



RUBBER PARK INDIA (P) LTD

LAND DISPOSAL REGULATIONS

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The Land Disposal Regulations are framed as guidelines in dealing with application and allotment of land for setting up of industrial units in the Rubber Park.

1. Short Title and application

- A) These regulations may be called “ **Rubber Park Land Disposal Regulations**”
- B) They shall apply to all lands purchased or acquired directly by Rubber Park or held or taken on lease or lands transferred to or placed at the disposal of the Rubber Park by Government or KINFRA from time to time and land allotted and leased to entrepreneurs for setting up industrial units.

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 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 Rubber Park for maintaining, running or keeping in good condition the common portions/common areas as may be regulated by the Rubber 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 rubber and rubber wood based industrial unit or any other activity for development of infrastructure facility within the Park.
- (viii) **“Industrial Park”** means those lands developed by Rubber Park for carrying out industrial activity.
- (ix) **“Land”** means land as defined in regulation 1(B).
- (x) **“Land Allotment Committee”** means the Committee formed by the Rubber Park 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.
- (xi) **“Development Cost/ Lease Premium”** means the Development Cost/lease premium fixed by the Pricing Committee formed by the Rubber Park 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 Rubber Park is leased for specific duration either on payment of lease premium or rent or both for industrial activity and includes his successors in interest or permitted assignees or sub-lessee.
- (xiii) **“Managing Director”** means the Managing Director of Rubber Park appointed by the Board of Directors of Rubber Park India (P) Ltd. and includes any other Officer to whom the powers and functions of the Managing Director may be delegated/assigned by the Board.
- (xiv) **“Officer”** means any officer who is appointed in the permanent service of the Rubber Park or on deputation from other organization or on contract basis to whom the duties or functions of the Rubber Park may, for the time being, be assigned.
- (xv) **“Plot”** means the plot of land earmarked for allotment under these regulations.
- (xvi) **“Rubber Park ”** means the Rubber Park India (P) Ltd, a joint venture of Kerala Industrial Infrastructure Development Corporation (KINFRA), and Rubber Board, 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 Rubber Park.

- (xviii) “**Subsidiary Companies**” means subsidiaries formed by the Rubber Park to develop industrial infrastructure in which Rubber Park shall hold not less 51% of the equity capital.

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 Rubber Park shall prepare a layout of the land to be developed as industrial parks before allotment.

4. Parties to whom the land may be allotted

The plots of land may be allotted to

1. Entrepreneurs
2. Providers of common amenities

Provided that land may also be allotted to subsidiary companies/ other public sector undertakings by the Rubber Park on such terms as may be decided from time to time.

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 31.12.2097 whichever is earlier. Rubber 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 Rubber Park, provided if the land is obtained by Rubber Park on lease, 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 Development Cost/ Lease Premium

- (i) **Development Cost/ Lease Premium** - The Development cost/ lease premium will be fixed by the Pricing Committee taking into consideration the cost of acquisition of land and development cost including cost of infrastructure facilities and common amenities provided in the Park. The Pricing Committee

will consist of Managing Director and other members nominated by the Board of Directors of Rubber Park from time to time.

- (ii) **Additional Premium** - The development cost/ 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 the Park. In the event of the Rubber Park 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 Rubber Park as if it were part of the original premium.
- (iii) **Revision of Development Cost/ Lease Premium** - Development cost/ lease premium fixed at various parks is liable to be reviewed periodically and revised by the Pricing Committee. The revised development cost/ lease premium shall apply to future allotments as decided by the Board of Directors of Rubber Park from time to time.

7. Mode of Payment

The payment terms for allotment of land will be as decided by the Rubber Park from time to time. The allottee/ lessee shall pay 100% of the lease premium as one time down payment.

8. Application for land in Rubber Parks

The application for allotment of land shall be made in the prescribed form (Form No. A) along with an applicable fee of Rs.5,000/- by way of demand draft drawn in favour of Managing Director, Rubber Park India (P) Ltd payable at Ernakulam along with a project profile of the industrial unit in the prescribed form (Form –B). The application 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 Land Allotment Committee

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 Land Allotment Committee with his recommendations.

10. Allotment of land

The land allotment committee shall consider the application and if it is found that the application is in order, committee may decide to allot the land. Committee 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 :

On allotment of land by land allotment committee, the Managing Director or the officer authorized by him shall issue a letter of intimation to the applicant in the prescribed form (Form No.C) stating the extent of land proposed to be allotted, the lease premium/development cost payable by the applicant and direct the applicant to remit 10 % of the lease premium/development cost as EMD along with applicable service tax 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/ development cost, once the allottee makes payment of balance lease premium within the stipulated time and enter into a MoU with Rubber Park.

12. Allotment Letter/Order

On receipt of EMD under clause 11, Rubber Park will issue a letter of allotment in the prescribed form (Form No.D) to the allottee making a firm allotment of land and directing the allottee to make payment of balance 90% of the lease premium/development cost along with applicable service tax within the time prescribed in the allotment letter. In case the allottee fail to pay the balance development cost/lease premium along with service tax 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 Park, the Rubber Park 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 development cost/lease premium 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 and before executing a MoU.

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 Panchayt building rules as amended from time to time. The allottee shall also obtain prior approval of the Managing Director of Rubber Park for the building plan before commencement of construction.

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

On remittance of full lease premium along with applicable service tax 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

Rubber 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 Rubber Park 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, Rubber Park 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 effect 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 Rubber 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 Rubber Park indemnified against damages

The allottee shall keep the Rubber Park and all it 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 Rubber Park to use the vacant portions of plots

The Rubber 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 un discharged 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 Rubber 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 Rubber 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 the manual of Instructions to the lessees framed by Rubber Park, MOU and lease deed.

24. Breach of terms of Agreement

If any allottee contravenes any of the terms and conditions of the manual of instructions to the lessees, MOU, lease deed, Rubber 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
4	Company (Under Companies Act)	Transfer of allotment to subsidiary / holding / associated Companies

(A) Change of constitution among the family members :

For the above purpose, family means: “father, mother, husband, wife, son and daughter “

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 Rubber 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 allotment/ lease among Others :

In cases where there is a request / proposal is received from the allottee or lessee for transferring the allotment or lease, the same shall be considered only after a detailed examination by the land allotment committee 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 land development cost/lease premium in the 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 Rubber Park shall be cleared before the transfer is effected.
 - 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 Rubber 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 development cost/lease premium between the prevailing lease premium in the Park on the date of issue of approval and original development cost/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 Rubber 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 Rubber 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. Sub Leasing of Lease

Allottee/Lessee shall be permitted to sub lease the unutilised portion of the land subject to the following terms and conditions.

- I. To a subsidiary company or associated concern in which the original allottee / proprietor / partners / shareholders together holds not less than 51% of the shareholding in the subsidiary company/associated concern/entity:-
 - a. Payment of transfer processing fee @ 10% based on the prevailing land development cost/lease premium in the Park applicable for the area proposed to be subleased on the date of issue of approval of sublease subject to maximum of Rs.3,00,000/- (Rupees Three lakhs only) shall be levied on each sublease.
 - b. Sub lease should expire six months before the expiry of original lease.

- c. There should be clause in the sub lease that in case the original lease is terminated or otherwise determined before the expiry of the sub lease, the sub lease shall get automatically terminated.
- d. 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.

II. In any other cases:

- a. Payment of difference in development cost/lease premium between the prevailing development cost/lease premium in the Park applicable for the area proposed to be subleased on the date of issue of approval of sublease and original development cost/lease premium paid for the allotment of land shall be levied for each sublease.
- b. 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.
- c. Sub lease should expire six months before the expiry of original lease.
- d. There should be clause in the sub lease that in case the original lease is terminated or otherwise determined before the expiry of the sub lease, the sub lease shall get automatically terminated.

28. 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.

29. Renewal of Lease Period

Land is leased/sub leased to entrepreneurs on leasehold basis for a maximum period of 90 years or up to 31.12.2097 whichever is earlier. Lessee shall have the option to renew the lease for such period as may be fixed by Rubber Park if the owner of the land renews or extends the period of lease on the expiry of the period of lease to the Rubber Park by the owner. Provided that a written application in this behalf is made by the lessee to the Rubber Park at least six months before the date of expiry of the original terms of the lease.

30. 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.

31. Delegation of powers to the Officers

The Rubber Park may delegate any of its powers under these Regulations to the Managing Director or any other Officer for the efficient working of the Rubber Park and for the purpose of achieving the objects.

32. Saving Clause

Plots of lands so far allotted/ leased/sub leased by the Rubber Park before the coming into force of these 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.

33. Power to amend /modify the regulations

The Board of Rubber Park has the power to amend, modify all or any of the clauses/provisions of these regulations either retrospectively or prospectively.

Managing Director

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