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West Bengal Industrial Infrastructure Development Corporation

(Established under W.B. Act XXV of 1974)
5, Council House Street, 3rd Floor, Kolkata - 700001

Infra/Gen/2P-25/10/

No.

Date

ORDER

With the approval of the competent authority, the procedures for the allotment of Land, stages of utilization of Land, assignment etc. hitherto followed have been modified/amended to make the process of allotment of land of different growth centers simplified and investor friendly.

The detailed procedures of the allotment, norms for according permission for change of product line, name of the company etc. and other details like format of offer/allotment letter, Deed of Lease, Agreement to Lease are enclosed for information and necessary action.

The modified/amended procedures of allotment/assignment and other norms relating to allotment etc. would come into force with immediate effect.

Encl : As above

(P.K. Mandal)
Secretary

No. Infra/Gen/2P-25/10/1718/1(13)

dt 16/8/11

forwarded for information and necessary action to :-

- 1) Chief Accounts Officer, WBIIDC, Kolkata.
- 2) S.E.(S)/S.E.(N), WBIIDC, Kolkata.
- 3) Site in-Charges, Kalyani/Uluberia/Falta/Bishnupur/Malda/Raninagar/Dabgram/Cooch Behr/Bolpur/Haldia/Kharagpur..... They are requested to circulate the new norms of allotment to their respective Branch.
- 4) E.E.©/E.E.(E), WBIIDC.
- 5) OSD(Land), WBIIDC, Kolkata.
- 6) Accounts Officer, WBIIDC, Kolkata.
- 7) ALA&LDO- Sri S.Das/Sri P.K. Mandal.
- 8) Assistant Secretary-cum-Admn. Officer, WBIIDC, Kolkata.
- 9) OSD(Law)/Habib/Smt.Dasgupta
- 10) OSD (Project)
- 11) Land Section, WBIIDC, Kolkata.
- 12) Office Superintendent.
- 13) Notice Board.

(P.K. Mandal)
Secretary

Km/

Procedures for the allotment of land, stages for utilization, land, changes of product line , constitution, ownership etc.

1.0 Application Form

The intending entrepreneur / applicant interested for taking allotment of land/shed/ built-up space on lease in the Industrial Growth Centre/Park of WBIIDC for setting up of new industrial unit/expansion/relocation of existing unit is to apply to WBIIDC in prescribed application form (available from the H..O. and outlying offices and website of WBIIDC (www. wbiidc. org) .

The filled-up prescribed application form is to be submitted with Detailed Project Report (DPR) and documents relating to incorporation/registration of the company/firm/co-operative Society/JVC along with a demand draft of **Rs.25,000/-** (Rupees Twenty five thousand) drawn in favour of “West Bengal Industrial Infrastructure Development Corporation” payable at Kolkata as **Application Fee**.

The Application Fee is **non-refundable**. Where WBIIDC fails to offer the land/shed/ built-up space , the Application Fee paid is partly (Rs. 20,000/) refunded after deducting Rs.5000/ as Processing Fee.

1.2 (i) Joint Measurement

After consideration of application ,complete in all respects, received, **a letter for Joint Measurement** of the allocable land will be issued , generally on “First-come, first- served” basis subject to the merit of the application and availability of land .

1.2 (ii) Allotment letter

After joint measurement **Allotment Letter** will be issued with a request to deposit the full Land Premium, one year advanced Users' Charges, 20 years' advanced Lease Rent etc. within **30 days** from the date of issue of the **Allotment Letter**.

If the applicant fails to deposit the entire lease premium along with other charges as mentioned **1.2 (ii)** above, the offer would be treated as cancelled without any further reference to the applicant.

However, the applicant may seek an extension of time for payment of the land premium etc. at **least 7 days** prior to the lapse of the said period of 30 days only

on payment of **minimum 30%** of total payable amount for land premium and other charges and willing to pay **@ 9% interest** per annum on the outstanding payable amount till the date of payment. Such extension of time will not be allowed beyond **180 days**.

If the applicant fails to pay the balance lease premium and other charges as demanded in the Allotment Letter within the extended period of 180 days, the entire part payment made against the Allotment Letter will be forfeited.

1.2 (iii) Agreement to Lease

On payment of full land premium and other charges, Agreement to Lease as per format of WBIIDC will be executed on a non-judicial stamp paper of Rs. 100/- (Rupees One hundred) and formal Possession Letter will be delivered on the same day.

Agreement to Lease is to be executed within one month from the date of full payment of land premium and other charges.

2.0 Commencement of work of the proposed project.

2.1.(i) Submission of Building plan

Within 3 months from the date of handing over the formal possession of land, the entrepreneur/allottee has to submit the building plan of the factory for their proposed project to WBIIDC following Building Regulations of WBIIDC.

In case of open land, the allottee has to complete the construction of the factory and other facilities on the allotted land so as to start commercial production within **18 months** from the date of handing over of possession of the land.

In case of built-up space like Shed, Standard Design Factory Buildings **6 months'** time will be allowed for commencing commercial production from the date of handing over possession.

2.1(ii). Extension of time

If the allottee of the land/ built-up space fails to commence the commercial production within the time frame as mentioned above **2.1 (i)**, the allottee may apply to the WBIIDC at least 30 days prior to lapse of the said stipulated time and seek extension of time to commence production . The Corporation at its discretion may allow further time of one year on payment of **Extension Fee @ 10%** of the total land premium paid by the allottee.

If the allottee of the land/ built-up space fails to commence the commercial production within the original period of time or within the extended time, WBIIDC will have the liberty to cancel the allotment and resume the land and refund the land premium after deducting 5% of land premium paid and realizing the outstanding dues, if any, together with Lease Rent payable till the date of resumption.

3. Additional Land/ Built-up Space

Existing allottee may be allotted additional land/ built-up space adjacent to the allottee's existing land/ plant/factory/unit solely for the purpose of their expansion/modernization on payment of 10% additional charge on the existing rate of land premium. In case of assignment of land adjacent to the existing unit/ built-up space, the above additional rate is also payable along with the Assignment Charges. Additional land would be allotted only, if WBIIDC is satisfied about the expansion/modernization proposal and application is made as per normal procedure.

4. Deed of Lease

On commission of the project for which the land/ built-up space is allotted, the Deed of Lease will be executed/ registered at the expenses of the allottee. Prior to execution of Deed of Lease, all dues to the Corporation, interest/penalties imposed, if any, should have to be paid by the allottee. Lease period is generally **99 years**.

If for obtaining financial assistance or any other specific reason/s, the allottee is required to execute/register Deed of Lease prior to completion of construction work of the factory/unit, the allottee may approach to WBIIDC with such request along with Land Utilization Certificate from Govt. registered Valuer /Engineer indicating the percentage of work completed, expenditure incurred and time required to complete the balance work. On receipt of such request, WBIIDC may accord permission for execution/ registration of Deed of Lease on merit.

Deed of lease will not be executed on vacant land/space.

5. Auction/Bid. :

In case any plot/space is auctioned by WBIIDC, the procedure of allotment as aforesaid will not be applicable. The auction/bid will be made as per terms and conditions of Bid/Auction.

6. Refund of deposit to the allottee for surrender of land/cancellation/resumption of land .

6.1 In case the offered land built-up /space could not be handed over to the allottee by WBIIDC for reasons what so ever, full deposit (without interest) shall be refunded.

6.2 (i) In case, the allottee surrenders the land / built-up space within 6 months from the date of handing over possession of land, WBIIDC will accept back the land / built-up space after **deducting 2% of total** sum paid towards land premium along with the other charges like User Charge and Lease Rent for one year and on completion of formalities, as applicable. Cancellation Agreement/Deed is executed between WBIIDC and the party , the Possession Certificate in original is accepted back to WBIIDC.

(ii) In case of cancellation/resumption of land made within 10 years from the date of handing over possession due to non-compliance of the terms and conditions of allotment/ Agreement of Lease/ Deed of Lease , **5% of the sum paid** towards land premium and in addition the entire amount payable for Users' Charge, Lease Rent, outstanding dues towards Users' Charge, legal & incidental expenses, if any, will be deducted before the refund of the land premium paid .

(iii) If cancellation/resumption is made after 10 years from the date of handing over possession, the WBIIDCC will deduct land premium at a higher rate, at least 10% of the of the sum paid towards land premium along with other charges payable.

If any damages causing loss of the allotted land/ space is made, the WBIIDC will be at liberty to realize the said loss on adjustment from the refundable amount in all the cases.

7. Proposal of Transfer/Assignment of allotted land/space.

7(i) Proposal for Transfer/Assignment of land/space/shed on account of sale by Financial Institution/legal authority shall be regularized on realization of "**Transfer Fee**" @ 10%-15% of the prevailing rate of land premium of Industrial Growth Centre/Park and on clearance of dues of erstwhile allottee towards Users' Charge, Lease Rent and other charges if any, prior to mutation of records and on receipt of formal application by the incoming unit/entrepreneurs.

Transfer/Assignment of land/space/shed by allottee is not generally permitted by WBIIDC. In such cases, land will be resumed and land premium paid by allottee will be refunded after **5% deduction** of total premium paid and realization of dues, if any.

7. (ii) In case of vacant land /space no assignment/transfer is allowed. If less than 10% construction work as per sanctioned Building Plan is not completed, allotted land/built-up space will be considered as vacant.

8. Change of activities/nature of product line & name of company/ constitution of the firm

8. (i). Proposal for change of activities/product line/ name of the company along with DPR / papers relating to company may be allowed subject to payment @ 5% of the prevailing rate of land premium of Growth Centre/Park as Processing Fee and clearance of outstanding dues, if any.

8. (ii) Every application for transfer of ownership/change of Constitution /conversion of proprietorship firm into a partnership firm (and vice-versa), conversion of a proprietorship/partnership firm into limited company/ limited liability partnership (and vice-versa), conversion to public limited company shall be allowed on payment @ 5% of the existing land premium of the Growth Centre/ Park as Processing Fee

At the time of application for recording the change of ownership/constitution, the applicant has to submit all the relevant documents in this regard. In case of merger /amalgamation of other company/ies with the allottee's company/concern, Processing Fee @ 5% of the prevailing land premium of the Growth Centre/Park is to be paid for mutation.

9. Penalty for violation of terms & conditions

For violation of terms and conditions of allotment/ Agreement to Lease when land/ space is not resumed for any specific reason, WBIIDC has the right to impose penalty @ 10% of the existing land premium, in addition to charges payable for change of product line, change of ownership/ constitution, assignment/ transfer of allotted land/ built-up space construction, boring of tube well executed without obtaining permission from WBIIDC

10. Applicability of the Procedures

The above procedures of allotment, cancellation, assignment etc of the land, built-up space applicable to all the growth centers/parks developed by WBIIDC.

10. Applicability of statutory provisions regarding payment of service tax, income tax, vat etc

Statutory provisions regarding payment of service tax, income tax, vat and other statutory taxes payable as per orders ,rules, notifications of GOI , GOWB and other statutory authorities in respect of allotment /assignment of land etc, Users' Charge , Service Charge etc as applicable time to time , will be charged.

11. Applicability of the Procedures

The above procedures of allotment, cancellation, assignment etc of the land, built-up space applicable to all the growth centers/parks developed by WBIIDC .
