

हरियाणा शहरी विकास प्राधिकरण
**HARYANA URBAN
DEVELOPMENT AUTHORITY**

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To

1. All the Administrator(s) HUDA, in the State.
2. All the Estate Officer(s) HUDA, in the State.

Memo No.UB-A-6-2016/11/2016

Dated: 25/11/16

Subject: HUDA Estate Management Procedure 2016.

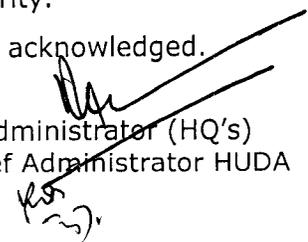
This is supersession of all the Estate Management Procedure(s) formulated and circulated in the past from time to time.

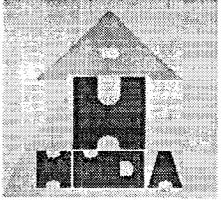
2. The Enterprises Promotion Policy-2015 (EPP-2015) announced by the State Government vide notification No. 49/43/2015-41B1 dated 14.08.2015, provides that the Haryana Urban Development Authority (HUDA) would announce its liberalized Estate Management Procedure in line with the economic environment and aspirations of the industry and notify its Estate Management Procedure to be known as HUDA EMP-2016 which would address the parameters for allotment, reservation and priority in allotment of industrial plots and other related matters concerned with management of industrial estates.
3. In line with the policy decision of the State Government in this behalf, HUDA has reviewed the existing Estate Management Procedure and the revised guidelines shall come into operation from the date of issue, and, are hereafter referred to as "HUDA Estate Management Procedures (HUDA EMP)-2016".
4. The provisions of HUDA EMP-2016 shall be applicable to all the existing as well as future allottees of industrial plots/sheds in various Industrial Estates / Sectors developed by HUDA, Haryana, transferred to HUDA and shall be uniformly applicable from the date of issue.
5. All service requests to be received after implementation of HUDA EMP-2016, shall be dealt as per the provisions of HUDA EMP-2016, including charging of fee/processing fee, wherever applicable. As regards the pending applications, received before coming into force of HUDA EMP-2016, the same shall be considered to have been filed on issue of HUDA EMP-2016 i.e. the date of implementation of HUDA EMP-2016 and shall be dealt under the relevant provisions of HUDA EMP-2016. However, in all cases, the minimum investment criteria for prestigious projects shall be as applicable at the time of allotment. Notwithstanding anything contained in these procedures, all cases decided in the past as per earlier Estate Management Procedures (EMPs)/Policies, shall, however, not be re-opened.

You are, requested to follow the provisions laid down in HUDA EMP 2016 in true letter and spirit.

This issues with prior approval of Hon'ble CM Haryana-cum-Chairman, HUDA, and in anticipation of approval of Authority.

The receipt of this communication may also be acknowledged.


Administrator (HQ's)
for Chief Administrator HUDA



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**HARYANA URBAN
DEVELOPMENT AUTHORITY**

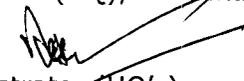
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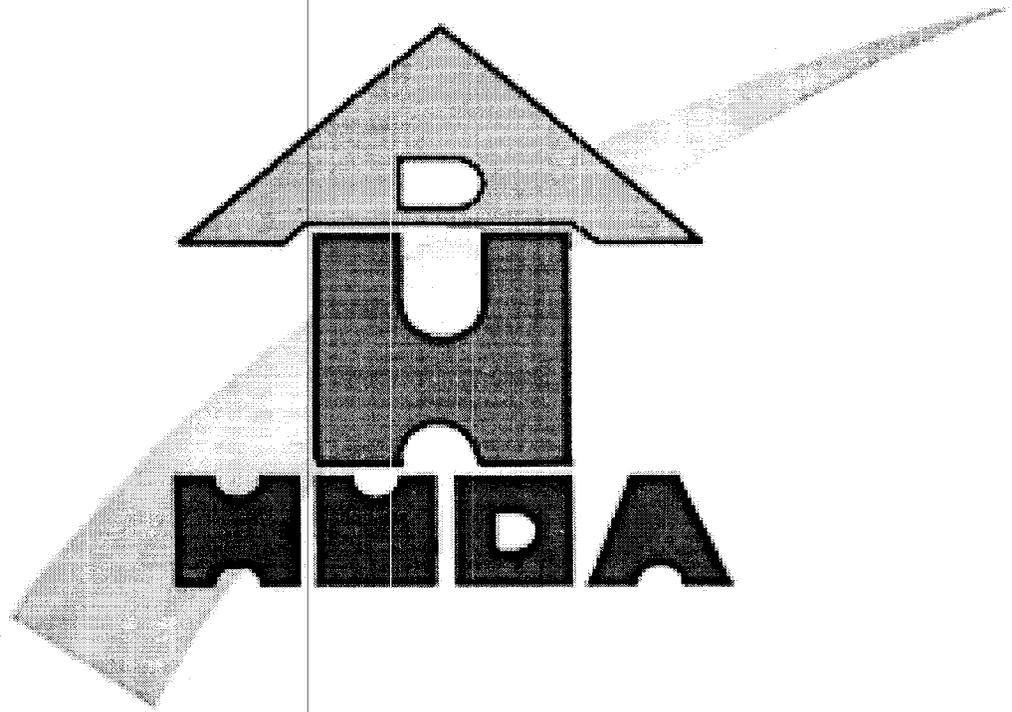
Dated:- 28/11/16

A copy of the above is forwarded to the following for information and necessary action:-

1. The Chief Controller of Finance, HUDA, Panchkula.
2. The Chief Engineer, HUDA, Panchkula.
3. The Chief Town Planner, HUDA, Panchkula.
4. The Secretary, HUDA, Panchkula.
5. The General Manager (IT), HUDA, Panchkula. He is requested to host it on HUDA Web-site.
6. The District Attorney, HUDA (HQ), Panchkula.
7. The Dy. ESA, HUDA(HQ), Panchkula.
8. All the Assistants/Record-Keepers, Urban Branch, HUDA (HQ), Panchkula.


Administrator (HQ's)
for Chief Administrator HUDA

28/11/16



HUDA
Estate Management
Procedure-2016

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Introduction

1. The Enterprises Promotion Policy-2015 (EPP-2015) announced by the State Government vide notification No. 49/43/2015-41B1 dated 14.08.2015, provides that the Haryana Urban Development Authority (HUDA) would announce its liberalized Estate Management Procedure in line with the economic environment and aspirations of the industry and notify its Estate Management Procedure to be known as HUDA EMP-2016 which would address the parameters for allotment, reservation and priority in allotment of industrial plots and other related matters concerned with management of industrial estates.
2. In line with the policy decision of the State Government in this behalf, HUDA has reviewed the existing Estate Management Procedures and the revised guidelines shall come into operation from the date of issue and are hereafter referred to as "HUDA Estate Management Procedures (HUDA EMP)-2016".

Applicability

3. The provisions of HUDA EMP-2016 shall be applicable to all the existing as well as future allottees of industrial plots/sheds in various Industrial Estates / Sectors developed by HUDA, Haryana, transferred to HUDA and shall be uniformly applicable from the date of issue.

All service requests to be received after implementation of HUDA EMP-2016, shall be dealt as per the provisions of HUDA EMP-2016, including charging of fee/processing fee, wherever applicable. As regards the pending applications, received before coming into force of HUDA EMP-2016, the same shall be considered to have been filed on issue of HUDA EMP-2016 i.e. the date of implementation of HUDA EMP-2016 and shall be dealt under the relevant provisions of HUDA EMP-2016. However, in all cases, the minimum investment criteria for prestigious projects shall be as applicable at the time of allotment. Notwithstanding anything contained in these procedures, all cases decided in the past as per earlier Estate Management Procedures (EMPs)/Policies, shall, however, not be re-opened.

Chapter 1

Development of Industrial Infrastructure and the Estates/Parks

- 1.1 The process of development of Industrial Infrastructure necessarily involves acquisition of land, planning, execution of basic amenities e.g. metalled roads, wholesome water, sewerage and electrification. This is followed by provision of facilities such as the STP/CETP, development of plantation/green belts, commercial and institutional sites, common parking facilities, etc.
- 1.2 The scope and scale of amenities so provided may vary across the industrial estates depending upon the size of the estate and may not be uniform in all the Industrial Estates. The effort always remains to develop the basic infrastructure facilities in an industrial estate before initiating the process of allotment of industrial plots. However, there could be exceptions in strict adherence to this approach. These exceptional circumstances could arise from a number of factors such as:
- HUDA may not be in undisputed possession of certain parcels of land on account of litigation which impede the completion of works at certain places;
 - There is overwhelming demand for plots pressing for early allotment and the State may lose out on the potential projects/ investment, if allotments are not made on immediate basis;
 - Certain applicants are in urgent/ immediate need of land and are in a position to start work on their projects without waiting for completion of these facilities.
- 1.3 Further, there could also be a plan for phased development of the infrastructure facilities. For instance, it has been observed that the WBM roads provide unhindered access to the plots for carriage of construction material whereas the tar-felt roads get damaged during the spurt of construction activities. In addition to the problems associated with settlement of roads in the initial stages (at least one rainy season), frequent road cuts necessitated for cross-connections for water supply and sewage call for restoration of these cuts. It is keeping these conditions in view that the HUDA has planned for provision of the bituminous macadam after a gap of one to two years of the initial allotment. Similarly, the Estate infrastructure relating to drainage and sewerage works though an essential part of development does not impede the start of construction activity. On the other hand, it is recognized that availability of access to the plots, water-supply and electrical infrastructure constitute the basic facilities for any entrepreneur to start working on his project.
- 1.4 For the purpose of implementation of the HUDA EMP-2016, various industrial estates developed by the HUDA throughout the State are categorized as under:-

Sr. No.	Category	Industrial Estates Developed By HUDA
1	'A'	Gurgaon, Faridabad, Bahadurgarh, Murthal, Sonapat, Panipat and Panchkula.
2	'B'	-----
3	'C'	All Estates other than those mentioned above

HUDA Estate Management Procedure -2016

- 1.5 The above categorization of estates may be reviewed by the Haryana Urban Development Authority (HUDA) Department.

Chapter-2

Pricing of Plots

- 2.1 The pricing of plots in any industrial estate is a function of the cost of acquisition of raw land, administrative costs, survey and demarcation, payment of Government fees, planning, development and provision of various amenities like roads, water supply systems including the water-works, sewage, drainage, STP/CETP, final disposal of effluents, etc. as necessary infrastructure related amenities. The overall costs so incurred are then loaded on to the net saleable area.
- 2.2 Normally, at the time of initial floatation of an industrial Sector/Plot, the HUDA allots industrial plots on cost basis to the eligible applicants, however, in case the number of such applicants are more than the number of offered plots, the allotment shall be made through e-auction process. Thus, the HUDA generates revenue by way of allotment of plots as well as by way of disposal of commercial/institutional sites/residential plots. The revenue so generated by the HUDA is ploughed back in meeting investment and administrative requirements of the Authority as defined under Section 21 (2) of HUDA Act, 1977. The broad policy in pricing of plots is governed by the following considerations:
- i. As per Regulation 3 (c) of the Haryana Urban Development (Disposal of Land & Buildings) Regulations, 1978, the plots are given either by allotment or by auction.

Procedure in case of sale by allotment is governed by Regulation 5 of the Haryana Urban Development (Disposal of Land & Buildings) Regulations, 1978. The allotment is made on the tentative price worked out on costing method on basis of acquisition cost of land, prescribed under Regulation 4 Haryana Urban Development (Disposal of Land & Buildings) Regulations, 1977.

Procedure in case of sale by auction is governed by Regulation 6 of the Haryana Urban Development (Disposal of Land & Buildings) Regulations, 1978. The reserve price for auction is determined based on either costing method or any higher amount determined as a result of bidding in open auction.
 - ii. Industrial plots may be allotted for mega projects involving fixed capital investment of ₹100 crore or above, or projects involving employment generation of more than 500 persons, at special promotional rates, with the approval of the Haryana Enterprise Promotion Board (HEPB), so as to attract large size anchor industrial units at these locations with potential for creation of ancillaries. The pricing under this provision is decided by the HEPB on case to case basis. Further, preferably, not more than 15% to 20% of the plotted area is to be allotted under this special dispensation, any exceptions thereto resting with the HEPB.

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

i. Allotment of industrial plots/sheds made before coming into force of HUDA EMP-2016:-

The landowners whose land is acquired under the Land Acquisition Act, have a statutory right to file references under Section 18 of the Act seeking higher compensation as compared to what has been determined by the Land Acquisition Collector and paid to them at the Award stage. Notwithstanding the Government Policy of minimum floor rates, scheme of Annuity payments and the R & R Policy, the amount of compensation is often enhanced by the Courts of competent jurisdiction. A finality in this behalf is a long drawn process. As such, the pricing of industrial plots at the initial stage did not take into account any component of enhancement allowed by the courts subsequently. It is for this reason that the enhanced cost of the land announced subsequently by the competent courts was being recovered proportionately from the allottees separately as per the terms of allotment & applicable policy guidelines. The component of enhanced compensation shall continue to be passed on to the allottees of the industrial plots/sheds where the allotment has been made by HUDA in case of sale by allotment. The allottee shall be required to pay the Additional Price on account of enhanced compensation as per Regulation of the Haryana Urban Development (Disposal of Land & Buildings) Regulations, 1978.

Wherever any litigation pertaining to enhancement in land compensation U/s 18 of the Land Acquisition Act is pending or is initiated in the Industrial Association of the respective Estate/Allottees shall be made aware of the same, so that they can also defend the cases.

The allottee, if so desirous, shall have the option to deposit the tentative enhanced cost during the pendency of the court case/raising of actual demand by the Corporation, so as to save the interest cost liability of the allottees."

ii. Allotment/Sale of industrial plots/sheds by HUDA:-

In case of sale by auction, allotment is made to the highest bidder by auction under Regulation 6 of Haryana Urban Development (Disposal of Land & Buildings) Regulations, 1978. As per the existing provisions, in the case of sale by auction, the allottee is not required to pay any amount on account of enhanced compensation.

2.4 The prices of plots/sheds shall be revised on first of April each year by the Authority. In case there is no demand in any industrial estate against two consecutive advertisements, with a view to maintain marketability of the plots, the Chief Administrator, HUDA may consider downward revision of prices maximum up to 20% at a time in line with the market price. But the price shall not be lowered down, than the original price (first reserved price)."

HUDA Estate Management Procedure -2016

Chapter 3

Allotment of Industrial Plots

- 3.1 For the purpose of allotment, such industrial sector shall be declared as saturated where 90% of the area of carved out industrial plots has been allotted.
- 3.2 Reservation of industrial plots:
- i. The reservation of industrial plots shall be available only in unsaturated estates as under:
 - a) Up to 10% of the plots/sheds will be reserved in each Estate for allotment to NRIs/ PIOs and for units with 33% or more FDI in total investment. In case of NRI Plots, the entire amount towards the price of the plot has to be remitted through NRI Account of the applicant or in remittances from abroad/ foreign exchange. In the case of FDI, at least 33% of the Project Cost has to come from the FDI route. However, the 10% limit would not preclude allotment of plots in the FDI category as a part of the general scheme of allotment;
 - b) Preferential allotment up to 2% of the plots/sheds in each Estate has been prescribed by the Government for allotment to persons with disabilities as defined in the Persons with Disabilities (Equal Opportunities, Protection of Right and Full Participation) Act, 1995. The Government has also prescribed a differential rate of interest on instalments for this category (For complete details in this regard, Haryana Government Notification No. 49/40/07/4IBI dated 13.03.2007 may be referred). However, in case no applications are available from the eligible category, the un-allotted plots may be utilized under the general category.
 - c) Any other reservation of industrial plots/sheds as may be decided by the State Government/HUDA from time to time.
 - ii. In saturated estates, there will be no reservation for these categories and their applications shall be considered as general category applications.
 - iii. Irrespective of number of industrial plots allotted under the above categories in the past, the number of plots reserved for future allotment in unsaturated areas, shall be worked out on the basis of total number of plots available for allotment as on the date issue of EMP 2016.
- 3.3 Subject to the above, the allotment of Industrial plots shall be governed as under:
- i. On an on-going basis in the following cases:
 - a) Mega Projects involving fixed capital investment (i.e. land, building, machinery & misc. fixed assets) of ₹100 crore and above or projects involving employment generation of more than 500 persons and serving as anchor units for proliferation of ancillaries.

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- b) Prestigious projects involving fixed capital investment (Land, Building, Plant and machinery & misc. fixed assets) as mentioned hereunder:-

Category 'A' Estates - ₹ 50 crore and above.

Category 'B' Estates - ₹ 40 crore and above.

Category 'C' Estates - ₹ 30 crore and above.

The investment in the project under this category shall commensurate to the land size and normally the investment in land should not exceed 60% of the total fixed capital investment.

- c) Allotment under fast track scheme to Central/State Government PSUs;
- d) Applications for general, FDI/NRI and persons with disability category shall be accepted by the HUDA on an ongoing basis till 60% of carved out area of industrial plots of an industrial estate /sector/ phase are sold out.
- e) Any proposal for allotment of land to set up a project by any reputed foreign investor through 100% FDI route anywhere in the State, not falling under any other provision of EMP."

The scope of existing clause has been widened and the above two categories, besides mega projects, prestigious project and fast tracks, have been added wherein the applications shall be accepted in toto.

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

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

3.4 Process of Allotment:

- i. General / NRI I FDI / Persons with Disability Category Allotment:

- a) Applications received under clause 3.3. i.(d) above shall be considered for allotment by the Chief Administrator, HUDA on regular basis on fortnightly basis. However, in case, at any stage the applications received are more than the number of plots available for allotment under this category, the same shall be allotted through e-auction.
- b) After sale of plots earmarked under clause 3.3.i.(d) above, the HUDA shall invite applications for allotment of industrial plots of various sizes and one month period shall be given for submission of applications. The process of allotment of industrial plots, in respect of applications received in a particular month shall be finalized preferably in the next two months. The number of plots against which applications are to be invited shall be decided by Chief Administrator/HUDA;
- c) In case, the numbers of applications received are less than the number of plots offered, all the applicants may be considered for allotment by the industrial Plot

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Allotment Committee and where the number of applications is more; the allotment shall be made through limited e-auction amongst the applicants.

- d) In case of saturated estates where the number of applications received are more than the number of plots offered, the allotment shall be made through limited e-auction amongst the applicants. However, in case the numbers of applications received are less than the number of plots offered for allotment, the same may be re-advertised/the time period for submission of applications may be extended by the Chief Administrator, HUDA. In saturated estates, normally 25% - 50% of the available plots shall be offered for allotments in one go; however, Chief Administrator/HUDA will take a final view in this regard. In case of re-advertisement, the number of offered plots may be reduced by the Chief Administrator, HUDA.
 - e) The applications for allotment of adjacent plots to the existing running units in unsaturated industrial estates shall be received by the Corporation along with other general category applications and allotment shall be made, irrespective of size of plot, at the weighted average auction price of the respective lot, in case there is more than one application for allotment of the same plot, the allotment shall be made through e-auction between the applicants.
 - f) The applications for allotment of adjacent plots to the existing running units in unsaturated industrial estates shall be received by HUDA along with other general category applications and allotment shall be made, irrespective of size of plot, at the weighted average auction price of the respective lot. In case there is more than one application for allotment of the same plot, the allotment shall be made through e-auction between the applicants.
- ii. Prestigious Projects Category:
- a) The applications under this category shall be received by the HUDA on an on-going basis. The HUDA will display the availability of Industrial plots for prestigious projects category on its website.
 - b) The allotment under this category shall be made at allotment rate(s) fixed/revised by the HUDA from time to time, by Higher Level Plot Allotment Committee comprising of Administrative Secretary of the Industries Department, Chief Administrator, HUDA and Director of Industries & Commerce, Haryana.

Administrative Secretary of the Industries Department shall be Chairman of the Committee.
 - c) In case the number of applications received in respect of any plot-size category is more than the number of available plots, the allotment shall be made through limited e-auction.

HUDA Estate Management Procedure -2016

iii. Mega Projects Category:

- a) Applications for allotment of plots under this category shall be received by the HUDA on 'on-going' basis;
- b) The allotment of industrial plots under this category involving concessional rates with other incentives (a customized package) shall be made by Haryana Enterprise Promotion Board under the Chairmanship of Hon'ble Chief Minister, Haryana.

iv. Central/State Government PSUs Category:

- a) The allotment of industrial plots to set up permissible projects by well-known Central / State Govt. Public Sector Undertakings shall be made on fast track basis. The applications for allotment of plots under this category shall be received by the HUDA on on-going basis.
- b) The allotment under this category shall be made by Chief Administrator, HUDA at allotment rate fixed/revised from time to time.

v. Specific Industry Clusters Category:

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

- vi. 100% F.D.I. projects by reputed foreign investors: The applications received for allotment of land under clause 3.3.1.e above shall be considered by the Higher Level Plot Allotment Committee or Empowered Executive Committee (EEC).
- vii. For allotment of industrial plots under all the above categories, the land requirement shall be justified and the value of land shall preferably not exceed, 60% of the total fixed capital investment (Land, building, Plant & Machinery and Misc. Fixed Assets) Further, the investment in plant & machinery shall not be less than 20% of the total fixed capital investment and the project processed to be setup shall be falling under the permissible project proposed to be setup shall be falling under the permissible activities.

3.5 Committees appointed for the purpose:

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

HUDA Estate Management Procedure -2016

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

1	Administrative Secretary of the Industries Department	Chairman
2	Chief Administrator, HUDA	Member- convener
3	Zonal Administrator, HUDA	Member
4	Director, Industries	Member

- iii. For categories of applications received under Para 3.3(ii) above, allotment will be made by the following Committee:

1	Chief Administrator, HUDA	Chairman
2	Administrator, HUDA(HQ)	Member- convener
3	Zonal Administrator, HUDA	Member
4	Director of Industries, Haryana	Member
5	Managing Director, HARTRON	Member

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

3.6 Payment Terms

- i. In case of sale by allotment, the payment terms shall be as prescribed in the allotment letter issued under Regulation 5 (3) of the Haryana Urban Development (Disposal of Land & Buildings) Regulations, 1978.
- ii. In case of sale by auction, the payment terms shall be as prescribed in the allotment letter issued under Regulation 6 (2) of the Haryana Urban Development (Disposal of Land & Buildings) Regulations, 1978.

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

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3.7 Processing Fee

i. For allotment of plot:-

The applicant, besides earnest money, shall also be required to deposit, along with application, the non-refundable processing fee as hereunder:

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

ii. For all other services

Processing fee for other services, where ever payable as per HUDA EMP-2016, shall be charged at following rates:

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

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

3.8 Service Sector Enterprises

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

1	Repair, Maintenance and parking of machineries/equipment used for industrial activities.
2	Industrial/Technical Test lab.
3	Industrial photography.
4	Bulk courier services.
5	Weigh bridge.
6	Blue printing/drawing/computer designing facilities/drafting facility/CAD-CAM
7	"Research and Development in any field"
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

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

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In case of sale by allotment the payment terms shall be as prescribed in the allotment letter in Form 'C' under Regulations 5 (3) and in case of sale by auction the allotment letter will be issued in the Form 'CC' under regulation 6 (2) of the Haryana Urban Development Authority (Disposal of Land and buildings) Regulations 1978.

HUDA Estate Management Procedure -2016

Chapter 4

Offer of Possession

- 4.1 As per Regulations No-13 of Haryana Urban Development Authority (Disposal of Land & Building) Regulations-1978 the possession of the land shall be delivered to the transferee or lessee as soon as the "basic amenities" within the area where the land is situated are completed: Provided that in the case of sale/lease of undeveloped land/building, possession there of shall be delivered within 90 days of the date of allotment.
- 4.2 Before a decision is taken to offer the possession in an estate, the Concerned Execute Engineer/Sub-Divisional Engineer (Survey), HUDA shall furnish a certificate to the Estate Officer; HUDA concerned certifying the completion of such basic amenities. On such certificate from the Execute Engineer / Sub-Divisional Engineer (Survey), the Estate Officer shall carry out a plot-by-plot verification so as to ensure that the plots, in respect of which the possession is proposed to be offered, are free from any encumbrances.
- 4.3 On completion of the above exercise, the Estate Officer shall obtain the Zoning Plan in respect of each plot from the District Town Planner, concerned. Only, thereafter:
- i. The Estate Officer of HUDA shall offer possession of industrial plots to the allottees by way of a formal communication at the correspondence address given by the allottee. Letters for 'offer of possession' shall be issued by Dasti/registered/speed post / email in order to track the delivery of the communication to the addressee;
 - ii. The offer of possession shall be accompanied with a copy of the 'Zoning Plan' as applicable to the said category of plots;
 - iii. An allottee can represent against the 'offer of possession' within a period of 30 days of the issue of offer letter in case his plot is not free from all encumbrances or absence of the provision of basic amenities, along with the supporting documentary/ visual evidence satellite imagery.
 - iv. On receipt of any such representation, a representative from the Estate office shall visit the site, preferably along with the allottee or his representative, within 7 working days and submit a report to the Estate Officer, who will take an appropriate decision, by a reasoned order, accepting or rejecting the grounds of representation. In case the representation is found to contain merit, the Estate Officer will direct the offer of possession to be held in abeyance till the deficiency is addressed and rectification is carried out and allow all consequential benefits to the allottee. He shall simultaneously fix the responsibility for wrongful offer of possession made in the first instance. The offer of possession shall be revived as soon as the cause of suspension thereof is rectified.

HUDA Estate Management Procedure -2016

- 4.4 Consequences of 'Offer of Possession' by HUDA:
- i. Once the Estate office has offered the possession of plots, the allottee shall be liable to pay interest @12% p.a. on the unpaid balance amount of the tentative price of the plot;
 - ii. Any default in payment of instalments in time shall entail a penal interest of 3% p.a. over and above the normal interest on the amount of default for the period of default, compounded half yearly;
 - iii. The period allowed for completion of each stage of the project and final implementation of the project shall count from the date of 'offer of possession'.
- 4.5 Suo Moto request for Physical Possession :
- i. There may be cases where an allottee is in a hurry to establish his project due to his business commitments and he is not in a position to wait for the completion of the basic amenities. The allottee can request for taking physical possession of the site at an early stage in such cases, i.e. before completion of basic infrastructure amenities. In such an event, he assumes the risk of undertaking execution of his project and meets all consequential costs on this account. Based on this clear understanding, the Estate Officer may allow physical possession of the plot to the allottee upon receipt of a request from him to this effect and facilitate provision of the Zoning Plan;
 - ii. As an incentive to such an allottee, interest shall not be charged from him on the outstanding amount till such time the Estate Office formally offers the possession on completion of basic amenities i.e. approach road internal water supply internal sewerage and electrification work up to his plot, but in case of any default in payment of instalments on due dates, interest as applicable will be charged on the amount of default for the period of default. However, counting of the time period for completion/ implementation of the project shall start from the date the allottee is allowed physical possession of the plot in these cases.

Chapter 5

Period Allowed for Completion of the Project

- 5.1 The allottee shall be required to complete the project on the industrial plot within a Period of three years from the date of offer of possession of the plot.
- 5.2 The period for completion of the project beyond the initial period of three years would be deemed extended on payment of prescribed extension fee through on-line mode for a further period of three years on year to year basis.
- 5.3 In case of sheds/ flatted factories, the allottee shall be required to complete the project within two years from the date of offer of physical possession of shed/ flatted factory by HUDA. The period for completion of the project beyond the initial period of two years would be deemed extended for a further period of three years on year to year basis on payment of prescribed extension fee through on-line mode."
- 5.4 Second extension of one year for completion of project i.e. after four years from the date of offer of physical possession of plot by HUDA or actual possession of the plot, whichever is earlier may be granted on payment of prescribed extension fee in case the allottee has constructed the building up to the plinth level with the approval of Zonal Administrator.
- 5.5 Third extension of one year for completion of project i.e. after five years from the date of offer of physical possession of plot by HUDA or actual possession of the plot, whichever is earlier, may be granted with the approval of Zonal Administrator, HUDA on payment of prescribed extension fee in case the construction of building is at an advanced stage of completion i.e. at least structure of the building with roof having covered area of 50% or more of the minimum construction coverage norms has been achieved.
- 5.6 In case of sheds/flatted factories, the allottee shall be required to complete the project within two years from the date of offer of physical possession of shed/flatted factory by HUDA. The period for completion of the project may be extended by HUDA for a further period of three years on year to year basis, on payment of the prescribed extension fee with the approval of Zonal Administrator, HUDA.
- 5.7 The allottee shall be required to pay the extension fee, wherever permissible, at the rate(s) prescribed for that area and the payment shall be due with effect from the date the extension is applicable and for any delayed payment, interest as applicable shall be charged on the amount due for the delayed period.
- 5.8 The extension beyond six years (five years in case of shed/ flatted factory) shall be granted by the Estate Officer, HUDA on year to year basis by charging fee equivalent to 1.5 times the fee applicable for the previous year.
The allottee shall apply for extension in the prescribed format indicating various steps taken by him towards implementation of the project along with payment of applicable fee. The Estate Officer, HUDA shall convey his decision with regard to the extension within 30 days. In case no reply is received by the allottee within the prescribed time, the extension shall deem to have been granted by the HUDA."

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5.9 Extension fee shall be charged at following rates:

Sr. No.	Category of Estate	Plots (in ₹ per sq. mtr.)		
		1st Year	2nd Year	3rd Year
1	Category 'A'	75	150	250
2	Category 'B'	40	80	150
3	Category 'C'	15	30	50

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

5.10 Completion of Project (General/NRI/FDI/Persons with Disability Category):

i. An industrial project would qualify the criteria for completion in the following manner:

a) Construction norms:

For the purpose of completion of the project, the allottee shall be required to construct the building having minimum construction coverage as under:

- i) Upto the size of one acre (4050 sq. mtr.) : 25% of the PCA
- ii) Above one acre upto five acres : 20% of the PCA
- iii) Above five acres : 15% of the PCA

The Permissible covered area (PCA) as applicable for different industries as per the norms of Town and country Planning Department, Haryana/ HSIIDC shall be adhered.

b) Installation of Plant and Machinery and implementation:

The unit has gone into commercial production after installation of plant and machinery to the extent of at least 30% of the value prescribed for allotment of plot. Further, where the allottees have already implemented the projects under the previous policies applicable from time to time, their cases shall not be re-opened.

5.11 Project Implementation and project completion for the Plots allotted under on-going scheme - Guidelines regarding prestigious projects involving investment of ₹50/40/30 Crore (earlier ₹ 30/20/10 crore) and Mega Projects:

i. The project shall be considered as complete after the allottee has started commercial production after obtaining occupation certificate as per minimum construction norms as mentioned in clause 5.10 (i) a and b has made fixed capital investment in the project to the extent of at least 75% of the projected fixed capital investment subject to minimum benchmark investment, as applicable at the time of allotment/ execution of agreement.

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ii. Part completion of project:

The project shall be considered as partly completed provided the allottee has started commercial production, after obtaining occupation certificate/part occupation certificate with construction coverage at least to the extent of 50% of the minimum construction coverage norms and after installation of plant and machinery as stated in the project report for 1st phase of the project or to the extent of at least 30% of total plant & machinery for the project as a whole, as stated in the project report, whichever is lower.

iii. Period allowed for completion of project:

The allottee shall be required to complete the project on the industrial plot within a period of three years from the date of offer of possession. Extension for completion of project can be considered in these cases with extension fee as applicable in the case of general allotment.

iv. In case the allottee has partly completed the project as per clause 5.11(1)(b), no extension fee shall be required to be paid by the allottee for completion of project till the sixth year. In case the allottee fails to complete the project within six years, he shall be liable to pay extension fee for 7th year onwards at the rates applicable for general category plots, for each year of delay or part thereof.

v. In case the allottee of the industrial plot under prestigious project category intends to lease out a part of the premises, after part completion of the project as stated in clause 5.11(i)(b) above, the same may be allowed by the Committee under the Chairmanship of Administrative Secretary of the Town & Country Planning Deptt., Govt. of Haryana, considering merits of the case.

vi. Exit route for allottees of prestigious project category:

In case, the allottee has implemented/partly completed the project but is not in a position to complete the project within the stipulated period and intends to exit the scheme, the fee/penalty will be payable in the following manner:

Sr. No.	Investment achieved	*Fee/Penalty (as % of current allotment price)	
		Min. Construction norms achieved	Min. Construction norms not achieved
i)	Above 25% but up to 50% of proposed investment	30%	35%
ii)	Above 50% but up to 75% of proposed investment	25%	30%
iii)	Above 75% but less than the minimum investment of ₹50/40/30 crore (earlier ₹30/20/10 crore), as the case may be	15%	20%

*or double the normal fee, as applicable for transfer of plot, whichever is higher. Service tax as applicable shall be payable extra. Upon payment of the above

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mentioned penalty, the project shall be treated as general category project and shall be considered to have been completed subject to fulfillment of minimum construction coverage norms.

Note:* All pending applications, received before coming into force of HUDA EMP-2016, shall be considered to have been filed on the date of approval i.e. the date of implementation of HUDA EMP-2016 and shall be dealt under the provisions of HUDA EMP-2016. In such cases, allotment rate mentioned in Annexure-2.1 shall be considered as the current allotment price for such pending applications.

5.12 Project Completion Certificate

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

- i. Submit an application to the concerned Estate officer, HUDA within 15 days of part completion/completion of the project along with any three of the following documents:-
 - a. Copy of receipt of any taxes (Excise or VAT) paid;
 - b. Copy of customs Shipping bill;
 - c. Proof of payment of electricity bill for industrial connection;
 - d. Copy of receipt of PF/ESI paid;
 - e. Copy of first raw material purchase bill & sale/job- work bill;
 - f. List of machinery installed with certified copies of machinery purchase bills;
 - g. CA certificate of investment made in the project;
 - h. Copy of workers attendance register & wages payment record;

The documents as above shall be in respect of the unit set up on the plot bearing the plot address;
- ii. Upon receipt of request from the allottee as above, the Estate Officer, HUDA shall inspect the Unit or cause the same to be inspected by a team of his officers within a period of 15 days with prior intimation to the allottee & preferably in the presence of the applicant / allottee. The inspection report shall be got duly countersigned from the allottee along with photographs/videography of the site;
- iii. The Estate Officer, HUDA shall issue the 'Part Completion Certificate/'Project Completion Certificate' within 30 days of receipt of application, where the allottee's claim is found to be in order after verification of the information provided by the allottee. In case no reply is received by the allottee within the prescribed period of 30

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days, the 'Part Completion Certificate/'Project Completion Certificate' shall be deemed issued;

- iv In case, the Estate Officer, HUDA is not satisfied with the claim of the applicant-allottee with regard to part completion/completion of the project, the request for issuance of part completion/ Project Completion Certificate shall be declined in writing within 30 days of the receipt of application, clearly stating the reasons for such rejection;
 - v For the purpose of issuance of Part Completion/Project Completion Certificate, reliance shall be made upon the Part Occupation Certificate/Occupation Certificate, the documents prescribed under clause 5.12.i above and the site inspection as provided above.
 - vi. Upon issuance of Part Completion / Project Completion Certificate, the allottee shall be expected to file an annual information with the Corporation with regard to performance of the unit viz annual turnover, export turnover, employment in the unit, taxes paid, products manufactured etc. in the prescribed format to facilitate future planning of HUDA/State Government.
- 5.13 Building plans and Occupation Certificate
- i. The building plans shall be got certified by the allottee from an empanelled Architect before starting any construction activity on the plot. The building plans must be as per the Haryana Building Code - 2016, as well as the zoning plan of the plot. A copy of the building plans duly certified by the Registered Architect must be filed by the allottee in the office of concerned Estate Officer, HUDA before start of construction activity. No acknowledgement of the same shall be required to be issued by the office of concerned Estate Officer, HUDA.
 - ii. Before occupying the building, the allottee shall obtain the occupation certificate of the building from an empanelled Architect and shall submit a copy of the same in the office of concerned Estate Officer, HUDA within 15 days.
 - iii. The concerned Estate Officer, HUDA shall get such occupation certificate verified any time thereafter but not later than six months of its submission with prior intimation to the allottee and preferably in the presence of the allottee. In case any violation of the building bye laws/zoning regulations is observed, the compoundable violations shall be compounded by charging compounding fee at double the normal rate and non-compoundable violations shall have to be compulsorily rectified by the allottee.

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5.14 Minimum construction coverage norms in old cases

The existing allottees who were allotted plots on or after 07.01.2008 shall also be eligible to avail the revised minimum construction coverage norms as mentioned in clause 5.10(1)(a). As regards, the other allottees that were allotted plots prior to 07.01.2008 and obtained occupation certificate as per the then applicable norms and their terms of allotment, shall be considered to have fulfilled the minimum construction norms notwithstanding the norms prescribed in EMP-2016.

Chapter 6

Surrender/Resumption of Plots/Sheds

6.1 Surrender of Plots/ sheds:

- i. Keeping in view that a number of factors impact the establishment of a business in a dynamic business environment, it is recognized that the plans for establishment of a business may undergo a change and the allottee may review and reconsider his plans to carry on with the establishment of the intended business. In such situations, the allottees will have the option to surrender the plots/sheds allotted to them at any point of time. In such an eventuality, the payment deposited by the allottee towards the price of the plot including interest and penal interest, if any, deposited by the allottee on instalments, would be refunded, without any interest by HUDA, after deducting 10% of the consideration money, interest and other dues payable in respect of the plot. In addition to the above, maintenance, water/sewer charges, in default, if any, shall also be deducted from the refundable amount.

In case of surrender of the plot either due to death of the allottee or before offer of possession by the HUDA or the HUDA is not in a position to offer possession of the plot free from encumbrances or offer alternate similar plot to the satisfaction of the allottee, the refund would be made without any deduction. Further, along with surrender request, the allottee shall submit details of his bank account for payment through electronic mode. The cases decided in the past where request for surrender has been received by the HUDA before implementation of these amendments, shall not be re-opened..

- ii. The procedure regarding surrender of plots/sheds will be as follows:

The allottee will submit his request for surrender of the plot/shed to the Estate Officer concerned along with complete details of payments made to HUDA towards the price of plot/shed, who will process the case and decide the same within a period of 30 days, in accordance with the guidelines under Para 6.1(a) above.

6.2 Resumption of Plots/ Sheds

- i. The plots/sheds allotted by HUDA are liable to resumption in the following circumstances:
- ii. Non-payment of the dues of HUDA towards the price of the plot/shed, enhanced cost, extension fees, transfer fees, leasing fee or any other penalties imposed on account of any compoundable violations, other dues;
- iii. Construction of the factory buildings in violation of the FAR norms or non-compoundable zoning violations at any stage.
- iv. Utilisation of the premises for an unauthorized activity, or indulgence in polluting or causing any nuisance activities as are not conducive to the neighbourhood environment within the estate.
- v. Violation of any other terms and conditions of allotment.

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- vi. In the event of any or all of the above conditions existing, the Estate Officer shall issue a notice to the allottee for rectification of the breach/ violation within a period of one month. In case the allottee does not take the corrective action within the said prescribed period, the Estate Officer shall take action & decide the case as per HUDA Act, 1977 and terms & conditions as well as Industrial Policy guidelines.
 - vii. Upon resumption of a Plot/ built-up premises/shed, the allottee would be entitled to refund of the amount deposited towards the price of the plot including interest and penal interest, if any, deposited by the allottee on instalments, without any interest by HUDA, after deducting 10% of the consideration money, interest and other dues payable in respect of the plot. In addition to the above, maintenance, water/sewer charges, in default, if any, shall also be deducted from the refundable amount. In cases where the plot is resumed along with the structure constructed thereon, the allottee shall be at liberty to remove such structure from the plot at his own cost within a reasonable time of three months, failing which HUDA may get the cost of construction of the building assessed from approved Engineer Wing of HUDA and pay this amount to the erstwhile allottee. In such cases, the cost of the structure shall be recoverable from the subsequent allottee of the plot.
- 6.3 Restoration of Resumed Plots:
- i. An appeal against the order of resumption passed by the Estate Officer shall lie before the Zonal Administrator, HUDA. Such Appeal shall be made within ninety days of passing of resumption order in the office of the Zonal Administrator.
 - ii. The Zonal Administrator may examine the appeal and also grant an opportunity of personal hearing to the appellant. The Zonal Administrator may pass appropriate orders on the appeal after considering all the facts and circumstances of the case while following the principles laid down in the EMP.
 - iii. A revision petitions can be filed against the orders of the Zonal Administrator by the allottee before the Administrative Secretary, Town & Country Planning, Haryana within 90 days of passing of the orders by Zonal Administrator. The revisional authority shall have the sole discretion to offer re-allotment of plot/shed at the current rates of allotment in all the estates including saturated estates, considering merits of each case. In such cases, the amount paid by the allottee towards price of the plot including interest and penal interest deposited by the allottee towards installment(s), if any, shall be adjusted against the revised price of the plot to be calculated at current rates, after deducting arrears towards maintenance, water/sewer charges etc.; and the allottee shall be allowed fresh three years period for completion of project in such cases. However, no interest shall be paid by the HUDA on the payments deposited by the allottee, while carrying out the adjustment of payments received in the past.

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6.4 The Process:

The allottee is obliged to complete his project on the industrial plot/shed within the time-frame indicated in the letter of allotment and the agreement executed by him/her with the HUDA. His failure to fulfill this obligation, leading to any of the conditions mentioned under Para 6.2(a) above, empowers the HUDA to resume the plot/shed.

6.5 Procedure in cases pursuant to the completion of the project:

Once the allottee has completed his project as per the criteria laid down in para 5.10/5.11, the HUDA shall always be supportive of his peaceful enjoyment of the property subject to continued adherence to the terms and conditions of allotment and subject to the condition that he does not indulge in any activity listed under Para 6.2(a) of the EMP.

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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 utilization of the built-up industrial space subject to the condition that the allottee has obtained the occupation certificate from an empanelled Architect and submitted a copy of the same to the concerned Estate Officer, HUDA (except in case of prestigious category projects, where leasing shall be permissible after part completion/project completion).

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 in any field
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 HUDA.
- 7.3 In order to be eligible for leasing, the allottee/applicant should have obtained the occupation certificate in respect of the premises from an empanelled Architect and submitted a copy of the same to the concerned Estate Officer, HUDA (Part Completion Certificate/Project Completion Certificate in case of prestigious category projects). The plots/ sheds on which project has been implemented by any of allottee(s)/lessee(s) shall also be eligible for leasing. Further lease instruments exceeding 11 months period should be registered as per legal requirements."

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7.4 Leasing Fee and Processing Charges:

- i. 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%	$\frac{\text{Leasing fee rate} \times \text{Plot area} \times 150}{125}$
Above 150% & up to 175%	$\frac{\text{Leasing fee rate} \times \text{Plot area} \times 175}{125}$
Above 175% & up to 200%	$\frac{\text{Leasing fee rate} \times \text{Plot area} \times 200}{125}$
Above 200 & up to 250%	$\frac{\text{Leasing fee rate} \times \text{Plot area} \times 250}{125}$

- ii. 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 : $\frac{\text{Builtup area} \times 100}{\text{Plot area}}$

(c) Leased out plot area : $\frac{100}{\% \text{age of built up area}} \times \text{leased out built up area}$

(d) Leasing fee to be paid : Leased out plot area x rate of applicable leasing fee.

- iii. 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.

No leasing fee shall be charged in cases where conveyance deed has been executed in favour of the allottee. Wherever leasing fee is not payable for first leasing, the allottee shall be required to pay the applicable processing fee. However, for

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subsequent leasing/change of lessee/ extension of lease period no processing fee shall be payable where fee equivalent to one time leasing fee as per clause 7.4.(i) & (ii), wherever applicable, has been received by the HUDA in the past.

Lease fee to be charged wherein conveyance deed has been executed, have been exempted. However, applicable processing fee shall be charged. Further where one time leasing has been charged earlier, no leasing fee in subsequent leasing shall be charged.

- iv. Notwithstanding anything contained in the above mentioned clauses, the leasing of premises for service sector enterprises shall entail payment of leasing fee as prescribed under clause 7.4.(i) & (ii) unless fee equivalent to one time leasing fee as per clause 7.4.(i) & (ii) has been paid in the past."
 - v. 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 fulfilling the eligibility criteria as defined in clause 7.3 above, shall be at liberty to lease out the premises for permissible activities conforming to that area/ plot and shall file an intimation thereof with the concerned Estate Officer, HUDA within 30 days of such leasing, along with payment of prescribed leasing fee/processing fee.
 - ii. Second/Subsequent Leasing:
For second/subsequent lease or change in lessee, no permission is required from the HUDA. 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).

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

Sr. No.	Particulars	Remarks
1	No. of units operating at site	
2	Name of the units	
3	Products being manufactured	
4	Turnover of the previous FY (₹ in Cr. For each unit)	
5	Export turnover of the previous FY (₹ in Cr. For each unit)	
6	Employment in each unit - Haryana domicile Outsiders	

7.7 Consequences of un-authorized leasing

- i. A premises is deemed to have been leased out unauthorizedly if the allottee:
- Leases out his premises or part thereof without complying with the eligibility criteria as defined in the EMP.
 - 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 Estate Officer, HUDA 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.
- iii. Further, overall compliance of the terms and concitions of allotment of the plot will be the responsibility of the Allottee qua the HUDA and the Department will not enter into any correspondence with the lessee on this account.

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Chapter 8

Transfer of Plots/ Sheds

8.1 Notwithstanding that the plots/sheds are allotted by the HUDA on free-hold basis, the allotment/ management of the industrial estates are being regulated by the HUDA with the sole objective of industrialization in the State of Haryana. To meet this end, the allotment of industrial plots/sheds is made to the prospective entrepreneurs for setting up their industrial ventures, after following due procedure, involving inviting applications, evaluation on the basis of pre-determined criteria, personal interviews in case of prestigious category projects and thereafter selection of the applicant. As such, the allottee is required to utilize the plot/shed by implementing the industrial project within a stipulated period. To that extent, the expression 'Free-hold' is restrained by the attendant conditions.

8.2 What constitutes a Transfer?

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

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

8.3 Effective date of transfer:

The effective date of transfer shall be the date of registration of sale deed with the concerned Sub-Registrar. In case the transfer is being effected by way of transfer of 51% or more of the share/paid up capital, the effective date of transfer shall be the date of transfer of share/shareholding as per the record of the allottee firm/company.

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8.4 Due diligence and warning to purchasers:

Although, the industrial plots/sheds allotted by HUDA are freely transferable after completion of the project by the allottee in terms of clause 5.10/5.11, however, third party who purchases or acquires interest in any manner, in a plot/shed before completion of the project, without prior written permission of the HUDA, bears the risk of its resumption notwithstanding that he may plead ignorance about the rules and the facts about the property at the time he entered into the sale-purchase agreement. Hence, it is the duty of any purchaser to carry out due diligence, verify the transferability of the plot/shed and the amount outstanding and payable to the HUDA at the time of entering into any agreement. The information in this respect can be gathered from the Estate Offices of the HUDA. It is clarified that first/each of the subsequent transfer of plot/shed shall require prior written permission of the HUDA.

8.5. Eligibility Criteria for the First Transfer:

i. The original allottee shall be eligible to transfer the plot subject to the following:

- a) Has deposited full price of the plot, including enhanced cost, if any and got the conveyance deed of the plot/shed executed in his/her/its favour;
- b) For all allotments made prior to applicability of HUDA EMP-2016, the allottee should have obtained occupation certificate and completed the project in terms of clause 5.10 & 5.11, provided that the cases where project has already been accepted as implemented/completed as per provisions of the policies applicable from time to time, shall not be re-opened;"
- c) There should not any default towards payment of other dues of the HUDA like; enhanced cost, maintenance charges, water/sewer charges, EDC, any fee, etc.
- d) In cases, where premises is leased out after obtaining occupation certificate but without implementation of the project by the allottee, the plot shall be eligible for transfer after implementation of the project by the lessee."

ii. The transfer of plot/shed will be allowed without any pre-condition in case of inheritance, will or within the family members of the allottee (except in case of allotment in favour of NRI / person with disability), succession due to death of the allottee/majority shareholders or takeover by Banks/ Financial institutions. The transferee allottee under this category shall be required to implement the approved project and will be treated as original allottee.

8.6 Subsequent transfers:

In case of subsequent transfer of industrial plot/shed, where the first/earlier transfer was effected after completion of the approved project, there will be no pre-conditions, except that there shall not be any violation with respect to FAR, zoning norms as well as other building bye-laws; further there shall be no default towards payment of any dues of the HUDA like; enhanced cost, maintenance charges, water/sewer charges, EDC, any fee, etc. However, the transferee shall be required to pay applicable processing fee (provided transfer fee in respect of first/earlier transfer was already

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paid) and enter into an agreement with the HUDA to adhere to the rules & regulations of the HUDA qua allotment of the plot, as the transferee allottee would be stepping into the shoes of original allottee. Every subsequent transfer would entail payment of processing charges and execution of a Registered Sale Deed/other documents as per provisions of the Transfer of Property Act/other laws. No Bifurcation of plots are allowed in any stage of transfer without prior permission of HUDA.

8.7 Transfer fees:

- i. Wherever transfer is permissible, save exempted categories as mentioned under Para 8.8 below, the transfer fee shall be payable as under:

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

In case of shed, the transfer fee shall be payable on the area of the plot under shed. However, in case of flatted factory, transfer fee shall be payable on the plinth area basis. The Service Tax as applicable shall be extra.

- ii. Transfer of General category plots without completion of the approved project:-

In case of general category plots, the allottee may transfer the industrial plot without completion of the approved project (including vacant/partly constructed plot) after he/she/it has deposited full price of the plot, including enhanced cost, if any and got the conveyance deed of the plot/shed executed in his/her/its favour, subject to payment of transfer fee as under:-

Sr. No.	Particulars	Transfer fee
1	After obtaining occupation certificate but without implementation of project as defined in EMP	Double the normal transfer fee
2	Vacant/unutilized plots (including cases where OC has not been obtained)	10% of current allotment price
3	Subsequent transfer of plot after completion of the project by the transferee	Processing fee
4	Subsequent transfer of plot without implementation of project by transferee	Normal transfer fee

- iii. Transfer of Prestigious Category plots:

In case of prestigious category projects, transfer shall be permissible on payment of normal transfer fee, only after completion of the project by the allottee, as defined in clause 5.11(i)(a) of HUDA EMP-2016.

- iv. Transfer fee, wherever applicable, would be payable along with interest @ 11 % p.a. from the effective date of transfer. However, in cases where transfer fee is linked to current allotment price, interest @ 11 % p.a. shall be applicable from the date of submission of transfer request. The allottee shall be required to obtain prior

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permission of the Corporation before effecting any transfer, failing which penalty equivalent to the normal transfer fee shall be payable.

- v. In case of non compliance of conditions of Provisional Transfer Letter (PTL) within a period of 120 days, penalty equivalent to 25% of normal transfer fee as per HUDA EMP-2016 shall be charged for regularizing the delay beyond 120 days, in compliance of PTL conditions.
- vi. In case the transfer of plot/shed was affected through registered sale deed, there shall be no requirement of personal appearance of the transferor before the Estate Officer, HUDA to confirm the sale transaction. In case the transfer is effected through transfer of majority equity shares in a company, such transfer should be filed/registered in the MCA records and the allottee shall be required to submit a copy of the MCA records along with resolution of the Board of Directors/ general body for change of management/transfer of majority shareholding, duly certified by the Statutory/Secretarial Auditors of the Company and in such cases also there shall be no requirement of personal appearance of outgoing directors/ shareholders.

Further, in case of transfer through changes in partners in a registered partnership firm or changes in the shareholders in a company, there shall be no requirement of execution of sale deed in such cases.

8.8 Categories exempted from payment of Transfer Fee:

No transfer fee will be payable in the following cases:

- i. Transfer of plot after the allottee has run his industrial unit for a period of more than five years; it is clarified that once the allottee or the re-allottee has run the unit for a period of five years or more, no transfer fee shall be applicable in case of subsequent transfers.
- ii. Transfer by way of inheritance, will or within the family members of the allottee;
- iii. Succession due to death of owner/allottee/ majority shareholders;
- iv. Takeover by bank/financial institutions.
- v. Second or all subsequent transfers, provided the first/earlier transfer was made after completion of the project on payment of normal transfer fee, and otherwise eligible for transfer as per clause 8.6.
- vi. Transfer of plot in favour of another company promoted by the same promoters / shareholders.
- vii. All allotments made under HUDA EMP-2016, provided the conveyance deed of the plot/shed has been executed.

In the cases covered under above categories, only the applicable processing fee/Administrative Charges will be payable along with the transfer request. However, dues of the HUDA, if any, shall be required to be cleared by the allottee/proposed transferee before any such transfer.

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8.9 Consequences of unauthorized transfers:

A transfer is un-authorized where the transfer of plot/shed is not permissible as per provisions of the HUDA EMP-2016. Any transfer, which is otherwise permissible, but effected without prior written permission of the HUDA shall also constitute as un-authorized transfer. The allottee/successor-in-interest, as the case may be, will have to bear the consequences of such un-authorized transfer, including payment of penalties as defined in EMP as well as resumption of the plot/shed.

8.10 Procedure:

- i. An application for transfer of plot/shed containing relevant information along with payment of applicable transfer fee/processing fee shall be required to be made to HUDA as per the prescribed procedure, by the authorized person, as detailed below:
 - a) The allottee himself in the case of an individual/ sole proprietorship or the lawful successor in case of inheritance/ will/ death of the original allottee;
 - b) One of the partners with authorization from other partners in the case of a partnership firm;
 - c) One of the Directors, along with certified copy of the resolution passed by the Board of Director of the company, in the case of a Private Limited Company;
 - d) The Company Secretary/Manager duly authorized through a resolution of the Board of the Company, in the case of a Public Limited Company.
- ii. The Estate Officer, HUDA shall verify the completeness of the application, the purpose for which the proposed transferee would be utilizing the premises and other prescribed parameters within a period of 07 working days. In case the application/request is found to be in order, the Estate Officer, HUDA shall issue a Provisional Transfer Letter (PTL) containing the terms and conditions for such permission within 18 days. In case the application is found incomplete or deficient in any respect, the applicant will be informed of the same along with the deficiencies within a period of 18 working days;
- iii. The terms and conditions of Provisional Transfer Letter (PTL) will be complied with by the transferor /transferee within a period of 90 days from the date of issue of the PTL;
- iv. Pursuant to the completion of formalities contained in PTL, the Estate Officer would, execute agreement with the transferee, issue the letter of re-allotment in favour of the transferee, whereupon the proposed transferee shall become an allottee/re-allottee of the HUDA.

Chapter 9

Change in Constitution/Shareholding

- 9.1 Change in constitution from individual/Joint holders to a Partnership Firm/ company or from Partnership Firm to a Company shall be permissible at any stage provided the entire shareholding/ ownership of the firm/company/project is with the original allottee and/or his/her family members (spouse, son, daughter, parents, brothers, sisters, grandson, granddaughter and their spouses). Applicable processing fee shall be payable in such cases. Prior written permission of HUDA shall be mandatory. In case of allotment in favour of NRI/ person with disability, the allottee must retain at least 51% stake till project completion.
- 9.2 In case the change in constitution involves induction of a third party, other than family members as defined in clause 9.1, into the firm/company/project, the same can be allowed on payment of fee equivalent to 50% of a normal transfer fee, as defined in Para 8.7(i) of EMP, for dilution of equity up to 26% and 100% of transfer fee for dilution of equity above 26% and up to 49%, subject to the condition that the original allottee/his family members retain at least 51% share in the firm/company/ project. Applicable service tax and interest on fee @ 12% p.a. shall be payable from the date of dilution of equity till the date of payment. In case the share of the original allottee/partners/shareholders and their family members in the firm/company/project falls below 51%, it shall amount to transfer and the provisions of chapter 8 of HUDA EMP-2016 related to transfer of plot shall be applicable.
- 9.3 In cases where a Private Limited Company becomes a Public Limited Company listed with recognized stock exchange, the change in constitution may be allowed on payment of the applicable processing fee subject to the condition that the allottee or his associates (family members), retain the largest share holding with management control, otherwise it will be treated as a case of transfer.
- 9.4 In case the allottee is a company and intends to implement the proposed project through its subsidiary company, such a request can be considered by the Chief Administrator, HUDA subject to the condition that the entire paid up capital of the subsidiary company is held by the allottee company and its shareholders/promoter Directors. Similarly, implementation of project through holding company of the allottee company as well as through a concern/company promoted/owned by the original allottee / partners of allottee firm / promoter/directors of Allottee Company and their family members shall also be covered under this clause. Applicable processing fee shall be payable in such cases.
- 9.5 In case of change in constitution where the conveyance deed is already executed in favour of the original allottee, the title of the plot shall be got transferred in the name of new entity by way of registered deed.

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Chapter 10

Change of Project

- 10.1 The allottee may change the project at any stage for permissible activities conforming to that area/plot only, provided the ratio of fixed capital investment (land, building Plant & Machinery including misc. fixed assets) is maintained at the Ratio of 60:20:20. Though no prior approval shall be required from HUDA for any such change of project, however, the allottee shall be required to intimate the same to the concerned Estate Officer, HUDA within 60 days of such change. Further, while undertaking any such change of project, factors such as nature of pollution, high water consumption/effluent, availability of requisite infrastructure facilities in the concerned industrial estate to meet the proposed project parameters etc. shall be considered by the allottee, and, any approvals in this regard, if required, from State/Central Government, Pollution Control Board, Other Regulatory Bodies / authorities and compliance of their norms, shall be the responsibility of the allottee. The period for implementation of the changed project shall remain the same as per terms of allotment. No fee shall be payable for any such change of project. In case of prestigious category projects, where there is reduction in fixed capital investment, change of project shall require permission of the HUDA.
- 10.2 In the case of allotment of plots/sheds in product specific Industrial Estates/Sectors e.g. Food Park, Technology Park, Electroplating Zone & Dying Zone & Textile park etc., the change of project can be undertaken only for specified activities in that particular Estate/ Sectors.
- 10.3 Due diligence and warning to the allottees:

Although, there are no restrictions on change of project by the allottees lessee and no prior permission is required from the HUDA for the same, however, if the premises are found to be utilized for any non-permissible activity, the allottee bears the risk of its resumption notwithstanding that he may plead ignorance about the rules. Hence, it is the duty of the allottee to carry out due diligence before undertaking any change of project.

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Chapter 11

Bifurcation/Fragmentation of Plot

- 11.1 Bifurcation of industrial plots of only two acre size and above will be permitted provided the project has been completed after obtaining occupation certificate as per prevalent Estate Management Procedure. Plots measuring two to five acres can be bifurcated in not more than two plots subject to the condition that none of the subdivided plots is less than one acre, subject to planning parameters. In case the plot size is more than five acres, none of the bifurcated portion should be less than two acres. The bifurcation will be permitted only for permissible activities. Applicable processing fee shall be payable for such permission. In case the allottee transfers the bifurcated plot to some other person, then provisions of transfer as contained in EMP shall be applicable.
- 11.2 Normally bifurcation of plots at the initial stage before completion of project shall not be allowed. However, the committee constituted under clause 12.14 of HUDA EMP-2016 may consider the bifurcation of the plot and utilization of the bifurcated portion by the subsidiary/ group company with majority equity shares owned by the allottee company, its share holders/ promoter directors with family members, subject to payment of bifurcation fee equivalent to transfer fee. The other conditions of the bifurcation/ fragmentation as well as terms of allotment shall be applicable in such cases.
- 11.3 Bifurcation of clubbed plots/sheds shall be permissible provided they have been shown as a separate units/plots in the approved layout plan and meet the zoning parameters.

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Chapter 12

Residual Matters

- 12.1 In case the project is not implemented/ completed within the stipulated period on account of death of the original allottee, the Estate Officer, HUDA shall be competent to extend the period and allow implementation of the project within two years of transfer of plot in favour of legal heir(s) of the allottee without extension fee.
- 12.2 The benefit of reduction in rate of interest from 12% p.a. to 11% p.a. and delayed interest from 15% p.a. to 13% p.a. wherever applicable shall be available to the existing allottees on the existing liabilities as on the date of notification of HUDA EMP-2016.
- 12.3 As per clause 3.6 (ii), in case of allotment of plot/shed, the allottee is required to convey acceptance of terms and conditions of allotment and remit 15% payment within a period of thirty days of issuance of Regular Letter of Allotment (extendable by another thirty days on payment of interest @ 15% p.a. for the delayed period). On expiry of sixty days, the allotment of plot/shed stands lapsed. In cases of extreme hardship, Chief Administrator, HUDA shall be competent to revive the allotment and accept the 15% payment within 120 days of issuance of Regular Letter of Allotment, on payment of interest @ 15% p.a. for the delayed period. Administrative Secretary of the TCP Department, Govt. of Haryana may further consider condonation of delay beyond 120 days on payment of interest @ 15% p.a. for the delayed period, depending up on merits of the case.
- 12.4 While handing over physical possession of plot, in case, the actual area of the plot on ground is found to be higher than the tentative allotted area, as mentioned in Regular Letter of Allotment (RLA), the excess area up to 10% of the original size shall be handed over to the allottee by charging original allotment rates as mentioned in RLA, along with interest @ 12% p.a., from the date of handing over possession. In case the excess area is more than 10% of the original size, such excess area may be handed over to the allottee on payment of price of excess area at the current allotment rates, as applicable on the date of handing over physical possession of the plot. In case the actual area of the plot at the time of handing over physical possession is found to be less than the allotted area, the cost of the plot shall be recalculated & the schedule for payment of balance cost of the plot, after adjusting the 25% allotment money received from the allottee as per RLA, shall be revised from the beginning & interest shall be calculated accordingly.
- 12.5 It has also been decided to allow industrial warehousing in the existing industrial estates. The guidelines/ criteria for the same shall be as under :-
- i. The Industrial Warehousing Activities shall be allowed on the plots having maximum size of five acres. Further, the plot must be located on a minimum 30 meter wide road or a separate service road. The allottee must have implemented its own project and obtained project completion certificate.
 - ii. The industrial plot should be located in the general industrial estates and not in a product/ service specific estates like Textile Park, Electroplating Zone, Dying Zone,

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I.T./ Technology park etc. Further, the plots allotted under ongoing scheme for prestigious projects with commitment to have minimum fixed capital investment of ₹50/40/30 crore (earlier ₹30/20/10 crore) shall be eligible for such Industrial warehousing activities only after completion of the project by the allottee with stipulated investment as per terms of allotment.

- iii. The permissible FAR shall be up to 125%. In case the building has been constructed with FAR of more than 125%, then such facilities shall not be permissible.
- iv. In the existing industrial estates, not more than 5% of the total plotable area of that Estate or 20% of the area of plots measuring up to 5 acres, whichever is less, in each phase, shall be allowed to carry on such activities.
- v. The request of the existing allottees for change of their project to Industrial Warehousing shall be considered by the Chief Administrator on merits of each case. The applications received by the HUDA shall be considered by the competent authority on six monthly basis on 30th September & 31st March of each year or any other date as may be decided by the Chief Administrator. In case the numbers of applications who intend to change their project to warehousing activity are more than the maximum 5% of the total plotable area, the selection shall be made through draw of lots out of the eligible applicants.
- vi. The existing allottees shall be required to remit fee/ payment equal to 25% of the current allotment price as fee/charges for such conversion.
- vii. The allottees shall be required to submit an undertaking that the vehicle/ trucks transporting the material shall be parked within the parking area to be provided by the allottees within its own premises and maximum of two vehicles at a time shall be allowed to be parked for loading/ unloading in front of the premises of the unit. Idle parking of truck / vehicle shall not be allowed on the road and/or in the front of the industrial plot/unit. In case of violation on this account, penalty as decided by HUDA on year to year basis, shall be payable, besides taking corrective action.
- viii. The allottee shall implement the Industrial warehousing project either of its own or through some professional agency for operation & maintenance, with prior written permission of the HUDA and subject to payment of one-time fee, which shall be equivalent to applicable transfer fee. No sub-lease shall be allowed in such cases. Further, only one warehouse operator/ agency shall be allowed in one plot/premises. Storage of inflammable/ hazardous/ petroleum products etc. shall not be permissible.
- ix. After allowing Warehousing Activities on an industrial plot, no other activities, including manufacturing, shall be permissible and the said plot shall have to be utilized only for the prescribed Industrial Warehousing Activities. In case the allottee intends to revert to the manufacturing activity on the plot at a later stage, the same shall be allowed with the prior written permission of the HUDA, subject to submission of revised project report. In case such allottee again approaches for allowing warehousing activities, the same shall be considered by the concerned Estate Officer, subject to the criteria mentioned above and on payment of processing fee of ₹ 10,000/- only.
- x. The other terms and conditions of allotment shall remain unchanged.

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12.6 Permissible use for ancillary facilities.

The Industrial plots are allotted for the permissible activity only and not for any commercial, residential or industrial use. However, in the zoning plans of various Industrial sectors of HUDA, up to 10% of the permissible covered area is allowed for ancillary building. It has been decided to permit the industrial plots to utilize up to a maximum of 4% of the permissible covered area for subsidiary facilities e.g. cafeteria, canteen, gym, etc. for the captive use of the employees working in such Industrial unit without any additional charge. However, it may be clarified here that this entitlement would be corresponding to the actual covered area constructed at any point of time. Provision of such facilities for general public on commercial basis would not be permissible under any circumstances and shall be considered as an unauthorized use of the premises entailing the consequential action.

12.7 Infrastructure augmentation charges

The FAR admissible for the general industry as on date is 125%. In addition, for certain categories of industries like IT/ITES, garments, footwear etc., as circulated by HUDA vide memo no. 22093 dated 04.12.2015, special provisions have been made for enhanced FAR. The admissibility of enhanced FAR in all these categories is allowed on payment of infrastructure augmentation charges. Higher FAR for general industry shall be made applicable, as per the norms of HUDA.

12.8 Mortgage of plots/sheds with Banks/Financial Institutions:

The allottee shall have the right to mortgage the plot in favour of banks/financial institutions, subject to the condition that the HUDA shall have first paramount charge on the plot for recovery of its dues and the charge of the bank/financial institutions shall be second/sub-serviette. Further, the allottee shall get the deed of conveyance executed in its favour before creating mortgage of the plot/shed. The mortgage to be created by the allottee in favour of Bank/Financial institution shall be without prejudice to the rights of the HUDA in terms of the Regular letter of allotment /deed of conveyance in respect of the plot/shed in question. In the event of auction of the property by the bank/Financial institution for recovery of its dues, the Bank/auction purchaser shall be required to clear the dues of the HUDA in respect of the plot as the purchaser shall be stepping into the shoes of the allottee. The auction purchaser shall utilize the plot/premises for permissible activities only and in case the project was not completed by the allottee, the auction purchaser shall be required to complete his project within two years of re-allotment of plot in its favour, failing which the provisions relating to grant of extension as provided in chapter 5 of EMP shall be applicable.

The above provision shall be applicable to existing allottees as well, notwithstanding anything contrary contained in this regard in the RLA/deed of conveyance executed in their favour.

12.9 Treatment of general extension for implementation of the project on industrial plots/sheds announced in the past.

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(i) HUDA has granted general extensions to its allottees in the past, without charging any extension fee for implementation of the project, as described hereunder:

- a) In July 2009, one year general extension, without fee, was granted to the existing allottees where the implementation period including extended period expired after 11.07.2008. It is clarified that henceforth the period from 11.07.2008 to 10.07.2009 shall be treated as zero period for all intent and purposes.
- b) The existing allottees, who are entitled to general extensions, shall continue to avail the same and after expiry of the available implementation period (including general extension/paid extension) further extension, if permissible, shall be considered as per the provisions of HUDA EMP-2016.

12.10 In the event of any encumbrance(s) arising out of any other issues not finding a mention in HUDA EMP-2016, such matters will be referred by the Estate Officer of HUDA to the Chief Administrator, HUDA /Anomaly Committee as referred in clause 12.11 of EMP, for decision on any such issues(s).

12.11 Anomaly Committee:

In case any of the matter/issue is not covered by the above procedures, the Anomaly Committee headed by Administrative Secretary of the T & CP Department, Govt. of Haryana, Chief Administrator, HUDA, Administrator(HQ), HUDA, Director of Industries Haryana, & Zonal Administrator HUDA shall be as its members shall decide the same on merits, equity and justice.

Note: The provisions of Chapter-12 of HUDA EMP-2016, under the head "Residual Matters" shall be applicable for all types of allotments by the HUDA i.e. industrial, technology Park and industrial workers' housing etc.

Allotment of plots to the SPV under Cluster Scheme

The allotment of industrial plots to the special purpose vehicle under the cluster development scheme shall be made by the Higher Level Plot Allotment Committee under the Chairmanship of Administrative Secretary of the T & CP Department, Govt. of Haryana considering merits of each case. The terms and conditions of allotment of plots to the Special Purpose Vehicle (SPV) under the said scheme shall be as under:

13.1 For allotment on free hold basis:

- i. In case the project is not approved by the Government of India within four months of allotment of plot, the allotment shall stand cancelled.
- ii. The allottee shall start construction at site within six months of allotment/ offer of possession.
- iii. The plot shall be used only for the approved project of Common facility Centre for use of units falling in the particular Cluster category.
- iv. The plot shall not be transferred in favour of any third party at any stage.
- v. The original cluster members shall maintain their shareholding pattern and management control of the SPV. The HUDA may, however, consider dilution of equity maximum up to 49% in favour of the firms/ companies running their units in that particular industry category, provided prior permission is sought from the HUDA for the same, and the same should be subject to the provisions of HUDA EMP-2016.
- vi. In case of disbandment of the SPV/Cluster project, the plot shall revert back to the HUDA.
- vii. Other terms and conditions as per EMP-20015 shall be applicable.

13.2 For allotment on lease hold basis:

- i. The plot shall continue to be utilized for Common Facility Centre (CFC) and in case of discontinuance of the said project; the lease deed shall stand terminated.
- ii. The annual lease rental shall be equivalent to 3.5% of the current allotment price with 10% increase after every five years.
- iii. The lease period shall be initially twenty years with subsequent extension/renewal for a period of ten years.
- iv. The annual lease rental shall be payable in advance within seven days of the commencement of the lease; thereafter, the annual lease rentals shall be payable by 7th of the month in which the same fall due. In case of default, interest @ 15% p.a., compounded half yearly shall be applicable.

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- v. After successful running of CFC project for a period of at least ten years, the SPV may with the permission of the HUDA convert the allotment of the plot from lease hold to free hold basis, subject to the payment of allotment price applicable at the time of allowing such conversion.
