



**STATE INFRASTRUCTURE AND INDUSTRIAL DEVELOPMENT
CORPORATION OF UTTARAKHAND LIMITED (SIIDCUL)**
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No: 989/SIIDCUL/MD/2019

Date: 05 ~~September~~ ^{October}, 2019

Office Order

Re: Implementation of policy regarding Part Surrender of Plot in SIIDCUL areas.

The Board of Directors in its 48th Meeting held on 27.06.2019 had approved the policy for Part-Surrender of Plot/Land in SIIDCUL as placed before it subject to certain observations. Accordingly, taking note of observations necessary changes have been incorporated in the draft policy placed before the Board. Now the duly modified policy as enclosed herewith is being made operational with effect from 01.10.2019. All concerned shall take note of this and shall henceforth act and follow as per this policy while considering any request for part surrender of plot/land. The copy of this policy shall be circulated to all Regional Offices and other concerned along with this order and shall also be placed on our website for general information.


(S. A. Murugesan)
Managing Director

Copy to,

1. General Manager/Director (Planning)/Finance Controller
2. Company Secretary
3. DGM (Commercial)
4. Architect Planner / AGM (HR)
5. All Regional Managers
6. Manager (IT) – for putting it on our website.
7. Manager (Accounts)

APPROVED POLICY FOR PART SURRENDER OF PLOT IN SIIDCUL

(Issued vide Office Order No. 927... dated 05/10/19.....)

Normally part-surrender of plots is not allowed since it may have the effect of adversely affecting the approved layout plan of that industrial area. In cases it may not be even commercially viable to permit such part surrender since it may result in irregular sizes of plots or frontages making it unattractive for future investors. However at the same time there may be genuine cases where total land allotted may not be needed anymore by the allottees due to change in size or nature of projects or where any particular component of the project becomes unviable and the allottee wants to exit while retaining the remaining part of land. In some cases particularly in industrial areas which are already saturated and there are very few land parcels/plots available for fresh allotment, it may even be in the interest of SIIDCUL as well as in the interest of overall industrial development of the State that unutilized part of a plot which is already allotted is surrendered so that they can be further allotted to some new allottee so that it can be properly utilized in an optimum manner.

Keeping in mind the above there has been felt a need to have a balanced policy for part surrender of plot which can take into account both the above conflicting concerns and provides a mechanism to consider any such request on case to case basis. The necessary policy framework is provided as follows:-

1. In case the allottee himself desires to part surrender the plot/land allotted to him and submits a formal request/application in this regard, such request may be considered on case to case basis as per provisions contained herein below in this regard.
2. Request for part surrender of plots can be considered in following cases:-
 - (a) Where the allottee due to change in nature of project(s) or size or capacity of project earlier planned for which land was allotted or for some other valid reason is not in a position to completely or optimally utilize the land allotted or
 - (b) Where the part of business of the unit has become completely unviable due to technological reasons and it does not make any sense to continue the operation of that part or
 - (c) Where the financial condition of the allottee has become such that it is in no position to optimally utilize the land for establishing the unit or continue the operation or
 - (d) Where the unit is desirous of shifting part of its unit to some other location within the same industrial estate or somewhere else within the State of Uttarakhand or
 - (e) Where due to changes in pollution control rules or regulations or wildlife regulations or forest laws or due to some court orders any particular activity of the unit cannot be carried out at that particular location any more or
 - (f) Where for some other valid reason to be recorded in writing it is felt by SIIDCUL that part surrender request can be considered and accepted.



3. Any request for part surrender of plot cannot be considered in the following circumstances:
- (a) Where the unit has been allotted land at concessional rate or has availed any benefit, concessions etc. under any policy of Central or State Government for establishing or running the unit unless the allottee is ready to return back all such benefits, concessions etc. which have direct linkages to the land being surrendered and which would not have been otherwise available to unit due to reduction in size or nature of project.
 - (b) Where any cancellation order has already been issued by SIIDCUL in respect of that particular allotment.
 - (c) Where any legal proceeding has already been initiated either by the allottee/lessee or SIIDCUL with respect to that allottee/lessee and the same has not been withdrawn.
 - (d) Where Recovery Certificate (RC) has already been issued against that allottee/lessee for recovery of dues and the same has not yet been cancelled or withdrawn.
 - (e) Where any NOC has been issued by SIIDCUL for mortgage/creation of charge on that plot in favour of any Bank/FI unless a certificate from that Bank/FI is received clearly evidencing satisfaction of charge/release from mortgage.
 - (f) Where any court of law has already issued any order restricting such surrender.
 - (g) Where there is any dispute between partners, heirs or shareholders of allottee and such dispute has been brought to the notice of SIIDCUL till such time the dispute has not been resolved.
 - (h) Where outstanding dues against the allottee exceeds the amount to be refunded on acceptance of part surrender.
4. In addition to above only those requests for part surrender can be considered and accepted which fulfills the following conditions:-
- (a) Minimum three years should have elapsed from the date of allotment of plot by SIIDCUL or from the date of acquisition of plot by transfer from earlier allottee.
 - (b) The area to be surrendered should not be less than 25% of area originally allotted. The total area to be surrendered should be minimum 2000 Sq. Mt. In cases where the plot areas are generally bigger and it may not be advisable to create a small independent plot out of surrendered land keeping the overall layout in consideration, this limit may be suitably enhanced by SIIDCUL.
 - (c) Adequate frontage to make it marketable should be available for the surrendered part of the plot to make it commercially attractive or viable for a new allottee.
 - (d) The part of land surrendered should be accessible through an existing Road and it should have an independent access to other utilities available in that particular industrial estate.
 - (e) There should not be any building or other physical structure on the part of plot being surrendered which make it unsuitable for further allotment unless the allottee submits an undertaking along with his application for part surrender that on approval of part surrender he would remove the structure or any other existing

impediments and handover the free possession of land to SIIDCUL within 30 days of such approval.

5. On acceptance of part surrender by SIIDCUL and proper handing over of vacant possession of the land to SIIDCUL, the allottee shall be refunded proportionate part of land premium actually paid by the allottee after deducting any outstanding amount due from the allottee for that plot. In addition SIIDCUL may consider payment of up to 15% of differential amount (premium amount received over and above the premium amount at the time of earlier allotment) received on allotment to new allottee to the allottee who is surrendering in addition to what he is otherwise entitled as above. However payment of refund amount shall be made only once the surrendered part of plot gets allotted to somebody else or there is sufficient interest for the surrendered plot. No interest on refund amount shall be payable in any case. Payment to be made within 30 days of fresh allotment.
6. It is to be noted that SIIDCUL shall have absolute discretion of accepting or not accepting part surrender on a request received from allottee for whatsoever reason in the interest of SIIDCUL and allottee cannot claim any general legal right in this regard.
7. The application for part-surrender shall be submitted by the allottee giving complete details of the allotted plot and that of part of the plot which is proposed to be surrendered along with all relevant documents and undertaking and a site map clearly showing the part which is proposed to be surrendered to the concerned Regional Manager of SIIDCUL. Regional Manager shall check the documents submitted, verify the details, visit the site and prepare a site inspection report and if found appropriate forward the application along with all the documents and his recommendations to the Head Office for further processing and approval.
8. Before approving at Head Office level a no-objection from SIDA should be obtained specifying that such bifurcation of plot due to part surrender can be permitted. Once part surrender is accepted necessary changes in layout plan should be carried out and where necessary SIDA approval for change in layout plan of that industrial area be obtained before making further allotment of newly bifurcated plot(s).


(S. A. Murugesan)
Managing Director