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# COMPANY LAND ALLOTMENT POLICY & REGULATIONS

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Version 1.0



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WESTERN INDIA KINFRA LIMITED  
Kanjikode East PO, Palakkad- 678621.

# **WESTERN INDIA KINFRA LIMITED**

## **LAND ALLOTMENT POLICY & REGULATIONS**

The Land Allotment Policy & Regulations are framed as guidelines in dealing with application and allotment of land for setting up of industrial units and social infrastructure development activities in the WISE PARK – an Integrated Industrial Township in Pudukkottai Central Village, Kanjikode, and Palakkad.

### **1. Short Title and application:**

A) These regulations may be called **“WISE PARK Land Allotment Policy & Regulations”**

B) They shall apply to all lands purchased or acquired directly by Western India Kinфра Limited or held or taken on lease or lands transferred to or placed at the disposal of the Western India Kinфра Limited by Government or KINFRA from time to time and land allotted and leased to entrepreneurs for setting up industrial units and/or social infrastructure activities.

### **2. Definitions:**

In these regulations unless the context otherwise requires:

- (i) **“Allottee”** means any person to whom land is allotted under these regulations and includes his successors in interest or permitted assignees.
- (ii) **“Applicant”** means any person who has applied for allotment of land under these regulations and includes his successors in interest or permitted assignees.
- (iii) **“Common Amenities”** means amenities such as banks, ATM, post offices, business centers, canteen, dispensary, dormitory, hostels, telecom facilities, warehouse, training and testing centers and any other amenities which are made available in the Wise Park for the common use / benefit of the allottees.
- (iv) **“Common Portions/Common Areas”** means those parts of the building and/or premises including land, gateway, enclosures, compound walls, fencing, paths, internal roads, open grounds, gardens, passages, corridors, staircase, terrace, cabins, fittings, fixtures, lifts and installations whether for water supply, drainage, sewage or lighting purpose which are used in common by all persons to whom land has been allotted/leased
- (v) **“Common Services”** in relation to common portions means the services, which are rendered by the Wise Park for maintaining, running or keeping in good condition the common portions/common areas as may be regulated by the Wise Park.
- (vi) **“Entrepreneur”** means any individual, partnership firm, limited liability partnership, private limited company, public limited company, co-operative society, societies registered under the charitable societies Act or any other body corporate engaged in industrial or business activity.
- (vii) **“Industrial Activity”** means the activity of setting up and running any industrial unit or any other activity for development of infrastructure facility within the Park.
- (viii) **“WISE PARK”** means those lands developed by Western India Kinфра Limited for carrying out industrial and or social infrastructure development activities.

- (ix) **“Land”** means land as defined in regulation 1 (B).
- (x) **“Land Allotment Committee”** means the Committee formed by Western India Kinfra Limited for the purpose of dealing with all matters connected with allotment, lease or transfer or the disposal of land. The Committee shall consist of such number of members not less than three nominated by the Board of Directors including the Managing Director or the Board of Directors itself shall become Land Allotment Committee.
- (xi) **“Lease Premium/Lease Rent”** means the lease premium/lease rent fixed by the Board of Directors of Western India Kinfra Limited for leasing out the land to the allottees either as one time down payment or on installments.
- (xii) **“Lessee”** means any person to whom land in Wise Park is leased for specific duration either on payment of lease premium or rent or both for industrial activity and social infrastructure development activities and includes his successors in interest or permitted assignees.
- (xiii) **“Lessee”** means any person to whom land in Wise Park is leased for specific duration either on payment of lease premium or rent or both for industrial activity and social infrastructure development activities and includes his successors in interest or permitted assignees.
- (xiv) **“Officer”** means any officer who is appointed in the permanent service of the Western India Kinfra Limited or on deputation from other organization or on contract basis to whom the duties or functions of the Wise Park may, for the time being, be assigned.
- (xv) **“Plot”** means the plot of land earmarked for allotment under these regulations.
- (xvi) **“Wise Park”** means the Western India Kinfra Limited, a joint venture of Kerala Industrial Infrastructure Development Corporation (KINFRA), and W.I.Services & Estates Ltd., incorporated under the Companies Act, 1956 and includes its successors in interest.
- (xvii) **“Standard design factory buildings”** means factory buildings constructed as per the standard designs given by the Wise Park.

The words and expressions used in these Regulations but not defined therein shall have the same meaning respectively assigned to them by the Companies Act, 2013.

### **3. Layout of Industrial Parks:**

The Wise Park shall prepare a layout of the land to be developed as industrial park and social infrastructure development activities before allotment.

### **4. Parties to whom the land may be allotted:**

The plots of land may be allotted to

- I. Entrepreneurs
- II. Providers of common amenities

## **5. Manner of disposal of land:**

- a) The plots of land may be disposed by entertaining individual applications in the prescribed form
- b) The land may be allotted on a leasehold basis for a maximum period of 90 years or up to 01.12.2098 whichever is earlier. Wise Park, on request of the lessee made within six months before the expiry of the present term of lease, may grant renewal of the lease for such period and on such terms and conditions that may be fixed by Western India Kinfra Limited, the period of lease to the allottee or renewal there of shall not extend beyond the expiry of the original lease
- c) In exceptional circumstances land may be allotted to Central or State Governments, Statutory Corporations or Government Companies or public sector undertakings for the provision of common amenities on such terms and conditions as the Board may decide.

## **6. Fixing of Lease Premium/Lease Rent:**

1. **Lease Premium/Lease Rent** -The lease premium/lease rent will be fixed by the Board of Directors taking into consideration the cost of acquisition of land and development cost including cost of infrastructure facilities and common amenities provided in the Wise Park.

Board of Directors may also fix annual lease rent with periodical increase throughout lease period without collecting lease premium upfront but with an interest free security deposit with such terms and conditions for leasing the land.

2. **Additional Premium** -The lease premium is fixed based on the present cost of acquisition of land / present lease premium fixed by the original owners of land, cost of development including cost of infrastructure facilities and common amenities provided in Wise Park. In the event of the Western India Kinfra Limited is called upon to pay enhanced compensation in LAR cases awarded by court or enhanced lease premium payable to the owners of land, the lessee or the allottee shall pay such enhanced cost of acquisition or enhanced lease premium proportionate to the land allotted to the lessee/ allottee when called up on to do so by the Wise Park as if it were part of the original premium.
3. **Revision of Lease Premium/Lease Rent** -lease premium/lease rent fixed is liable to be reviewed periodically and revised by the Board of Directors. The revised lease premium/lease rent shall apply to future allotments as decided by the Board of Directors of Western India Kinfra Limited from time to time.

## **7. Mode of Payment:**

The payment terms for allotment of land will be as decided by Wise Park from time to time. The allottee/ lessee shall pay 100% of the lease premium as one time down payment. In case of allotment of land without lease premium but with interest free security deposit and annual lease rent with periodical increase throughout lease period shall be as per terms and conditions of lease granted to lessee.

## **8. Application for land in Wise Park:**

The application for allotment of land shall be made in the prescribed form along with a registration fee of

Rs.5, 000/-by way of demand draft / cheque drawn in favour of Managing Director, Western India Kinfra Limited along with a project profile of the industrial unit. The registration fee is not refundable in case of firm allotment. The application will be considered on first come first out basis.

#### **9. Consideration of applications for plots by the Board of Directors of Western India Kinfra Limited:**

On receipt of application and project profile from the entrepreneur, the Managing Director shall make such enquiries, as he deems necessary and place it before the Board with his recommendations.

#### **10. Allotment of land:**

The Board shall consider the application and if it is found that the application is in order, Board may decide to allot the land. Board shall have the right to determine the maximum area to be allotted to a single applicant depending up on the availability of land irrespective of the area applied for.

#### **11. Letter of intimation/ Allotment Letter:**

On approval of Board, the Managing Director or the officer authorized by him shall issue a letter of intimation to the applicant stating the extent of land proposed to be allotted, the lease premium/ lease rent payable by the applicant and direct the applicant to remit 10 % of the lease premium/ EMD along with applicable GST within 15 days from date of receipt of letter of intimation in order to make a firm allotment of land. The EMD shall be adjusted against the lease premium, once the allottee makes payment of balance lease premium within the stipulated time and executed the lease deed registered with SRO.

In cases of land allotment without lease premium but with interest free security deposit and annual lease rent with periodical increase, the allottee shall pay the security deposit in full and first year annual lease rent with GST payable in advance in full within one month from issue of Allotment Letter.

#### **12. Allotment Letter/Order:**

On receipt of EMD under clause 11, Wise Park will issue a letter of allotment to the allottee making a firm allotment of land and directing the allottee to make payment of balance 90% of the lease premium along with applicable GST within the time prescribed in the allotment letter. In case the allottee fail to pay the balance lease premium along with GST and fails to take over the land within the agreed period or in case the allottee back out from the proposal of setting up a unit in the Wise Park, the Western India Kinfra Limited shall have the absolute right to cancel the allotment made to the allottee and in which event, 10% of the amount paid as EMD shall be forfeited.

#### **13. Handing over possession of land to the allottee:**

Within 15 (fifteen) days from the remittance of full amount towards lease premium/lease rent and security deposit as the case may be the possession of land shall be handed over to the allottee. No allottee shall be given possession of the land allotted to him before remittance of full amount.

#### **14. Approval of building plan:**

Before commencement of construction of building or development of plot, the allottee shall obtain building permit from the local authority / single window clearance board and approval of building plan and comply with and observe all building rules and regulations prescribed under Kerala Municipal Building Rules/ Kerala Panchayat building rules as amended from time to time.

**15. Execution of Lease in respect of plots allotted to entrepreneurs:**

On remittance of full lease premium/security deposit and lease rent, as the case may be along with applicable GST the allottee shall be entitled to get a lease deed executed in his/its favour in the prescribed format duly registered with the concerned Sub Registry Office. The cost of preparation and registration of lease deed shall be borne by the Lessee.

**16. Plots to be mortgaged to financial institutions:**

Wise Park may permit the allottee to mortgage lease hold right in respect of the land allotted to the entrepreneur to financial institutions or banks to secure the financial assistance sanctioned or agreed to be sanctioned to the industrial unit. Such financial institutions/bank shall on creation of mortgage give intimation to the Managing Director of Western India Kinfra Limited and there upon said bank/financial institution shall have the first charge over the lease hold interest only of lessee on such land. Before creating the mortgage, the bank/financial institution, Western India Kinfra Limited and the Lessee shall enter into tripartite agreement specifying the rights and obligations of parties upon creating the charge.

**17. Excavation not allowed:**

The allottee shall not affect any excavation upon any part of the allotted plot or remove any stone, earth, or other material there from except so far as may, in the opinion of the Wise Park be necessary for the purpose of forming the foundations of the buildings, erection of plant and machinery, storage tanks and construction of compound walls.

**18. Allottee not to cause any nuisance:**

The allottee shall not at any time, do, cause or permit any nuisance in or upon the allotted land which may be obnoxious or injurious or offensive by reason of effluent, dust, smoke, gas, noise, vibration or fire hazards etc to neighboring plots/industrial units.

The allottee shall observe and comply with all acts and rules, regulations, circulars, government orders framed/issued from time to time by the Local Authorities, Kerala State Pollution Control Board/ Health Department/ Factories and Boilers Department, Department of Fire and Rescue services and other statutory authorities for construction of building and setting up and running the industrial unit.

The Managing Director shall have full powers to regulate these matters.

**19. Allottee to keep the Wise Park indemnified against damages:**

The allottee shall keep the Wise Park and all its officers/employees indemnified against any and all claims for damages arising as a consequence of the establishment and running of the unit and for non-observance of any rules and regulations.

**20. Right of Wise Park to use the vacant portions of plots:**

The Wise Park reserves the right of utilizing vacant portions of allotted plot at any time for laying pipelines, cables, open/underground drainage or drawing overhead lines without paying any compensation to the allottee for such use.

## **21. Reservation or Revocation of plots:**

If, in the opinion of the Managing Director, any plot/area is required to be reserved or withdrawn from allotment, the Managing Director may at any time reserve such plots or area and revoke any proposal to dispose of such a plot/area.

## **22. Powers to resume the plots:**

The Managing Director shall have powers to resume the plots once allotted in the following circumstances after giving the allottee or lessee a chance to show cause.

- i. If the allottee or lessee contravenes any of the provision of these regulations or of the lease deed executed by him.
- ii. If the allottee or lessee unit is wound up or the allottee/Lessee is declared as undischarged insolvent by a competent court.
- iii. If the allottee or lessee does not require the plot for the purpose for which it is allotted and informs Managing Director accordingly.
- iv. In the event of the allottee or lessee defaulting payments to the Wise Park.
- v. In the event of the allottee or lessee not commissioning the unit within the permitted period.
- vi. In the event of the unit not functioning continuously for one year any time after commissioning, or producing less than 10% of its best production in a year.
- vii. If the allottee or lessee does not commence utilizing the plot as agreed upon with the Wise Park.
- viii. If the allottee obtained allotment by furnishing false information and /or suppression of facts.

## **23. Compliance of terms and conditions of Agreement:**

The allottee or lessee shall abide by the provisions of regulations and orders made there under and the terms and conditions of lease deed.

## **24. Breach of terms of Agreement:**

If any allottee contravenes any of the terms and conditions of lease deed, Wise Park shall be entitled to terminate the lease and resume possession of the plot.

## **25. Cost of execution to be borne by the allottees:**

All costs for and incidental to execution and registration of the documents referred to in these regulations (including the stamp duty and registration charge) shall be borne and paid by the allottees or lessees as the case may be.

## **26. Consideration of requests of transfer /Change in Constitution:**

The Managing Director may consider requests/proposals for change in constitution of allottee or transfer of the plot from the allottee to another entity in the following cases.

Sl. No.	Original allottee	Converts into / new allottee in whose name the allotment to be transferred
1	Proprietor / individual	1. Partnership firm 2. Company (Under Companies Act) 3. LLP
2	Partnership	1. Company (Under Companies Act) 2. LLP 3. Reconstitution of Partnership deed (Inclusion of additional partners / change of partners)
3	Company (Under Companies Act)	1. Special Purpose Company 2. Any other Company

**A. Change of constitution among the family members:**

For the above purpose, family means: “father, mother, grandfather, grandmother, husband, wife, son, adopted son, daughter, adopted daughter, grandchildren, brother and sister”.

Change in Constitution – Among the family members or in favour of legal heirs on the death of allottee (s) or death in case of Proprietor / Partner(s) or shareholders and without addition of any outside member as partner / share holder change can be allowed on the following terms and conditions.

- i. On payment of a process fee of Rs.5, 000/- (Rupees Five thousand only)
- ii. All outstanding dues to Wise Park shall be cleared before the considering the request for change of constitution.
- iii. No objection letter from bank/ Financial Institution in case the allottee or lessee have availed any financial assistance on the security of lease hold property.

**B. Transfer of lease among others:**

In cases where there is a request / proposal is received from the lessee for transferring the allotment or lease, the same shall be considered only after a detailed examination by the Board of Directors of Western India Kinfra Limited subject to the following conditions:

**I. In case where the original allottee / proprietor / partners / shareholders together holds not less than 51% of the shareholding in the new entity, proposals for transfer of allotments can be considered as follows:**

- a. Payment of transfer processing fee @ 10% based on the prevailing /lease premium in Wise Park on the date of issue of approval subject to a maximum of Rs.5, 00,000/- (Rupees Five lakhs only) for each change shall be levied.
- b. Allottee seeking transfer of ownership shall produce the necessary documents like Firm registration certificate, Incorporation of the Company from the Registrar of Companies / Articles of Association / Memorandum of Association / Entrepreneur’s Memorandum. Profit & Loss Account Statements / Balance Sheets / Share Capital structure duly certified by a practicing Chartered Accountant.
- c. All outstanding dues to Wise Park shall be cleared before the transfer is affected.
- d. In respect of the transfer of lease hold right, a deed of surrender of lease is to be executed and registered and a fresh lease deed is to be executed and registered in the name of new entity.
- e. No objection letter from bank/ Financial Institution in case the allottee or lessee have availed any financial assistance on the security of lease hold property
- f. A Tripartite agreement is to be executed between Wise Park, original allottee or lessee and the transferee to ensure observance of all obligations under the original lease deed as well as fresh deed.



**II. In case the allottee / proprietor / partners / shareholders together holds less than 51% of the shareholding in the new entity, proposals for transfer of allotment can be considered as follows:**

- a. Payment of difference in lease premium between the prevailing lease premium in Wise Park on the date of issue of approval and original lease premium paid for the allotment of land shall be levied for each change.
- b. Allottee seeking transfer of ownership shall produce the necessary documents like Firm registration certificate, Incorporation of the Company from the Registrar of Companies / Articles of Association / Memorandum of Association / Entrepreneur's Memorandum. Profit & Loss Account Statements / Balance Sheets / Share Capital structure duly certified by practicing Chartered Accountants.
- c. All outstanding dues to Wise Park shall be cleared before the transfer is affected
- d. In respect of the transfer of lease hold right, a deed of surrender of lease is to be executed and registered and a fresh lease deed is to be executed and registered in the name of the transferee.
- e. No objection letter from bank/ Financial Institution in case the allottee or lessee have availed any financial assistance on the security of lease hold property.
- f. A Tripartite agreement is to be executed between Wise Park, original allottee or lessee and the transferee to ensure observance of all obligations under the original lease deed as well as fresh deed.

**27. Allottee to abide by Air/Water Pollution Rules:**

The allottees / lessees of the plots shall be required to observe and perform all obligations and shall be required to abide by rules, regulations and bye-law in force for the time being framed by the State Government or Central Government or any other Authority as regards prevention or control of pollution of air/water/atmosphere.

**28. Renewal of Lease Period:**

Land is leased/sub leased to entrepreneurs on leasehold basis for a maximum period of 90 years or up to 01.12.2098 whichever is earlier. Lessee shall have the option to renew the lease for such period as may be fixed by Wise Park if the owner of the land renews or extends the period of lease on the expiry of the period of lease to the Wise Park by the owner. Provided that a written application in this behalf is made by the lessee to the Wise Park at least six months before the date of expiry of the original terms of the lease.

**29. Right to enter the plot:**

The Managing Director and officers under him or any person duly authorized by him shall have the right to enter and inspect at any time the allotted plot to review the progress of project.

**30. Delegation of powers to the Officers:**

Western India Kinfra Limited may delegate any of its powers under these Land Leasing Policy & Regulations to the Managing Director or any other Officer for the efficient working of the Wise Park and for the purpose of achieving the objects.

**31. Saving Clause:**

Plots of lands so far allotted/ leased/sub leased by the Wise Park before the coming into force of these Land allotment Policy & Regulations shall be deemed to have been done under the provision of these regulations and allottee/lessee/sub lease/ transferee shall be bound by these regulations.

**32. Power to amend /modify the regulations:**

The Board of Western India Kinfra Limited has the power to amend, modify all or any of the clauses/provisions of these regulations either retrospectively or prospectively.

