

**Rules governing allotment/ transfer of plots in HPSIDC
Industrial Area, Baddi,
Distt. Solan (HP).**

1. The allottee/ transferee for himself/ herself/ his/ her heirs, executors, administrators and assigns covenant with the Corporation in the manner following that is to say:-

- a) The allottee/ transferee shall undertake to pay the additional price for any additional land indicated in allotment letter as determined by the Corporation which shall be payable by the allottee/ transferee within a period of 30 days from the demand raised on the allottee/ transferee. In case, the area of the plot is less at the time of possession than the advertised area in the case of direct allotment, the excess amount received shall be refunded.
- b) In case of any default in the payment of any demand raised by the Corporation towards instalment of Principal and Interest or any other demand raised by the Corporation, the allottee/ transferee shall be liable to pay it to the Corporation along with interest @ 15% per annum for the default period on the defaulted amount.
- c) Any payment made by the allottee/ transferee shall be appropriated as under:-

Firstly towards outstanding penal charges on annual maintenance,
secondly towards outstanding annual maintenance charges,
thirdly towards dues of water charges,
fourthly against interest, if any, and lastly towards Principal amount.

2. The possession of the plot will be handed over to the allottee subject to completing various formalities in case of direct allotment and the allottee shall have to take over possession of plot within 30 days from the date of possession letter. In transfer cases, the possession of the plot shall be taken over by the transferee from the transferor directly under intimation to our office at Baddi.
3. The allottee/ transferee shall have to take the following effective steps within two months from the date of auction/ allotment/ transfer of plot:-

To obtain a licence for industry under the Industries (Development & Regulation) Act, preparation of detailed Project Report/ Project Profile and obtain DGTD/ SSI, SIA Registration/ Letter of Intent/ IPARA (Industrial Project Approval of Reviewing Authority)/any concerned Government Organisation as applicable to the Project of the allottee/ transferee.



4. Further within two years from the date of allotment/ transfer, the allottee/ transferee shall fulfil the following requirements:—

a) The allottee/ transferee shall have to submit the building plans of the proposed industrial unit conforming to the building bye-laws of HP SIDC and obtain necessary approval thereof before starting the construction activities at site.

b) Erect the industrial building as per approved building plans by the HP SIDC Limited in substantial and workmanlike manner subject to:—

i) that the allottee/ transferee shall not be allowed to sub-divide or amalgamate the plot (in case two or more plots have been allotted) without specific written approval of the Competent Authority.

ii) that the allottee/ transferee shall not be allowed to cut/ damage/ destroy trees standing in the said plot without specific written approval of the Competent Authority.

iii) that the allottee/ transferee shall not change the land use of the plot from industrial purposes to any other purposes.

c) Complete the erection and installation of machinery and commence production within stipulated period of two years. Failure to discharge above obligations by the allottee/ transferee shall make the plot liable for resumption by the Corporation.

d) However, in case of failure to complete the building and commencement of production within above stipulated period is due to the reasons and circumstances beyond the control of the allottee/ transferee, the Corporation may consider extension on specific request being made for such extension(s) giving detailed reasons. In case the Corporation agrees to grant extension, the allottee/ transferee shall have to pay the following extension fee as under:—

1. 5% of the cost of plot for first year after the lapse of normal time.

2. 10% cost of plot for second year from the lapse of normal time.

3. 15% cost of plot for the third year from the lapse of normal time.

No further extension shall be granted beyond three years and the plot shall be physically resumed.

**THE ALLOTTEE/ TRANSFEEEE SHALL HAVE TO FOLLOW/
PERFORM THE FOLLOWING FURTHER STIPULATIONS:**

5 (i) That all mines and minerals whatsoever in or under the said plot shall vest in the Government with all rights and powers as may be necessary or expedient for the purpose of searching for working, obtaining, removing and enjoying the same at all such time and in such manner as the Government shall think fit with power to carry-out any surface or any underground working and let-down the surface of all or any part of the said site and to sink pits, erect building, construct lines and use the surface



for the said site for the purpose of doing all such things as may be convenient/necessary for the full enjoyment on the exceptions and reservations hereinafter contained.

Provided that the Vendee shall be entitled to receive from the Government such payment for the occupation of the surface and for the damage done to the surface of building on the said site by such works and workings or letting-down as may be agreed upon between the Government and the Vendee or failing such agreement as shall be ascertained by reference to the Arbitration.

- ii) That the Vendee will ensure that the proposed industrial project/unit does not create any kind of pollution whatsoever. All measures required to be taken for disposal/treating industrial waste/ effluents of all kinds shall be undertaken by the Vendee at his own cost in consultation and with the approval of the concerned Competent State Regulatory Authorities as applicable from time to time. In case of failure of Vendee to take all such measures, the plot along with building constructed thereon shall be liable to be resumed by the Vendor.
- iii) the Vendee shall further ensure to arrange the plantation or ornamental type of trees within his premises and in the front area commanded by the plot allotted/transferred to him as per layout approved by HPSIDC Limited to improve total environment.
- iv) The Vendee shall maintain thereon a good and substantial building, equipped with necessary machinery for the industry and such other staff as may be deemed necessary for the functioning of the industrial unit.
- i) the Vendee shall pay, on demand, the annual maintenance charges of the industrial plot as fixed from time to time by the Vendor Corporation from the date of possession or after two months from the date of allotment/transfer whichever is earlier. In the event of failure of the Vendee to pay the said charges regularly to the Vendor Corporation, the Vendor Corporation shall have the right to impose penalty as deemed fit.
- ii) The Vendee shall be liable to pay to the appropriate authorized agency, all existing general and local taxes, rates or cesses or charges or proposed to be levied in future on the said plot by the Competent Authority/ Vendor Corporation/Local Body
- vii) The Vendee ;
 - a) Shall have to bear the actual expenditure incurred towards cutting/repairing of road for water and sewerage connection.



- b) Shall have to deposit the charges for sewerage and water connections as fixed by the Vendor Corporation from time to time.
- viii) the Vendee shall not use or permit to be used the industrial plot or any building or part thereof within these premises for residential purpose or for carrying on any activity other than that of carrying on the manufacturing process. The Vendee shall perform, observe and comply with all obligations and requisitions in respect of the industrial plot and building thereon and business carried therein imposed by any statute, regulations or bye-laws of any Competent Authority and also the lawful directions of any Public/Local Authority/Vendor Corporation.
- ix) the Vendor corporation shall also have the right to call for periodical progress reports every six months from the Vendee starting from one year after the date of delivery about implementation of the project and if after hearing the Vendee, the Competent Authority of the Vendor Corporation is of the opinion that progress is not satisfactory, he may order resumption of the plot;
- x) (a) the Vendor Corporation may by its officers and Servants at all reasonable time and manner after twenty four hours notice in writing, enter in and upon any part of the said site of building erected thereon for the purpose of ascertaining that the Vendee has duly performed and observed the covenants and conditions to be performed and observed by him/her/them under these presents.
- b) Provided further the Vendor Corporation also shall have full right, power and authority at all times to do through its officers and Servants for the purpose of enforcing compliance with all or any of the terms, conditions and reservations herein contained and to recover from the Vendee as first charge upon the said site, the cost of doing all or any such acts and things and all cost incurred in connection therewith or in any way relating thereto;
- c) The Limited and Private Limited Companies shall be required to submit a copy of the annual return filed before the Registrar of Companies every year to the Vendor Corporation. In addition, they shall be required to submit the share – holding pattern & list of Directors, duly certified by a Company secretary / Chartered Accountant, specifically indicating therein the number of shares held by each Promoter-Director of the Vendee Company along with issued, subscribed and paid –up capital.
- d) The Firms and sole Proprietorship Concerns shall be required to submit the name of Partners/Sole Proprietors to the Vendor Corporation on half-yearly basis.



- e) The Partnership Concerns shall be required to submit a copy of partnership deed to the Vendor Corporation on half-yearly basis.

(xi)(a) The Vendee will have to take water for human consumption and general purposes from the Vendor Corporation on payment in accordance with the rates fixed by it from time to time. For consumption of water for industrial purpose, the Vendee will have to take prior permission of the Vendor Corporation and in case of its inability to meet with the requirement; the Vendee will have to make its own arrangements;

b) The Vendee shall not dig any tube-well in his plot without prior written approval from the Vendor Corporation.

xii) In case the Vendee surrenders or seeks cancellation of plot allotment/ transfer or the Vendor Corporation cancels the allotment/ transfer order due to non-fulfilment of conditions at any stage after the Vendee has executed required documents and paid the application / allotment money/ unearned increase on transfer, he shall be entitled to the refund of 75% of principal amount paid by him (25% of such amount shall be deducted as administrative charges). The dues of annual maintenance / others charges shall also be deducted from out of the deposit. The Vendee shall be paid the amount after deducting the amount of annual maintenance / others charges and interest, if any payable on account of default.

xiii) a) The Vendee shall have no right to transfer by way of sale, gift, mortgage or by transfer of shares to other than the original promoters declared at the time of allotment / agreement / conveyance deed or change of Management or otherwise, the land or any right of the plot or the building (s) erected thereon except with the prior written approval of the Vendor Corporation. The Competent Authority of the Vendor Corporation shall have the right to refuse such request without assigning any reasons thereof. The Competent Authority while granting such permission may impose such conditions as may be decided by the Vendor Corporation from time to time.

In the event of such consent being given, the Vendor Corporation shall be entitled to claim and recover 50% unearned increase or 10% of the original cost of plot which ever is higher (i.e. the difference between the final price paid and market value) of the Industrial plot at the time of transfer, assignment or parting with the possession. The decision of the Vendor Corporation in respect of determination of the market value (as per prevailing market rates) shall be final and binding;

b) The Vendee may with the prior written approval from the Vendor Corporation, mortgage his rights in the industrial plot to such financial institutions as may be



approved by the Vendor Corporation & on payment of such fee as fixed by the Corporation from time to time.

In the event of transfer or foreclosure of the mortgaged property, the Vendor Corporation shall be entitled to claim and recover 50% unearned increase or 10% of the original cost of plot whichever is higher as aforesaid and the amount of the Vendor Corporation's share of the said unearned increase shall be first charge having priority over the said mortgage or charge. Before selling/transfer of assets of Vendee, the mortgage shall have to take consent from the Vendor Corporation.

xiv) In the event of death of the Vendee, the person to whom the title of the deceased devolves, shall within three months of such devolution inform/ apply to the Vendor Corporation for transfer of plot by producing a valid Succession Certificate to the satisfaction of the Vendor Corporation.

xv) Any dispute or differences arising out or in any manner touching or concerning the Agreement/ Conveyance Deed shall be referred to the sole Arbitration of the nominee of the Secretary (Ind.) to the Government of Himachal Pradesh. The award of such Arbitrator shall be final and binding on the Vendor Corporation and the Vendee. All disputes arising out between the parties shall be subject to Jurisdiction of court of Shimla (Himachal Pradesh) only.

xvi) The Vendee undertakes further to comply with the terms and conditions contained in the Allotment letter and Agreement even after the conveyance Deed has been executed in his favour. In case of breach of any of the terms and conditions of the Allotment Letter, Agreement and Conveyance Deed, the Vendor Corporation shall have the right to exercise its right of resumption of plot including the building erected thereon without payment of any compensation.

xvii) That all the cost and expenses co-incidental to the execution of Agreement and Conveyance Deed including the cost of stamps papers duty etc. shall be borne by the Vendee.

The Vendee if and so long shall fully perform and comply with and shall continue to perform and comply with each and all the terms and conditions laid-down in the Allotment Letter/Agreement/Conveyance Deed and provided but not otherwise the Vendor corporation will secure the Vendee peaceful enjoyment of the rights and privileges herein and hereby conveyed and assured.

xix) The Vendee would be required to start the construction work within two months from the date of allotment after getting the building plans approved from the



Vendor Corporations and complete the unit as per clauses 6 of Agreement positively.

In the event of failure to comply with the terms and conditions of the Allotment Letter/Agreement/Conveyance Deed, the plot allotted shall be deemed as cancelled and refund of money shall be made after deducting the administrative charges, interest, if any, dues of annual maintenance charges along with penal charges, unpaid water charges and any other charges outstanding at the time of cancellation.

xx) The Allotment Letter and Agreement shall also form part of this deed.

A handwritten signature in blue ink, consisting of stylized, overlapping loops and strokes, positioned centrally below the text.