



GOVERNMENT OF KERALA

Abstract

Industries Department-Procedures for Identifying and Allotting Land by Entities under the Industries Department - Orders issued.

INDUSTRIES (G) DEPARTMENT

G.O.(Rt) No.732/2017/ID

Dated, Thiruvananthapuram, 24/05/2017

ORDER

It has come to notice that sufficient care and scrutiny has not been taken in identifying land for industrial development in some cases. Urgent measures are required to be put in place to prevent recurrence. The following directions are therefore issued for immediate implementation in supersession of all orders hitherto in the matter.

1. All industrial land development agencies under this Department shall endeavour to select only lands acceptable to industrialists for acquisition and development. At least 75% of the land acquired shall be allotable. Such lands should not fall in ecologically sensitive areas. Water and power availability, or in the absence thereof, possibility of developing these facilities at reasonable cost should be ensured. The land selected should be acceptable in terms of proximity to National /State Highways, with roads wide enough to permit container trailers to travel, or with possibility of acquiring land for the purpose without public opposition in case wide enough roads need to be developed.
2. A District Industrial Site Selection Committee with the following members is hereby constituted for proposing new lands for acquisition and development as Industrial Estates: General Manager, Directorate of Industries and Commerce, (Chairman), the representative of KINFRA, KSIDC, and SIDCO. KINFRA shall be the convenor of the Committee.
3. The District Industrial Site Selection Committee shall inspect and render a report on the feasibility of acquiring any new plot for industrial purpose for any entity under the Industries Department in terms of these guidelines. A feasibility report signed by Chairman and Convener shall be forwarded to Industries Department in Government for further processing. Such reports shall be considered by this Department. Cases found suitable by this Department shall thereafter be pursued with the Revenue Department.
4. In the typical case, development agencies shall ensure that there is not more than a 5-6 year period from the take over of land to its allotment. To facilitate this, strict timelines should be followed for land acquisition, utility development and land allotment, as under.

Time Frame	
For Land Acquisition/by Negotiation	1.5 year
For Utility Development	2 years
For Full Allotment	2 years

Deviations from this time frame may be permitted in specific cases if a sufficiently convincing reasoning is adduced by the agency involved, and recommended by the District Industrial Land Committee.

5 Ordinarily, lands shall be allotted only after recovering all costs incurred by the agency. Where necessary, the infrastructure shall be developed in phases and the anticipated cost shall be loaded in the land pricing. So only those plots where at least 80% of the allottable land can be allotted within 3 years of development, shall be taken up for acquisition. The cost of land, including its acquisition and development cost, should be attractive enough to potential allottees, and the agency should be able to justify all future proposals on the basis of commitments as per the following format:

Item	In Rs
Cost of Acquiring Land	
Cost of Developing Land – power supply, water supply, drainage, roads, boundary fencing, effluent and sewage treatment plants, signages	
Average Cost of the Land (per acre)	
Assuming 75% is allottable, Cost of Allottable Land (per acre)	
Whether all the Allottable Land can be Allotted within 2 years after Development at the above rate	

6. The District Industrial Site Selection Committee shall vet proposals of District Mini Industrial Estate Cooperative Societies also; however, action for acquiring the land shall be sanctioned at the level of the GM, DIC on receipt of a positive recommendation of the District Industrial Land Committee.

7. The District Industrial Site Selection Committee shall also vet proposals for setting up Private Industrial Estates and submit recommendations to Government.

8. A District Industrial Land Allotment Committee with the following is hereby constituted for the purpose of considering applications for land and finalising allotments: GM, DIC (Chairman), representatives of KINFRA, KSIDC, SIDCO, KFC and Lead Bank Manager. KINFRA shall be the convener of the Committee.

- a. This Committee shall scrutinise applications and make allotments for land belonging to all entities under the Industries Dept
- b. The Committee shall dispose off applications within 45 days of receipt.
- c. The allottees shall continue to be governed by the terms and conditions of the respective entity.
- d. All allotments upto 10 acres shall be done at the District level by the agency concerned on the basis of recommendations of this Committee.
- e. Applicants for land may apply either to the agency or to the GM, DIC. KINFRA will create an online portal, and from 1.7.2017, only online applications for land will be accepted.
- f. The Committee shall invite applications for allotment of plots and built up area through the website as well as through media releases.
- g. The allotments shall be on the basis of size of investment, employment opportunities, and ability to invest.
- h. The Committee may meet as often as required to make allotments. The quorum for a meeting shall be four.
- i. The Committee may also screen applicants and maintain a waiting list where demand exceeds supply; however, the validity of such a list shall be for only one year.

9. Appeals against any decision of the Committee shall lie to the Industries Secretary. However, such appeals shall be filed within one month of receipt of the decision of the Committee.
10. However, allotments of land in respect of District Mini Industrial Estate Cooperative Societies and Private Industrial Estates shall be outside the purview of the Committee.
11. Allotments of 10 acres and more in Industrial Estates of entities under this Dept. shall be considered by a State Industrial Land Allotment Committee headed by Industries Secretary and comprising DIC, MD,KSIDC, MD,KINFRA, MD,SIDCO, MD,KFC and Convenor, SLBC. Applications shall be filed to KINFRA.
12. The fee for applying for allotment of land to the District Industrial Land Allotment Committee shall be Rs.5,000 + taxes and to the State Industrial Land Allotment Committee shall be Rs.10,000 + taxes.
13. The DIC and KINFRA together shall maintain a data base of all industrial land in the State. For this purpose the term 'industrial land' shall refer to not only lands comprised in existing industrial estates, by whatever name called, under the different entities, but also land acquired by the State under the Land Acquisition Act for private companies, Central and state PSUs and land purchased by Industrial Cooperative Societies. The objective shall be to take over these lands and convert them into industrial estates under KINFRA in case the entity for which the land was acquired, becomes defunct. The data shall be collected by DIC and handed over to KINFRA for maintenance. Maps of all industrial lands shall be digitised.
14. DIC and KINFRA shall monitor activity in the Industrial Estates of the various entities and maintain a data base. The Committee at Para 6 shall examine whether a unit that is defunct can be revived. In case the Committee finds that the unit is beyond revival, the land/ built up space shall be resumed after due process.

(By Order of the Governor)
PAUL ANTONY,
Additional Chief Secretary to Government.

To

The Director of Industries & Commerce, Thiruvananthapuram.
The Managing Director, Kerala State Industrial Development Corporation Limited (KSIDC), Thiruvananthapuram.
The Managing Director, KINFRA, Thiruvananthapuram
The Managing Director, SIDCO, Thiruvananthapuram
The Managing Director, Kerala Financial Corporation, Thiruvananthapuram
The Convenor, State Level Banker's Committee, Thiruvananthapuram
The Principal Accountant General (Audit), Thiruvananthapuram
The Accountant General (A&E) / Audit, Kerala, Thiruvananthapuram.
Finance Department
Revenue Department
The Director, Information & Public Relations Department
(for publishing in the official website)
Stock File / Office Copy

Forwarded/By Order

[Signature]

Section Officer

Endt on ID/10904/17 Dt. 20/06/2017 :-

Copy communicated to all General Managers, DICs for taking urgent action.

[Signature]
20/6/17

Principal Director (ID)