) Rules ,1998, as if he /she/they were the original assignee(s)
2. The transferee shall be liable to pay all such further sums, as may be demanded by Government from time to time under rules 14and 15.

3. The transferee shall commence production within three months if the same line of activity is continued/within not more than 6 months in the case of manufacture of new products. In the event of any failure to comply with this provision, the land shall be resumed by the Department without assigning any other reasons. Loss if any incurred by the Department shall be realized from the transferee as per rules.

Extent of land:	Hectare	Ares	Sq.metres
Plot No :			
Boundaries :			
Northern :			
Western :			
southren :			
Eastern :			

To  
Sri .....  
.....  
.....( Name and address of the transferee )

Copy to: (1) the IEO.....DA/DP.....

/stock file/ spare

(2) Mr/Mrs .....

..... (Name and address of the transferor)

**FORM -IX**

**(Rule 22)**

## TRIPARTITE AGREEMENT

THIS AGREEMENT executed on this day of .....Two thousand and  
..... between the General Manager, District industries Centre,  
..... on behalf of the Governor of Kerala (hereinafter called the “the



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first party”), Sri/Smt ..... (here enter name and address of the entrepreneur with name of the unit) ..... who filed Entrepreneurs Memorandum with the Department of Industries & Commerce and having UAM Acknowledgment No..... and also having its Registered Office at Door No..... (hereinafter called “the second party”) and the bank / financial institution, M/s ..... who is financing the unit (hereinafter called “the third party”).

WHEREAS on the request of the second party for industrial land, ..... Cents / acre of land comprised in Survey No. .... Vide Proceedings No. .... dated ..... in Industrial Development Area / Plot ..... Of ..... District ..... Taluk.....Village has been allotted on the basis of Government Order .....dated ..... on lease basis for starting an industry for the manufacture of .....under the name of M/s ..... The details of the industrial land are specified in the schedule I attached to this agreement which shall also form part of this agreement.

AND WHEREAS the second party has remitted an amount of Rs..... being the value of the above land in full and has executed the lease deed.

AND WHEREAS the second party has applied for permission to mortgage the improvements on the industrial land, superstructure viz. building plant & machinery thereon along with the industrial land to the third party to raise finance to run the industrial unit.

AND WHEREAS the first party has no objection in mortgaging the industrial land along with the superstructure viz. building, plant & machinery thereon allotted to the second party with the third party, for availing loan for the industrial activity specified above on the following terms and conditions.

**NOW THEREFORE THIS DEED WITNESSES AS FOLLOWS:-**

- 1) The third party shall be entitled to accept the mortgage of the scheduled property along with the superstructure viz. building, plant & machinery thereon from the second party and inform the first party about the creation of the mortgage.

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- 2) The second party shall not transfer the unit, bring about additions to or change the constitution /activity /name of the unit after the creation of the mortgage. Without obtaining the prior approval of the first party and the third party.
- 3) On receipt of the request from the second party for transfer of the unit, addition to or change in the constitution/activity/name of the unit etc after the creation of the mortgage. The first party shall obtain No Objection Certificate of the third party before sanctioning the same.
- 4) The first party shall not permit any addition or change of financial institution without obtaining the No Objection Certificate of the third party.
- 5) The second party shall abide by all the provisions of the Government Land Rules and agreement executed by the second party with the first party while allotting the industrial land.
- 6) The third party shall inform the first party in writing, if the third party issues or intends to issue any notice to the second party towards takeover/auction of the industrial unit/ land.
- 7) In case of the third party resorts to auction the assets of the industrial unit consequent to the default of payment of loan amount by the second party, the third party shall indicate in the advertisement for auction that the industrial land after auction can only be utilized for industrial purpose. The third party shall also indicate in the advertisement that the buyer shall not have absolute right over the land and that they shall have only those rights provided in the agreement executed by the second party before the first party and that they will be entitled to hold the land on lease only for the remaining period of the maximum stipulated lease period. The third party shall send such copy of sale/auction notice to the first party.
- 8) After effecting the auction the third party shall furnish a copy of the sale certificate or any other documents relating to the transaction and other particulars of the successful buyer to the first party who shall transfer the rights enjoyed by the second party on the industrial land to the new entrepreneur.
- 9) The third party shall remit any amount due to the first party, if any excess amount over and above the dues owed by the second party is recovered through auction sale of the second party.

IN WITNESS WHERE OF, the following have here to set his / her hand on the day, month and year first above written.

Signed by

i) Sri/Smt. .... (first party)

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General manager, District Industries Centre,.....  
(seal)

ii) Sri /Smt. .... (Second party)  
(seal)

iii) Sri /Smt. .... (Third party)  
(seal)

In the presence of witnesses:

1)

2)

### **SCHEDULE 1**

Name of Industrial Area / Plot :

District :

Taluk :

Village :

Survey No. :

Area : ..... cents / acre

Boundaries

East

West

North

South

(Signature)  
General Manager  
District Industries Centre  
.....

**FORM X****Rule 21****UNDERTAKING**

( To be given by Bank/Financing Institution in duplicate)

To.

The General Manager

District Industries Manager

.....

Sir,

We ..... (*Name of Bank/Financial Institution*) have decided to sanction a term loan of Rs. .... ( Rupees ..... ) and/ or working capital loan of Rs. .... ( Rupees ..... ) to Sri ..... ( Name of proprietor/partners/Managing Director) of M/s ..... ( Name and Address of unit) The party has offered his/her/their willingness to mortgage the land to the extent of ..... Hectares ..... Ares ..... Sq. Mtrs..... in Sy Nos. .. of ..... Village allotted/assigned to him/her/them in

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Development Area/ Development Plot/Industrial Estate ..... as security for loan.

We understand that first charge on land allotted by you on hire purchase basis to the party can be given to our organisation, if we undertake to pay off the balance due to your department on the allotted land as per Rules.

In the above circumstances we hereby affirm and undertake to pay all the balance amount due towards regular instalments and default if any, including the enhanced land value and Development charges and other sums, as may be fixed by the Director of Industries and Commerce from time to time in respect of the allotted/assigned plot.

Place:

Signature

Date:

Name & Designation

Name of Financial

Institution/Bank

(Seal)

**ACKNOWLEDGEMENT BY THE GENERAL MANAGER**

**DISTRICT INDUSTRIES CENTRE**

We have recorded the details of the mortgage of the plot, described hereunder in favour of your institution by hirer/assignee and confirm that ..... Bank shall have first charge on the plot on the terms stated above.

**SCHEDULE OF LAND**

Name of Development Area/Development Plot/Industrial Estate

Plot Nos.

District

Taluk

Village

Extent

Boundaries

East :

South:

West:

North:

Signature & Name

General Manager  
District Industries Centre

# **FORM XI**

**(Rule 33)**

## **REGISTER OF ALLOTMENT/ASSIGNMENT OF LAND IN Development Area/Development Plot/Industrial Estate.....**

Name & address of applicant

Name & Address of unit

Purpose applied for

Extent allotted with  
Survey No.&Plot No.

Allotment No. with date  
or rejection order No. With

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date

Provisional price per cent  
at which allotted

Assignment order No. with date

Details of encumbrances noticed by  
General Manager

**Name of Financial Institution/Bank Amount Date**

**Details of Payment effected.**

<b>Due date</b>	<b>Amount</b>	<b>Interest</b>	<b>Penal Interest</b>	<b>Challan No. date</b>	<b>Name of Treasury</b>
-----------------	---------------	-----------------	-----------------------	-------------------------	-------------------------