

## Press Note

The Directorate of Industries, A & N Administration has set up Industrial Estates in different Parts of A & N Islands for providing Industrial Land / Plot with basic amenities to the entrepreneurs / enterprises. As on date the Directorate of Industries has set up Six Industrial Estates at (1) Dollygunj, (2) Garacharama, (3) Mithakhari, (4) Hutbay, Little Andaman, (5) Bakultala, Middle Andaman and (6) Campbell Bay, Great Nicobar. The Department may also set up more Industrial Estates as per the demand and requirement in future.

In order to make the allotment of Plots in these Industrial Estates in a transparent and efficient manner and also to manage the allotments made in such Industrial Estates efficiently, the A & N Administration has proposed to put in place a policy viz. “**Andaman and Nicobar Islands Industrial Estate (Allotment & Management) Policy, 2024**”.

Towards this, a draft Policy document has been prepared which can be downloaded from the Administration’s State Portal <https://andaman.gov.in>.

Comments and suggestions are invited from general public, stake holders, Entrepreneurs, Andaman Chamber of Commerce and Industries etc. on various provisions, made in draft “Andaman and Nicobar Islands Industrial Estate (Allotment & Management) Policy, 2024” **within 30 days upto 08.07.2024** in the format given below:

Comments / suggestions on draft Andaman and Nicobar Islands Industrial Estate (Allotment & Management) Policy, 2024”			
Name/ Designation of the Entrepreneur/ Applicant			
Name of the Organisation :			
Chapter No.	Clause No.	Contents of Clause	Comments / Suggestions

The comments and suggestions on the draft Policy may also be sent by email at (1) [industries.planning2016@gmail.com](mailto:industries.planning2016@gmail.com) (2) [dirind.and@nic.in](mailto:dirind.and@nic.in).

Director of Industries

## Index

<b>SI No.</b>	<b>Chapter/ Heading</b>	<b>Page No.</b>
1	Notification	02
2	Chapter-1 Definitions	03-06
3	Chapter-2 Layout Plan	07-10
4	Chapter-3 Fixation of Annual Lease Rent	11
5	Chapter-4 Lease Tenure	12
6	Chapter-5 Process of new allotment	13-16
7	Chapter-6 Process of Re-allotment	17-19
8	Chapter-7 Implementation time line	20
9	Chapter-8 Manner of Payment	21-22
10	Chapter-9 Encroachment	23
11	Chapter-10 Mortgage Permission	24-25
12	Chapter-11 Transfer / Change in Ownership	26-27
13	Chapter-12 Change in activity/ additional activity	28
14	Chapter-13 Change in Name	29
15	Chapter-14 Subletting / subleasing/ Renting of Premises	30
16	Chapter 15 General Conditions	31-33
17	Chapter-16 Management of Common Infrastructures/ Utilities in the Industrial Estates	34-37
18	Chapter-17 Reporting & Action on Violation	38-39
19	Chapter-18 Termination of lease	40-41
20	Chapter-19 Consequent of Termination	42
21	Chapter-20 Recovery of Dues	43
22	Chapter-21 Management of Existing lessee in the existing Industrial Estate	44
23	Chapter-22 Repeal & Applicability	45
24	Chapter-23 Appeal	46
25	Annexure-1 Negative List	47
26	Annexure-2A- Present Circle Rate notified by ANA	47
27	Annexure-2B- Present Circle Rate for Construction notified by ANA	47
28	Annexure-2C	48
29	Annexure-3 Present Cost of development of land	48
30	Annexure-3A	49
31	Annexure-4 Application Form	50-51
32	Annexure-5 Time Lines	52-55
33	Annexure-6 Format of First Right of Refusal	56
34	Annexure-7 Format of Letter of Intent	57-58
35	Annexure-8 Format of Handing over Note	59
36	Annexure-9 Format of Lease Agreement	60-66

अंडमान और निकोबार प्रशासन  
Andaman and Nicobar Administration  
उद्योग निदेशालय  
Directorate of Industries  
पोर्ट ब्लेयर /Port Blair  
\*\*\*\*\*

**Notification No. eFile No. M-17036/4/2022 dated ..., 2023:-** The Administrator (Hon'ble Lt. Governor) Andaman and Nicobar Islands is pleased to introduce the **Andaman and Nicobar Islands Industrial Estate (Allotment & Management) Policy, 2024** to provide fresh impetus to Industrial Growth and Employment Generation in line with the Policy initiatives of the Government of India with mission to create Andaman and Nicobar Islands as a valued and preferred investment destination.

This Policy shall be applicable to all the existing Industrial Estates and new Industrial estates developed and managed by Directorate of Industries, Andaman & Nicobar Administration in entire territory of Andaman and Nicobar Islands.

This Policy shall come in to force from the date of its notification in official gazette and shall remain in force until amended or repealed.

From the date of notification of these Policy in official gazette the, "Lease of Developed Plots in the Industrial Estate at Garacharma Area Rules, 1977"; and the "Andaman and Nicobar Islands (Industrial Estate) Rules, 1976" shall stand repealed.

**By Order and in the name of Hon'ble Lt. Governor**

**Secretary (Industries)**  
**Andaman and Nicobar Administration**

## Chapter -1 Definitions

- 1.1. Administration-** means the Andaman and Nicobar Administration.
- 1.2. Administrator-** means the Hon'ble Lt. Governor, Andaman and Nicobar Islands appointed by the President of India under Article 239 of the Constitution.
- 1.3. An Association of Individuals** - means a Self-Help Group or such Non-Governmental organizations formed for the welfare of a particular section of the society and recognized by any Central / State / UT Government authority or by the Registrar of Cooperative Societies or the NABARD.
- 1.4. "Allotment"** means allotment of Industrial Plot / Sheds for setting up of any Manufacturing, Service activity and special sector activity as prescribed in Policy.
- 1.5. "Annual Lease Rent"** means the annual lease rentals as fixed by Administration from time to time excluding service charges and taxes charged.
- 1.6. "Authorized Person"** means a person who have been authorised by the lessee/ allottee to sign all the documents and perform all acts on the behalf of lessee/allottee.
- 1.7. "Captive Warehousing"** means the space required for storage of raw material or finished goods directly related to manufacturing or service activity for that the Plot / Shed allotted to the lessee/allottee.
- 1.8. "Commencement of Commercial Operations"** Commencement of commercial production/ activity for which the Plot / Shed allotted to the allottee and will be determined by the first sale bill/ invoice issued by the allottee.
- 1.9. "Company"** means a company incorporated under the Companies Act, 2013 or Limited Liability Partnership Act, 2008 or any previous Companies Act / Law of India.
- 1.10. Cooperative Society** means a society registered with the Registrar of Cooperative Societies under the Cooperative Societies Act, 2012 or a society registered with the Registrar of Joint Stock Companies under the Societies Registration Act, 1860.
- 1.11. Competent Authority for various functions shall be as follows:**

Sl No	Description of function	Competent Authority
1	Declaring new Industrial Estate/ Industrial Area/ Park	Administrator, A &N Islands
2	Approving / Rejecting the recommendation made by Screening Committee for allotment of Industrial Plots / Sheds in Industrial Estate	Chief Secretary
3	Taking penal actions including termination of lease agreement and issuing further direction/ consequence to termination for resumption / taking over physical possession/ approval for change of activity, transfer, change of ownership etc.	Pr. Secretary (Inds)/ Commissioner cum Secretary (Inds)/ Secretary (Inds)

SI No	Description of function	Competent Authority
4	Determining the level of infrastructure required in all New Industrial Estates and Vacant space in existing Industrial Estates, earmarking areas / clusters as per policy guidelines in Layout Plan	Compilation Committee
5	Conducting Survey of all new Industrial Estates and Vacant Space in existing Industrial Estate, preparation of layout plan as per recommendation of compilation committee, fixing of boundary markers etc.	APWD
6	Screening of Application for allotment of Plots / Sheds, conducting auction process, screening of application for various approvals as per scope given under relevant chapters	Screening Committee
7	Signing of lease deed, issue of show cause notice on any violation	Director of Industries.

- 1.12. Department** means the Directorate of Industries, Andaman and Nicobar Administration and its branch offices located in different parts of A & N Islands.
- 1.13. Enterprises** shall have the same meaning as defined under Micro Small and Medium Enterprises Development Act, 2006 (No.27 of 2006) as amended from time to time by Government of India.
- 1.14. Entrepreneur** shall have the same meaning as defined under Micro Small and Medium Enterprises Development Act, 2006 (No.27 of 2006) as amended from time to time by Government of India.
- 1.15. "Estate Manager"** means the officer of the Department or Administration who is appointed as Estate Manager and includes the one who is holding the post as additional charge and also includes any other officer who is vested with such responsibilities.
- 1.16. "Ex-service Men"** for the purpose of this Policy means a person who has served in any of the armed forces but not including Police Forces and is in possession of the discharge certificate issued by the Appropriate authority of the concerned armed force and should be a local resident of A & N Islands and possess the Local Certificate issued by Tehsildar of the respective Tehsils in A & N Islands.
- 1.17. Flatted factory Complex** means multi-storey industrial building subdivided into small, separately occupied units which are used for manufacturing, assembly and associated storage.
- 1.18. First Right of Refusal** means the right to exercise option by the existing lessee for retaining the allotted Plot/ Shed by participating in the bid process and if required, by matching the highest bid.
- 1.19. "Industrial Estate"** means an Industrial estate / Park developed primarily for establishment of Enterprises to manufacture any product or undertake servicing activity, and having basic infrastructural facilities like internal roads, water distribution facilities, sewage, power distribution, common effluent treatment facilities, communication facilities and such other facilities/services as may be required.

- 1.20. "Implementation"** means where the unit has commenced commercial operation to the capacity indicated in the project report and has fully utilized the Plot / Land/ Shed allotted for the purpose for which it is allotted as envisaged in project report.
- 1.21. "Plot"** means Premises as defined and includes developed or undeveloped parcel of land within an Industrial Estate as per approved layout.
- 1.22. Shed** means the building or the structure constructed by the department within the Industrial Estate more or less conforming to the Industrial requirement which will be allotted to prospective entrepreneur for setting up of enterprises in manufacturing, assembling, servicing activity.
- 1.23. "Industrial Enterprises"** for the purpose of these Rules shall mean and include:
- 1.23.1. **Manufacturing Industry** related to manufacture of all types of goods except those in negative list at **Annexure-1** to these Policy.
  - 1.23.2. **"Service Enterprise"** means an enterprise engaged in Repair and Service of Automobile, Electrical and Electronics Goods, Repair and Service of House Hold Items etc. except negative list at **Annexure1**.
  - 1.23.3. **"Special sector activity"** means any activity/ project taken up by government departments/ organizations, as decided by the Administration from time to time.
- 1.24. "Scheduled Tribe"** means the tribes of Andaman Nicobar Islands and is holding the Tribal Certificate issued by Tehsildar of UT of Andaman & Nicobar Islands for the tribes of Andaman & Nicobar Islands.
- 1.25. "Institutions"** for the purpose of these Policy shall mean and include:-
- 1.25.1. Government offices;
  - 1.25.2. Training Schools for Skill Development approved by the Government / Administration.
  - 1.25.3. Any other special sector activity as decided by the Administration.
- 1.26. "Utilities"** for the purpose of this Policy shall mean and include:—
- 1.26.1. Canteens.
  - 1.26.2. Electricity sub-station / PWD Sites Offices.
  - 1.26.3. Water treatment plant including Sewage/ /Waste water treatment plant and other common infrastructure/facilities etc. as per the requirement of the Industrial Estate.
  - 1.26.4. Banks / Post Offices.
- 1.27. "Lessor"** means the Director of Industries, A & N Administration.
- 1.28. "Lessee"** means individual or association of individuals or company or firm or Cooperative Society who is the allottee for the setting of Industrial Enterprises as per this policy.
- 1.29. "Layout"** means and includes a layout plan of the Land prepared for a particular Industrial Unit in consonance with the Master Plan for Port Blair Planning Area (PBPA) or such norms as fixed by the Administration on the recommendations of Compilation Committee, the layout plan shall be,

approved by the Administrator.

- 1.30. "Local Person"** means a person born in the UT of A & N Islands or a person residing in the UT of A & N Islands for the past 10 years or a person having at-least one of the parents born in the UT of A & N Islands and is holding the Local Certificate issued by Tehsildar of the respective Tehsil in A & N Islands.
- 1.31. "Logistics Park"** means the plot/ area set apart either within the Industrial Estate Area or contiguously for ease of storage and transportation of Raw Materials & Finished Goods into and from the Industrial Estate connected to nearest Highway/ Port as the case may be.
- 1.32. "Maintenance Charges"** is the annual fees excluding service charges & other taxes in addition to the Annual Lease Rent as fixed by the Administration from time to time towards maintenance of the Common Facilities viz. internal roads, drains, CETP etc.
- 1.33. "Micro, Small & Medium Enterprises (MSME)"** will have the same definition as defined in the MSME Development Act 2006 (No.27 of 2006) as amended from time to time by Government of India.
- 1.34. "Partial implementation"** means where the unit has gone into commercial operation either not to the capacity indicated in the project report or has not fully utilized the Plot/ Shed allotted or both.
- 1.35. "Premises"** means and includes any plot, land, sheds, space or any structures etc., held by the Government which is meant for lease/lease by auction.
- 1.36. "Processing Fee"** means a non-refundable fee, which shall be payable by each applicant at the time of filing application or obtaining any approvals/restoration etc.
- 1.37. "Sector Specific Industrial Estate"** means and includes a sector specific Estate like information Technology Park, Electronic Manufacturing Clusters, Food processing Clusters, Marine/Fish Processing Clusters, Textile/Apparel Park, Coconut & Coir Clusters, Handicraft Clusters etc.
- 1.38. "Zonal Office"** means the branch/field office of the Directorate of Industries and functioning under the orders of the Director of Industries with a specified jurisdiction of the Industrial Estates.

## Chapter -2 Layout Plan

### The provision of this clause shall be applicable to Vacant land in the existing Industrial Estates and for all New land allotted to the Department for setting up Industrial Estates/ Parks

#### 2.1 Preliminary Action to be taken by Department for determining the level of Infrastructure required.

2.1.1 Within 30 days of notification of the Policy in respect of vacant land in existing Industrial Estates or within 30 days of taking over the possession of land by the Department for new Industrial Estates, the Department through the concerned Division of APWD **shall** take up the survey work of the entire land including contour survey, as the case may be.

2.1.2 The Survey Work **shall** be completed by the concerned Division of APWD within 30 days for area up to 5000 Sq. mt and 60 days for area more than 5000 Sq. mts.

2.1.3 The Department within 15 days of receipt of the survey report, put up the same before the Compilation Committee for determining the level of infrastructure required in the particular Industrial Estate/ park.

#### 2.2 Compilation Committee

2.2.1 To determine the level of infrastructure to be provided in any industrial estates/ park, a committee called “**Compilation Committee**” will be constituted having following composition:

a)	Director of Industries	Chairman
b)	Executive Engineer APWD of the concerned Division of the Industrial Estate	Member
c)	Town & Country Planner or his representative	Member
d)	Director (RD&PRI) OR Joint Secretary, PBMC as the case may be,	Member
e)	Director Science & Tech	Member
f)	Labour Commissioner	Member
g)	Deputy Director Industries	Member Convenor.
h)	Any other officer from any Department/ Government Institution as may be required *	Co-opted Member

\* “Chairman Compilation Committee” is the competent authority to call any other officer from any department/government institution as Co-opted Member

#### 2.2.2 The mandate of the compilation committee shall be:

(a) To study and make suitable recommendation on the level of infrastructure required at each New Industrial Estates/ Area / Park and Vacant Land Existing Industrial Estate.

(b) To clearly demarcate in the layout plan with appropriate colour coding for the areas proposed for Open Space/ park, Roads, Utilities, Cluster for Manufacturing Activity, Cluster for Service activity, area for housing needs etc.

(c) To fix the plot size measuring 300 Sq. Mt or 500 Sq. Mt after assessing total land available and mark with appropriate colour coding the areas



reserved for Manufacturing activity, Service Activity and Special Sector activity as per the policy.

- (d) To finalise the layout plan for the Industrial Estate as per the policy parameters and make recommendation for the approval by the Administrator.

### **2.2.3 Policy Guidelines for Compilation Committee for determination of the level of infrastructure required in a particular Industrial Estate/ Park**

#### **2.2.3.1 For Development of New Industrial Estates**

- (a) Provision for open green space, internal roads, drains, electricity substation, utilities, CETP etc. to be provided as per Planning Area norms which **will be** about 27.5% of the total land area of the Industrial Estate as per the Master Plan for Port Blair Planning / Development Area clause 5.3.7 and 5.4.4.
- (b) The balance 72.5% (approx.) plottable area of the Industrial Estate will be earmarked for following categories:
- (i) 50% of plottable area i.e. 36.25% for allotment to Manufacturing Activity out of which 20% i.e. 7.25% area will be reserved for Agro-Processing / Marine Processing / Coconut & Coir Processing Enterprise.
  - (ii) 25% of plottable area i.e. 18.125% for Service Sector Activity.
  - (iii) 20% of plottable area i.e. 14.5% for Special Sector Activity as per direction of A & N Administration as defined in clause 2.33.3.
  - (iv) 5% of plottable area i.e. 3.625% for housing and social needs for workers engaged by enterprises allotted Plots/ Shed in Industrial Estate.
  - (v) The reservation proposed in **clause 2.2.3.1(b)** is indicative. The Screening Committee may decide to consider recommending for allotment to another category based on the number of applications received under each category.
- (c) 25% of the total number of the Plots in the Industrial Estate **will be** earmarked for ST/ Locals/ SHGs/Women/Disabled/Local/ Ex-serviceman entrepreneurs.
- (d) If the reservation made for any sector remains vacant, the same **will be** considered for allotment in other sector by the screening committee as per demand.
- (e) The Plot size **shall be** as per the Master Plan for Port Blair Planning / Development Area clause 5.3.7 and the minimum plots size **shall be** not less than 300 Sq. mt. and the maximum plot area **shall not** exceed 500 Sq. Mt. Where an Industrial Enterprise requires more

space, adjacent plots could be amalgamated to meet the specific requirement after approval of the Chief Secretary, UT of Andaman & Nicobar Islands (Chapter 1, clause 1.11)

### 2.2.3.2 For existing vacant space in existing Industrial Estates

- (a) The provision for open green space, internal roads, drains, electricity substation, utilities, CETP etc. **shall be** made in all the existing Industrial Estate. However, while making such provisions, total area already utilized for similar activity **shall be** taken in account while planning for additional utility facilities to embark approx. 27.5% area of total land allotted for the respective Industrial Estate as per the Master Plan for Port Blair Planning / Development Area clause 5.3.7 and 5.4.4 till the possible extent as per the availability of vacant land for that particular Industrial Estate.
- (b) After setting apart the land for common utility as per para (a) above, Plots of size 300 Sq. up to 500 Sq. mt **will be** carved out in the balance area. Where an Industrial Enterprise requires more space, adjacent plots could be amalgamated to meet the specific requirement.
- (c) The plots so carved **will** either be reserved for a particular category or mix use as per availability of plot, which **will be** determined by the compilation committee.

2.2.4 The minimum plot size as prescribed in clause 2.2.3.2 (b) above **will not** be applicable for the Plots already leased out to existing enterprises in existing Industrial Estate. Such plots which fall vacant in due course of time due to expiry of the lease period or termination of the lease agreement as the case may be, shall **be** auctioned as per procedure prescribed in Chapter 6 and the provisions for the common utilities to be ensured before that. However, on expiry of the lease period, the existing lessee **will have** the first right of refusal (as laid out in Chapter 6 clause 6.2).

## 2.3 Preparation of Layout Plan and its approval (Will be applicable for all New Industrial Estates and existing vacant Space in Existing Industrial Estate)

### 2.3.1 Preparation of Layout Plan by APWD

- (a) Within 30 days of recommendation of the Compilation Committee, concerned Division of the APWD **shall** prepare the layout plan as per the recommendation of the compilation committee.
- (b) While preparing the layout plan APWD shall ensure that the layout Plan prepared in accordance **with** applicable planning Policy in force from time to time and as recommended by the Compilation Committee.
- (c) Three copies of the detailed drawing **shall** be submitted to the Department along with softcopy in PDF format.

### 2.3.2 Approval of Layout Plan by Administrator

- (a) Within 30 days of the submission of the detailed drawing of the Layout Plan by APWD, the Department **shall** submit that to the Administrator for its approval.

### 2.3.3 GIS mapping of the Layout Plan

- (a) On approval of the Layout Plan, the same will be GIS mapped by APWD for implementation and monitoring. The GIS maps **will be** linked to the website / portal of the Department.

### 2.3.4 Fixing of Boundary Markers

- (a) Within 90 days of approval of layout plan in case of large area of land and within 30 days in case of small area (less than 5000 Sq. mt) of land, in all New Industrial Estates and existing vacant land in existing Industrial Estates, proper boundaries markers **shall be** fixed through concerned Division of APWD as per the approved layout.

- 2.4 Allotment **shall** not be made unless the layout is approved and boundary markers are fixed as per layout.

## 2.5 Construction of Sheds / Flattered Factory Complex

2.5.1 No sheds **shall be** constructed in New Industrial Estates by the Department.

2.5.2 However, based on the demand, the Department may consider for construction of “**Flatted Factory Complex**” (defined as per **Chapter-1 clause 1.17**).

2.5.3 Separate Policy for allotment and management of Flatted Factory Complex **shall be** put in place as and when such decision of construction of Flatted Factory Complex is taken.

## Chapter-3 Fixation of Annual Lease Rent

### 3.1 Annual Lease Rent for Plots

A	Three (3) % of Circle Rate per Sq.Mt as notified by Administration from time to time. The present Circle Rate is at <b>Annexure-2-A</b> .
B	Development Cost of the land per sq.mt as per the estimation done by APWD from time to time. The present rate of development cost per Sq. mt is at <b>Annexure-2B</b> .
C	Total = A + B
D	Maintenance Charges = 2% of Annual Lease Rent to be paid annually from the date of taking over the possession of Plot.
E	Additional Lease Rent = 2% of Gross Annual Profit to be paid annually from the date of Commencement of Commercial Activity only by those units that are mandatory required to file IT Return.
F	<b>Grand Total = C+D+E</b>

The total amount to be paid as per the present rates Per Sq. Mt Per annum is given at **Annexure- 2A**.

### 3.2 Annual Lease Rent for Sheds

A	Three (3) % of Circle Rate per Sq.Mt as notified by Administration from time to time. The present Circle Rate is at <b>Annexure-2A</b> .
B	Three (3) % of Construction cost as per Circle rate after applying age factor. The present Circle Rate is at <b>Annexure-3</b> .
C	<b>Annual Lease Rent = A + B</b>
D	Maintenance Charges = 2% of Annual Lease Rent to be paid annually from the date of taking over the possession of Plot.
E	Additional Lease Rent = 2% of Gross Annual Profit to be paid annually from the date of commencement of Commercial Production only by those units that are mandatory required to file IT Return.
F	<b>Grand Total = C+D+E</b>

The total amount to be paid as per the present rates Per Sq. Mt Per annum is given at **Annexure- 3A**.

3.3 The Annual Lease Rent / Highest Annual Lease rent quoted shall be increased by 10% after every three years.

3.4 The Annual Lease Rent rates as per Row C of Chapter-3 clause 3.1 for plots and 3.2 for sheds shall form the base price for auction.

3.5 The Annual Lease Rent shall be revised once in ten (10) years OR as and when Circle rates are revised which-ever is earlier. In case the Circle Rates are not revised within 10 Years, the Annual Lease Rent will be revised by enhancing 25% the previous annual Lease Rent.

3.6 The Department will notify the Annual Lease Rent applicable from time to time in the Administration Portal/ Departments website and in Notice Board of the Department and respective Industrial Estate/ Zonal Office.

## **Chapter 4 Lease Tenure**

### **4.1 Lease Tenure for all New Allotment (in New Industrial Estate / Existing Industrial Estate)**

- 4.1.1 The maximum lease tenure **shall** be for a period of 30 years from the date of handing over of the Plot / Shed.
- 4.1.2 On expiry of 30 years of lease period or on termination of lease before expiry of the lease period, the plot / shed **shall be** put for auction .

### **4.2 Lease Tenure for Existing Allotment in Existing Industrial Estate**

- 4.2.1 The lease tenure for the existing allottee / lessee in the existing Industrial Estates **shall be** as per the respective lease agreement signed by the lessee.
- 4.2.2 The date of commencement of lease tenure for the existing lessee **will be** counted from the date of handing over of Plot / Shed to the lessee. In the absence of date of handing over of the Plot/ Shed, the date of signing of 1<sup>st</sup> lease deed **shall be** considered as date of commencement of lease tenure.
- 4.2.3 In all such cases where the existing lease period has, as per the existing lease agreement, expired **shall be** put to auction as per procedure prescribed under **Chapter-6.**
- 4.2.4 The existing lessee **shall have the First Right of Refusal**, if required by **matching the highest bid. Such exercise of First Right of Refusal shall be available to lessee / allottee on every occasion of the expiry of the lease tenure.**
- 4.2.5 Further, for the existing enterprise, change of the activities, as per the proposed categories for the Industrial Estate in this policy, **will not be** insisted upon, if the existing lessee exercises the option of First Right of Refusal.
- 4.2.6 The existing lessee decides to exercise the option of First Right of Refusal that **shall be** exercised in writing as per Format **Annexure-6.**

## **Chapter -5 Process of New Allotment**

**Process of Allotment of plots in all New Industrial Estates and plots carved in vacant land in existing Industrial Estates and Sheds lying vacant in the existing Industrial Estate.**

- 5.1 All allotment **shall be** made through an Auction process via online Portal managed by the Department.
- 5.2 The base price for auction of the plot **shall be** the Annual lease rent as fixed by the Administration as in **Chapter 3** in the respective Industrial Estate/Area from time to time.
- 5.3 The Department **will notify** the vacancy in the prominent dailies and also through the Administration Portal/ Departments website.
- 5.4 The vacancy **will be** linked to the GIS map of the plot/ shed indicating the location of Industrial Estate, Industrial Plot/shed and the size & area of the Plot/shed.
- 5.5 All the application for allotment shall accompany
- (a) Application fee of Rs.5000/- (Non-refundable).
  - (b) Processing fee equivalent to an amount calculated @ 2% of the lease rent for such area as applied for OR Rs 5000/- whichever is higher (Non-refundable).
  - (c) EMD @ equivalent to an amount calculated @ 10% of the lease rent for such area as applied OR Rs 2.00 lakh whichever is higher (Refundable).
- 5.6** The allotment done by the Government **shall be** in consonance with the Investment / Industrial Policy of the UT of ANI and norms prescribed under the environmental Policy issued by the Government from time to time. Accordingly, allotment in Industrial Estates **will be** restricted to Industries in the Green, Orange and White categories only. No allotment will be made to any manufacturing / Service Sector enterprise that are in Negative List appended to this Rule at **Annexure-1**.
- 5.7 The allotment **will be** done in two stages as laid down below :-
- 5.8 Stage -1 Scrutiny of Applications**
- 5.8.1 The Application for allotment **shall be** made in the prescribed format **Annexure-4**.
  - 5.8.2 All the application **shall accompany** financially viable and economically feasible DPR of the proposed project duly certified by any Registered Chartered Accountant or appraised by any Financial Institution/ Bank.
  - 5.8.3 The application **will have** to be submitted online through the Portal along with supporting documents as prescribed in the application format.

#### 5.8.4 Preliminary Scrutiny of the Applications

- 5.8.4.1 Within 15 days of closing date of inviting application, all the applications received **shall be** scrutinized in accordance with the prescribed format of application by the Estate Manager online.
- 5.8.4.2 Applications submitted without application fee, processing fee and EMD **will be** out rightly rejected. No further opportunity will be given on this ground.
- 5.8.4.3 The Estate Manager **(Chapter-1 clause 1.15)** **will** categorize the applications into complete applications and incomplete applications.
- 5.8.4.4 The applicant submitting incomplete applications **will be** listed as incomplete application and the list of all incomplete applications **will be** uploaded on portal/ department website. Within 15 working days of uploading of that list on website, applicant has to submit all the required documents online as applicable.
- 5.8.4.5 The incomplete applications even after granting 15 working days for rectification **will be** out rightly rejected.
- 5.8.4.6 Within 45 days of receipt of application including 15 working days granted for the incomplete applications, the Estate Manager **will** submit all the complete applications before Screening Committee for further Screening.

#### 5.8.5 Screening Committee:

- 5.8.5.1 A Screening Committee having following composition **shall be** constituted having following composition:
- |   |                   |
|---|-------------------|
| (a) Director of Industries                                | Chairman          |
| (b) Executive Engineer PBCC APWD,                         | Member            |
| (c) Associate Town &Country Planner,                      | Member            |
| (d) Labour Commissioner,                                  | Member            |
| (e) Director of Accounts and Budget,                      | Member            |
| (f) Deputy Secretary (Law),                               | Member            |
| (g) Director of Science & Tech,                           | Member            |
| (h) Lead District Manager,                                | Member            |
| (i) Deputy Director (Ind.) /<br>Assistant Director (Tech) | Member Secretary. |

- 5.8.6 Within 30 days of receipt of complete application from Estate Manager, the Screening Committee **shall screen** the completed applications. The findings of the screening committee will be recorded in writing and **will** form part of the minutes.
- 5.8.7 The Screening Committee after completing the screening process **shall draw** minutes and finalize the list of eligible applicants in line with the Policy and publish the list in the Department website/ notice board. Individual notices **will also be** sent to the eligible applicants by post/ email at given address.



## 5.9 Stage-2 Auction of Plots/ Sheds

- 5.9.1 Within 15 days of finalizing the list of eligible applicants, auction of the Plots **will be** carried out.
- 5.9.2 The auction **will be done** online on predetermined date and time which **will be** notified to the eligible applicants through post/ email at given address.
- 5.9.3 Eligible applicants as listed by the Screening Committee **shall be** able to participate in the auction.

## 5.10 Allotment of Plots / Sheds to the applicant as per auction.

- 5.10.1 Within 15 days of completion of auction, the screening committee **shall** submit a report with recommendation to the Department.
- 5.10.2 Within 15 days of receipt of report from the screening committee, the Department **shall** forward the same to the Chief Secretary for approval and allotment of Plots to the enterprises.
- 5.10.3 Within 07 days of receipt of approval of Chief Secretary, a Letter of Intent (LoI) **will be** issued by the Director of Industries stipulating terms and conditions as per format at **Annexure-7**.
- 5.10.4 A time period of 30 days **will be** stipulated in the letter of intent for the successful allottee to submit the Security Deposit and acceptance of Terms and Conditions stipulated in LoI.
- 5.10.5 If the allottee fails to submit the Security Deposit as per **Chapter-8 clause 8.1** and/or fails to submit acceptance of Terms and Conditions within the stipulated period of 30 days, the Letter of Intent issued by the Department **shall** stand terminated/cancelled and the EMD submitted **shall be** forfeited.
- 5.10.6 The period for submission of acceptance of Terms and Conditions **shall** not be extended. However, the period for submission of Security Deposit **will be** extended in case of written request made by the allottee within expiry of 30 days' time limit for another 30 days only once subject to payment of penalty of Rs 5000/- per week of delay. For this purpose, 3 days or more **shall be** counted as one week.
- 5.10.7 The condition at 5.10.6 **will not** apply in instances of procedural delay caused on the part of the Department / Administration and in such an instance, the period of 30 days **will be** extended for a period equivalent to the delay so caused, with the approval of the **Competent Authority (Chapter-1 Clause 1.11)**.
- 5.10.8 The EMD of the successful applicant **will be** adjusted against the Security Deposit. The successful applicant **will** have to remit the balance Security Deposit as specified under Chapter 9 clause 1 within 30 days as specified in the LOI.
- 5.10.9 The EMD of the un-successful applicant **shall be** returned immediately on completion of allotment process and against written request from the



applicant. However, no interest on the EMD **shall** be paid.

**5.11 Handing over Physical possession:**

5.11.1 Within 07 days of receipt of acceptance of Terms and Conditions and the Security Deposit, the physical possession of the Plot / Shed allotted **shall be** handed over to the allottee by the Estate Manager and handing over note **shall be** signed by the Allottee and Estate Manager as per the format at **Anneure-8**

**5.12 Signing of Lease Deed:**

5.12.1 The lease deed **will be** signed within 30 days of commencement of commercial production.

5.12.2 The lease period **will be** effective from the date of handing over of physical possession of Plot / Shed to the allottee.

5.12.3 The lease deed **will have to be** executed in Non-Judicial Stamp Paper for an amount as assessed by the Sub- Registrar of respective Tehsil/ Revenue Sub Division, UT of A & N Islands.

5.12.4 The costs and incidentals for executing the lease deed to be borne by the allottee.

## Chapter: 6 Process of Re-Allotment

**Process of Re-allotment of plots/ sheds for the existing lessee in existing Industrial Estate where the tenure of lease has expired as per the existing lease agreement.**

- 6.1. In all such cases where the tenure of lease period has expired as per the existing lease agreement in existing Industrial Estate, such plots/ Sheds **will be** re-allotted through auction as per the procedure described in this Chapter.
- 6.2. The existing lessee shall have the **First Right of Refusal**, if required by matching the highest bid. The First Right of Refusal **shall be** exercised in writing as per format at **Annexure-6**.
- 6.3. Change of the activities, as per the categories prescribed under **Chapter 4** of this Policy for the Industrial Estate, **will not be** insisted upon, if the existing lessee exercises the option of First Right of Refusal.
- 6.4. In all such cases where the existing lessee has exercised the option of First Right of Refusal, the screening committee **shall carry** out an assessment of actual allotment made to the enterprise vis-à-vis actual usage by the enterprise for the activity for which such plot is allotted and any area of plot which is found unutilized **shall be** resumed.
- 6.5. In all such cases, the area of plot actually utilized **will be** made as one single plot and the remaining area will be resumed and **will be** converted into plots of appropriate size of 300 Sq. mt. or 500 Sq. mt depending on the size of land resumed and **will also be** put to auction as a new plot as per procedure laid down under **Chapter 5** subject to provisions for common utilities.
- 6.6. Before submission of application by the existing lessee exercising the option of First Right of Refusal, the existing lessee **shall**:
  - 6.6.1. Clear all the outstanding dues to the Department
  - 6.6.2. Clear all the dues with such agencies providing services viz. Electricity, Water, Conservancy etc,
  - 6.6.3. No dues certificate (NDC) shall be obtained from the concerned Department/ Agency and submitted to Department.
  - 6.6.4. A final No Dues Certificate (NDC) **shall be** issued by the Department on clearance of all dues, which is to be uploaded by the applicant in the online application portal.
  - 6.6.5. Existing lessee, who does not upload the final NDC in the online portal, **shall not be** allowed to participate in the allotment process.
- 6.7. The existing lessee who exercised the option of First Right of Refusal **shall** submit online application as per format at **Annexure-4** along with new applicants for re-allotment of the Plot / Shed.
- 6.8. The existing lessee **shall also** submit:
  - 6.8.1. Application fee @ 5000/- (non-refundable),
  - 6.8.2. Processing fee @ 5000/- (non-refundable) and
  - 6.8.3. EMD @ 2% of the Annual Lease Rent for the area applied or Rs 2.00 lakh whichever is higher.

- 6.9. The re-allotment of existing plots / sheds **shall be** made only through Auction process via online Portal managed by the Department.
- 6.10. The base price for auction of the plot / shed **shall be** the Annual lease rent calculated as per the formula given in **Chapter-3 clause 3.1 and 3.2** for the respective Industrial Estate.
- 6.11. The re-allotment **will be** done as per the procedure prescribed **under Chapter-6 clause 6.8 to 6.10 of this Policy.**
- 6.12. **Procedure for allotment of the Plot / Shed in case the existing allottee/ lessee wins the bid:**
- 6.12.1. Within 30 days of completion of auction, the screening committee **shall** submit a report with recommendation and forward the same to the Chief Secretary for allotment of Plots to the enterprises.
- 6.12.2. Within 07 days of receipt of approval of Chief Secretary, a Letter of Intent **will be** issued by the Director of Industries stipulating terms and conditions.
- 6.12.3.** Within 30 days of receipt of LOI, the successful allottee **shall** submit the acceptance of Terms and Conditions and Security Deposit as per **Chapter-8 clause 8.1.**
- 6.12.4. The period for submission of acceptance of Terms and Conditions **shall** not be extended. However, the period for submission of Security Deposit **will be** extended in case of written request made by the allottee within expiry of 30 days' time limit by another 30 days only once subject to payment of penalty of Rs 5000/- per week of delay. For the purpose, part of a week **shall be** counted as one week.
- 6.12.5.** The EMD of the successful applicant **will be** adjusted against the Security Deposit. The successful applicant **shall have** to remit the balance Security Deposit within such period as specified under **Chapter-8 clause 8.1.**
- 6.12.6. The EMD of the un-successful applicant against written request **shall be** returned after completion of allotment process. However, no interest on the EMD **shall be** paid.
- 6.13. **Procedure to be followed in case existing allottee / does not exercise the option of First Right of Refusal/ does not win the bid:-**
- 6.13.1. In case the existing lessee does not exercise the option of First Right of Refusal or does not win the bid, the department **will** communicate to the lessee with the advice to vacate the premises and handover the peaceful possession of the Plot/ Shed.

- 6.13.2. Within 30 days of receipt of the communication, the lessee **shall** vacate the premises and handover peaceful possession of the Plot/ Shed free from encumbrances.
- 6.13.3. In case the lessee does not hand over the physical possession within stipulated 30 days, the **Competent Authority (Chapter-1 Clause 1.11 will be** free to evict the premises as per the provisions stipulated under **Chapter 17 and Chapter-18** of this Policy and also proceed against by initiating criminal proceeding including filing of FIRs.
- 6.13.4. In all such cases, the **Competent Authority (Chapter-1 Clause 1.11 shall order** for taking over the physical possession of the plot forcibly by the Department or by a Committee and put for auction as new plot/shed.
- 6.14. Process of Re-allotment of plots/ sheds for the existing lessee in existing Industrial Estate where lease agreement has been terminated.**
- 6.14.1. All such plots / sheds where the lease agreement has been terminated **shall be** put to auction as a new Plot/ Shed.
- 6.14.2. Auction of these Plots / Sheds **will be** done as per the procedure prescribed under Chapter 6.
- 6.15. Signing of Lease Deed:**
- 6.15.1. The lease deed **will have to be** signed within 30 days of handing over of physical possession of Plot / Shed to the allottee as per format at **Annexure-8.**
- 6.15.2. The lease period **shall be** effective from the date of handing over of physical possession of Plot / Shed to the allottee.
- 6.15.3. The lease deed **will have** to be executed in Non-Judicial Stamp Paper for an amount as assessed by the Sub- Registrar of respective Tehsil/ Revenue Sub Division, UT of A & N Islands. The costs and incidentals for executing the lease deed **shall have** to be borne by the allottee.

## Chapter 7 Implementation Timelines

### **Implementation Time Lines for projects to commission commercial activity in the Plots/ Sheds allotted in Existing / New Industrial Estates**

#### **7.1. Implementation Time Lines for Plots**

- 7.1.1. Within three years from the date of taking over possession, the lessee **shall** take necessary steps for commissioning commercial production / activity.
- 7.1.2. Within 30 days of commencement of commercial production / activity, the lessee **shall** submit evidence in the form of GST registration, Sales Invoice, Electricity Bill, License / Registration obtained from concerned Department, if any.
- 7.1.3. In case of delay for commencement of commercial production / activity beyond three years, relaxation upto maximum of one additional year **will be** granted subject to the lessee paying a penalty equivalent to 10% of the Annual Lease Rent for the allotted plot.
- 7.1.4. The Allotment **shall be** cancelled in case of failure to commence commercial production / activity by the allottee within a period of maximum 4 years. In such cases, the plot **will be** resumed with all development in it and evict the lessee and no compensation for whatsoever amount **will be** paid. Further, all payments made by the allottee to the Department including security deposit **will be** forfeited to the Government.

#### **7.2. Implementation Time Lines for Sheds**

- 7.2.1. Within Twelve months from the date of taking over possession, the lessee **shall** take necessary steps for commissioning commercial production / activity.
- 7.2.2. Within 30 days of commencement of commercial production / activity, the lessee **shall** submit evidence in the form of GST registration, Sales Invoice, Electricity Bill, License / Registration obtained from concerned Department, if any.
- 7.2.3. In case of delay for commencement of commercial production / activity beyond Twelve months, relaxation upto maximum of additional six months **will be** granted subject to the lessee paying a penalty equivalent to 10% of the Annual Lease Rent for the allotted Shed.
- 7.2.4. The Allotment **shall be** cancelled in case of failure to commence commercial production / activity by the allottee within a period of maximum 18 months. In such cases, the shed **will be** resumed with all development in it and evict the lessee and no compensation for whatsoever amount **will be** paid. Further, all payments made by the allottee to the Department including security deposit **will be** forfeited to the Government.

## Chapter-8 Manner of Payment

The provision is applicable to all the existing allotment in Existing Industrial Estate and new allotment in existing Industrial Estate / New Industrial Estate.

### 8.1. Security Deposit in case of all New Allotments / Re-Allotments of Plots / Sheds.

8.1.1. Within 30 days upon receipt of Letter of Intent, the lessee **shall** deposit an amount equivalent to three years of the quotation made by the allottee as annual lease rent for Plot / Shed as Security Deposit.

8.1.2. The Security Deposit **shall be** retained by the Department till expiry of the lease period / termination of the lease as the case may be.

8.1.3. No interest **shall be** payable for the Security Deposit.

8.1.4. The Security deposit **will be** released after six months from the date of expiry of the lease period, after adjusting dues, if any, payable by the lessee to the Department or any other agency providing services such as Water, Electricity, Conservancy, CETP etc., if any.

8.1.5. The Security deposit **will be** forfeited to the Government in case the lease agreement is terminated before expiry of the lease period for any default / violation.

### 8.2. Rate of Annual Lease Rent for Plots/ Sheds and manner of payment: --

8.2.1. The highest Annual Lease Rent quoted during the auction **shall be** paid by the lessee by 15<sup>th</sup> of the month preceding to the month in which the Plot / Shed was handed over.

8.2.2. In addition to the Annual Lease Rent, the lessee **shall** also pay:

- (a) an amount equivalent to 2% of the Highest Annual Lease Rent quoted during the auction as Maintenance Charges
- (b) an amount equivalent to 2% of the Gross Profit from the date of commencement of commercial production/ activity only by those units which are mandatorily required to file IT Returns. The 1<sup>st</sup> payment to this account **will** commence from the Financial Year in which the commercial production / activity is commenced. The payment is to be made within 30 days of submission of IT return for the financial year.
- (c) The following example is illustrated for payment of the 2% of Gross Profit

S.No.	Item / Particulars	Date
1	Date of Allotment of Plot -	15.11.2023
2	Date of Commencement of Production	10.06.2024
3	Submission of IT Return for the assessment Year 2024-2025	As notified by Ministry of Finance, Govt. of India
4	Payment of 2% of Gross Profit	Within 30 days of submission of IT return

### 8.3. Payment of Taxes, duties, levies and Others charges such as Power, Water, Conservancy etc.

8.3.1. In addition to the Annual Lease Rent, Taxes and duties/ levies as applicable **shall be** paid by the lessee at the prevailing rate as fixed by Government of India/ A&N Administration from time to time.

8.3.2. All payments such as Electricity Charges, Water Charges, Conservancy Charges, Services Charges etc. as levied by the agency providing the services **shall be** paid by the lessee to the concerned agency.

#### 8.4. Penalty for delayed payment

8.4.1. Default in payment by more than one month **shall** attract 14% compound interest calculated on monthly basis from the date of default till the date of payment.

8.4.2. In case the accumulated lease rent of the lessee exceeds 12 months lease rent, the allotment **will be** cancelled and physical possession taken over by invoking termination clause as per procedure given under **Chapter 18** and the security deposit **will be** forfeited.

#### 8.5. Discount:

8.5.1. As per data available in the Udyam Registration Portal, more than 75% of the Industries/ Enterprises are concentrated in and around South Andaman Island. In order to promote Industries in remote areas and to ensure balanced regional growth, a discount on the Highest Annual Lease rent quoted / Annual Lease rent fixed as the case **will be** extended to those units set up in Industrial Estates at locations other than South Andaman Island as given below:

SI No	Area	Discount
1	Garacharama, Dollygunj, Mithakhari and any other location within South Andaman Island	No Discount
2	Little Andaman, North & Middle Andaman District and Nicobar District	<ul style="list-style-type: none"> <li>• For First 15 year of lease period: Discount of 50% of the Annual Lease rent fixed / Highest lease rent quoted as the case may be.</li> <li>• From 16<sup>th</sup> year to 25<sup>th</sup> year: Discount of 25% of the Annual Lease rent fixed / Highest lease rent quoted as the case may be.</li> <li>• From 26<sup>th</sup> year onwards: No discount applicable</li> </ul>

8.5.2. The discount **shall not be** applicable, if the lessee defaults in payment of annual lease rent or violates any of the provision of this Policy or the terms and conditions of the lease agreement.

## **Chapter-9 Encroachment**

**The provision is applicable to all the new allotment(s) in existing Industrial Estate / New Industrial Estate**

- 9.1. No encroachment **shall be** allowed in any circumstances / case.
- 9.2. In case, any encroachment is observed at any time, the encroached area **shall be** resumed duly causing necessary notices to vacate the encroached area within 15 days.
- 9.3. Further a penalty at the rate of 5 times of the annual lease rent for the encroached area and 14% compound interest calculated on yearly basis, from the date of issue of 1<sup>st</sup> notice of encroachment to the date of removal of encroachment in case of delayed payment, **shall be** imposed.
- 9.4. In case where the lessee refuses to pay the penalty or causes obstruction in removing the encroachment, the **Competent Authority (Chapter-1 Clause 1.11 will be** free to recover the penalty imposed & interest amount as per procedure described in **Chapter-20** and to terminate the lease agreement by invoking termination Clause as per procedure given under **Chapter-18** and cancel the entire allotment. Upon cancellation, the **Competent Authority (Chapter-1 Clause 1.11 will be** free to order to seal the premises, order to disconnect Electricity & Water Connection and initiate criminal proceedings against the lessee and take possession of the premises forcibly by the Department/ Committee and evict the allottee, if required, by referring the matter to Estate Officer for eviction under Eviction of Public Premises (Un-authorized Occupants) Act, 1973.



## Chapter- 10 Mortgage Permission

**The provision is applicable to all the allotment made to existing enterprises in existing Industrial Estate and new allotment made in existing Industrial Estate / New Industrial Estate**

- 10.1. NOC to Mortgage for the Plot/Shed cannot be given to any enterprises. However, NOC to mortgage the Machinery, and Equipment installed / to be installed by the lessee in the Plot / Shed allotted to the lessee with any financial institution **will be** issued by the Department directly to the concerned Bank / Financial Institution .
- 10.2. The lessee proposing to mortgage the plant, machinery and equipment **shall** make an application to the Department in plain paper, giving details of Plant and Machinery with its original value proposed to be mortgaged.
- 10.3. Every application for mortgage permission **shall be** submitted along with non-refundable processing fee of Rs 5,000/- (Rupees Five thousand only).
- 10.4. Upon receipt of an application along with processing fee, the Department **will** issue NOC to mortgage the Machinery and Equipment installed/to be installed in the plot / shed allotted to the lessee for raising funds for setting up the project from Banks / Financial Institution.
- 10.5. NOC to Mortgage Plant & Machinery **will not** be issued, if any dues are outstanding against the lessee.
- 10.6. NOC to mortgage the Plant & Machinery **will be** issued by the Director of Industries or any officer authorized to do so by the Director of Industries directly to the concerned Bank / Financial Institution with copy to the lessee.
- 10.7. In case of any unforeseen circumstances, if the plant, machinery and equipment mortgaged with the Bank / Financial Institution are attached by the Bank/ Financial Institution for recovery of dues and the said assets are put to auction, then the financial institution **shall also** recover the outstanding dues, if any, of the Department by the lessee and remit the same to the Department.
- 10.8. It would be incumbent upon the bidder parties and financial institutions to check the outstanding dues of the Department, if any, against the said assets before bidding, so as to avoid further complication to get such assets transferred in their names.
- 10.9. The time limit as given at Annexure-5 **shall be** followed while disposing such requests seeking the Mortgage permission.
- 10.10. In case the lessee mortgages the Machinery and equipment without obtaining NOC from the Department, the **Competent Authority (Chapter-1 Clause 1.11 will be** free to terminate the allotment by invoking termination clause as per procedure given under **Chapter-18** and cancel the entire allotment.
- 10.11. Upon cancellation, the **Competent Authority (Chapter-1 Clause 1.11 will be** free to order to seal the premises, disconnect Electricity & Water Connection and initiate criminal proceedings against the lessee and take possession of the premises forcibly by the Department/ Committee and evict the allottee, if

required by referring the matter to Estate Officer for eviction under Eviction of Public Premises (Un-authorized Occupants) Act, 1973.

## Chapter- 11 Transfer/ Change in Ownership.

**The provision is applicable to all the allotment made to existing enterprises in existing Industrial Estate and new allotment made in existing Industrial Estate / New Industrial Estate**

- 11.1. Change in constitution means change in shareholding pattern of company or firm of the Lessee.
- 11.2. The proposal for transfer **shall** only be considered after completion of One year from the date of commencement of commercial activity.
- 11.3. Proposals for transfer **shall be** considered by Department with the approval of **Competent Authority (Chapter-1 Clause 1.11)**
- 11.4. For considering the transfer, the lessee **shall** make an application in plain paper along with supporting documents as given below:-
  - 11.4.1. **In case of transfer is sought among Family Member / Legal Heir due to death/ incapability of the lessee due to health condition- Copy of Death certificate / Medical certificate duly signed by Registered Medical Practitioner and legal heir certificate issued by Appropriate authority**
  - 11.4.2. **In case of Companies/ Firms/ Co-operative Societies/ SHGs/ NGO where transfer is sought by induction of new partners/ directors/ members -** Copy of registered partnership deed in case of partnership firm / resolution of the board of directors in case of companies/ proceeding of the General Body in case of Cooperative Societies / SHG/ NGO
- 11.5. **Proposal for transfer in case of change in constitution will be considered by the Department with the approval of **Competent Authority.(Chapter-1 Clause-11)****
  - 11.5.1. **In case of change of the constitution from Proprietorship to Partnership firm**
    - 11.5.1.1. Copy of registered partnership deed
    - 11.5.1.2. Copy of Firm registration certificate issued by Appropriate Authority.
  - 11.5.2. **In case of change of the constitution from Proprietorship to Limited Company**
    - 11.5.2.1. Copy of certificate of incorporation issued by Appropriate authority
    - 11.5.2.2. Copy of Articles of Association and Memorandum of Articles
    - 11.5.2.3. Extract of Resolution of the Board of Directors.
- 11.6. In case of change of transfer in any other case due to change in type of firm / company, the procedure mentioned in **11.5.1 and 11.5.2 shall be** followed.
- 11.7. Every application for transfer / change in constitution of the firm within family members without addition of outside members **shall be** accompanied along with non-refundable processing fee of Rs 10,000/- (Rupees ten thousand only).
- 11.8. Every application for transfer / change in constitution of the firm in all other cases **shall be** accompanied with non-refundable processing fee @ 3% of the annual lease rent for the plot/ shed subject to minimum of Rs 2 (two) lakhs.

- 11.9. The application for transfer **shall be** screened by the screening committee and the recommendation of the screening committee **shall be** placed before the Competent Authority (Chapter-1 clause 1.11) for approval.
- 11.10. Upon approval the Department **shall** issue letter accepting the transfer to the lessee.
- 11.11. Where the constitution of firm/ company is changed due to the change in the board/ nature of firm as from proprietorship to partnership firm or alike, the lessee **shall** execute revised lease agreement for the remaining period of the lease.
- 11.12. Where the transfer among family members is considered, the lessee **shall** execute revised lease agreement for the remaining period of the lease.
- 11.13. The time limit as given at **Annexure-5 shall** be followed while disposing such requests.
- 11.14. In case of transfer due to the change of constitution by the lease to the third party without signing of new lease agreement on the ground of transfer as per policy, the **Competent Authority (Chapter-1 Clause 1.11)** will be free to terminate the allotment by invoking termination as per procedure given under **Chapter-18** and cancel the entire allotment.
- 11.15. Upon cancellation, the **Competent Authority (Chapter-1 Clause 1.11)** will be free to order to seal the premises, disconnect Electricity & Water Connection and initiate criminal proceedings against the lessee and take possession of the premises forcibly by the Department/ Committee and evict the allottee, if required by referring the matter to Estate Officer for eviction under Eviction of Public Premises (Un-authorized Occupants) Act, 1973.

## **Chapter- 12 Change in Activity / Additional activity**

**The provision is applicable to all the allotment made to existing enterprises in existing Industrial Estate and new allotment made in existing Industrial Estate / New Industrial Estate**

- 12.1. Change in activity/ addition in activity **will be** considered on the request by the lessee in writing.
- 12.2. Every application for change in activity/ addition in activity **shall be** accompanied with
  - 12.2.1. Non-refundable processing fee of Rs 10,000/- (Rupees ten thousand only).
  - 12.2.2. Detailed Project Report for the proposed activity duly certified by Registered Chartered Accountant. The DPR should clearly indicate the Extant of Land Required, Indicative Layout Plan of the Machinery and Equipment, Source of Finance, Implementation Plan, Quotations for Machinery and Equipment and projected balance Sheet for 5 years.
- 12.3. The change in activity **shall not be** allowed:
  - 12.3.1. For activity other than for the earmarked category for the Industrial Estate as per this Policy.
  - 12.3.2. Activity in negative list as per Annexure-1 to this Policy.
- 12.4. The application **will be** placed before the Screening Committee which **will** consider the change of activity / addition of activity and assess its compatibility to the nature of industrial Park/ Estate and not detrimental to the other neighboring Lessees.
- 12.5. The recommendation of the screening committee **will be** placed before the Competent Authority (Chapter-1 Clause-11) for acceptance.
- 12.6. Upon acceptance by the Competent Authority an amendment to allotment order **will be** issued to the lessee.
- 12.7. A revised lease deed **shall have** to be executed by the lessee for the remaining period of the lease.
- 12.8. The time limit as given at Annexure-5 **will be** followed while disposing such requests.
- 12.9. In case the lessee changes the activity / includes additional activity without obtaining permission of, the Competent Authority.(Chapter-1 Clause-11) **will be** free to terminate the allotment by invoking termination as per procedure given under **Chapter-18** and cancel the entire allotment.
- 12.10. Upon cancellation, the Competent Authority.(Chapter-1 Clause-11) **will be** free to order to seal the premises, disconnect Electricity & Water Connection and initiate criminal proceedings against the lessee and take possession of the premises forcibly by the Department/ Committee and evict the allottee, if required by referring the matter to Estate Officer for eviction under Eviction of Public Premises (Un-authorized Occupants) Act, 1973.

### **Chapter- 13 Change in Name**

**The provision is applicable to all the allotment made to existing enterprises in existing Industrial Estate and new allotment made in existing Industrial Estate / New Industrial Estate**

- 13.1. Change in name without changing the constitution or its shareholding structure **will be** considered on the request by the lessee in writing.
- 13.2. Every application for change in name **shall be** accompanied with Non-refundable processing fee of Rs 10,000/- (Rupees ten thousand only).
- 13.3. The application **will be** placed before the Screening Committee which **will** consider the change in name and make appropriate recommendation to the competent authority.
- 13.4. The recommendation of the screening committee **will be** placed before the **Competent Authority.(Chapter-1 Clause-11)** for acceptance.
- 13.5. Upon acceptance by the **Competent Authority.(Chapter-1 Clause-11)**, an amendment to allotment order **will be** issued to the lessee.
- 13.6. A revised lease deed **will have** to be executed by the lessee for the remaining period of the lease.
- 13.7. The time limit as given at **Annexure-5 shall be** followed while disposing such requests.
- 13.8. In case the lessee changes the name of the firm without obtaining permission, the **Competent Authority.(Chapter-1 Clause-11)** **will be** free to terminate the allotment by invoking termination as per procedure given under **Chapter-18** and cancel the entire allotment.
- 13.9. Upon cancellation, the **Competent Authority.(Chapter-1 Clause-11)** **will be** free to order to seal the premises, disconnect Electricity & Water Connection and initiate criminal proceedings against the lessee and take possession of the premises forcibly by the Department/ Committee and evict the allottee, if required by referring the matter to Estate Officer for eviction under Eviction of Public Premises (Un-authorized Occupants) Act, 1973.

## **Chapter- 14 Sub-letting/ Sub-leasing/ Renting of premises**

- 14.1. Subletting / subleasing / renting of premises or any of part of it is not permissible.
- 14.2. In case the lessee sublets / sub-leases/ rents the premises or any part of it, the **Competent Authority.(Chapter-1 Clause-11)** will be free to terminate the allotment by invoking termination as per procedure given under chapter-18 and cancel the entire allotment.
- 14.3. Upon cancellation, the **Competent Authority.(Chapter-1 Clause-11)** **will be** free to order to seal the premises, disconnect Electricity & Water Connection and initiate criminal proceedings against the lessee and take possession of the premises forcibly by the Department/ Committee and evict the allottee, if required by referring the matter to Estate Officer for eviction under Eviction of Public Premises (Un-authorized Occupants) Act, 1973the allotment shall be cancelled.

## **Chapter-15 General Conditions**

**The provision under this chapter is applicable to all the allotment made to existing enterprises in existing Industrial Estate and new allotment made in existing Industrial Estate / New Industrial Estate.'**

- 15.1. The 'Lessee' **will** take the possession of plot/shed on as-is where-is condition and no further demand for any development such as earth cutting or leveling etc. **shall** be entertained. Any improvement or development of the land is purely the responsibility of the 'Lessee' provided that the plan for such action **shall be** approved by the Appropriate Authority.
- 15.2. All buildings in the allotted plot **shall be** constructed by the lessee in accordance with the Building Bye Laws and Regulations in force from time to time as well as any other law, rules and regulations in force relating to the construction and use of the premises and the plans and elevations approved by the Appropriate Authority. A copy of the approved building plan **shall be** submitted to Department within 15 days of obtaining such approvals from Appropriate Authority. All costs and incidentals in obtaining the approval of building plan **shall be** borne by the lessee.
- 15.3. The lessee **shall not** commence construction work unless the plans, elevations and sections have been approved by the Appropriate Authority. No additions or alterations of buildings, the plan of which have been so approved, **shall** at any time be made, except with the previous approval of the said authority. In case additions / alterations are taken up in the already constructed building, the approval of revised building plan **shall be** obtained before taking up such additions/ alterations and a copy of such revised approved building plan **shall be** submitted to the Department within 15 days of obtaining such revised approval from the Appropriate Authority All costs and incidentals in obtaining the approval of building plan **shall be** borne by the lessee.
- 15.4. No temporary, semi-permanent structure **shall be** built on the plot, except during the period of construction or re-construction in future.
- 15.5. The lessee may construct Toilet/ Rest Room etc. within the Plot/ Shed so demised upon the lessee. However, such construction **shall be** strictly in accordance with the approved building plan. The total area to be used by the lessee for the above purpose **shall not** exceed 10% of Total Area of the Plot / Shed allotted to the lessee.
- 15.6. The lessee may construct Captive Warehousing as may be required only for storage of Raw Material required for the unit and Finished product produced by the unit. However, such construction **shall be** strictly in accordance with the approved building plan. The total area to be used by the lessee for the above purpose **shall not** exceed 40% of total Area of the Plot / Shed allotted to the



lessee. However, the Annual Lease rent **will be** paid by the lessee for the entire plot including the area used for captive warehousing.

- 15.7. All survey boundary marks demarcating the boundaries of plots **shall be** preserved and kept in good condition by the lessee during the period of construction and during the entire period the plot is so demised is in the possession of the lessee.
- 15.8. The lessee **shall** segregate the dry waste and wet waste at source and make arrangement to dispose the same through the concerned agencies and all the cost and incidental **shall be** borne by the lessee.
- 15.9. The lessee **shall** install all such fire safety equipment's/ devices as required by the enterprise and **shall** obtain a certificate from the authority concerned to the effect that the fire safety equipment's installed meet the requirement of the enterprise. The lessee **shall** at all time keep such fire safety equipment's refilled / updated and in good condition.
- 15.10. The lessee **shall** install / adopt all such safety equipment and standards as required in carrying out the business and for the safety of workers.
- 15.11. The lessee **shall** apply and obtain all approvals, statutory clearances, NOC etc., as required for the enterprise from the concerned appropriate authority before commencement of the commercial activity and renew such approvals / NOCs as required before expiry of such NOC's / approvals from time to time.
- 15.12. The lessee **shall** obtain Consent to Operate before commencement of commercial production from the appropriate authority and all cost and incidentals in obtaining such certificate **shall be** borne by the lessee.
- 15.13. The lessee which do not want to utilize CETP, such unit / enterprise **shall** install such equipment as required for cleaning water, air etc. and **shall** ensure that polluted water or air is not emitted / discharged directly to atmosphere / drains etc.
- 15.14. The Plot /shed **shall** be used by the 'Lessee' only for the purpose for which it has been allotted in particular and without prejudice to the said generality, the 'Lessee' **shall not:**
  - 15.14.1. Carry on any business or trade except the particular activity for which the Plot /Shed has been allotted.
  - 15.14.2. Use the Plot / shed or any part thereof for the purpose of any unauthorized activity, dwelling house, place of amusement, theatre or to carry on business or any retail business or for any offensive trade or business or for any purpose which, in the opinion of the Department/ Administration cause nuisance or inconvenience to the public or to any occupant or premises in the neighborhood.
  - 15.14.3. The lessee **shall** not do anything which will cause excessive wear and tear to the roads and accesses to other land, building and factory sheds belonging to the Department of Industries or allotted to other 'Lessee' in the neighborhood.

- 15.14.4. Cause any refused dump of debris or scraps on the road or within the industrial Area, but **shall** keep the Plot / Shed including all vacant ground in and around the plot in neat, clean and good order.
- 15.15. The lessee or his employee **shall** not cause any damage to the Government Property including but not limited to roads, drains, landscape, power grid, pipe lines etc. In such case, the entrepreneur **shall** make good the damage caused by him or his employee within such period of time as fixed by the lessor or the **Competent Authority.(Chapter-1 Clause-11)**. In case the damage is not made good within the stipulated period, the entrepreneur **shall be** liable to pay the cost for making good for such damage.
- 15.16. The lessee is encouraged to install solar power generation units or such other power generation units using Renewable Energy Sources for fulfilling their Captive Power Requirement either fully or partially for generation of Green Energy. Such power generation units **should be** either located in the rooftop or within the premises / Plot/ Shed allotted to the unit and no additional space / area **shall be** allotted to any lessee for the purpose of installing power generation units using Renewable Energy Sources. The lessee may also get connected to the Power Grid as per applicable norms of Electricity Department or such agency allowing to connect to their Power Grid.
- 15.17. The Administration **shall** not be responsible for any damage caused to property of the 'Lessee' by natural calamities like earthquake, landslide cyclone, Tsunami or any other calamities like explosion, fire, riot, epidemics etc. For the purpose, the lessee is encouraged to insure the Plant and Machinery from any Insurance company.
- 15.18. The Lessee **must** submit quarterly reports to the Department about the progress in implementation and such other reports as sought by the Department from time to time.
- 15.19. Any lawful officer of A & N Administration or any authorized official or authorized persons by the **Competent Authority.(Chapter-1 Clause-11)** or by the A & N Administration **shall be** entitled at all time to enter upon the property / Enterprise / Industrial Enterprise set up by the lessee in the allotted Plot /Shed for inspection and collect any information as required. The lessee **shall** extend his cooperation in carrying out such inspections / verifications.
- 15.20. During implementation of project by lessee, the Estate Manager, **shall** inspect the premises once in 3 months to verify & assess progress of implementation and record his findings in the Performa as prescribed by Director of Industries.
- 15.21. The Estate Managers **will** keep track of allotted plots/ sheds, approvals being sought and received by the entrepreneurs, adherence to the timelines by these entrepreneurs. The Estate Manager **will** make a quarterly report and submit the same to Director of Industries to be forwarded to Competent Authority **(Chapter-1 Clause-1.11)** for information and decision making.
- 15.22. All such inspection **shall be** carried out by giving a written notice of minimum 3 days.

## Chapter 16 Management of Common Infrastructure / Utilities in the Industrial Estates

**The provision under this chapter is applicable to all the allotment made to existing enterprises in existing Industrial Estate and new allotment made in existing Industrial Estate / New Industrial Estate**

### 16.1. Construction of Internal Roads/ drainage/ retaining walls etc.

- 16.1.1. The Common Infrastructure such as Roads / Drains/ Retaining Walls etc. **shall** be constructed and maintained by Industries Department through APWD.
- 16.1.2. Sufficient funds for construction of Common Infrastructure and its maintenance **shall be** provisioned by Industries Department in the Annual Budget of the Department under appropriate head of accounts.
- 16.1.3. Immediately after approval of Layout Plan of Industrial Estate by the Administrator / HLG, the Industries Department **shall** make a request to APWD for submission of estimates for new roads/ drainage / retaining wall etc. as per approved layout.
- 16.1.4. On receipt of request, APWD **will** submit detailed estimates for the work. Subsequently the Industries Department **will** obtain approval of competent Authority as per DFPR on the detailed estimates and communicate to the APWD for commencement of work.
- 16.1.5. Construction of new roads/ drains/ retaining walls etc. / maintenance of existing roads/ drains/ retaining walls etc. **shall be** taken up by APWD and completed as per the time lines indicated in the estimate of the particular work.

### 16.2. Setting up & Managing Common Effluent Treatment Plant (CETP)

- 16.2.1. The Common Effluent Treatment Plant (CETP) in each Industrial Estate **shall** be constructed by the Industries Department through APWD.
- 16.2.2. Fund requirement to construct the CETP **shall be** borne by Industries Department; however, Operation and Maintenance CETP **will be** done through the concerned Water/ Sewerage/ Utilities bodies/ local bodies.
- 16.2.3. The CETP **will be** connected by suitable common ducts of appropriate size laid along the Roads.
- 16.2.4. All the Units / Enterprises discharging effluent / waste water **will be** connected to the nearest point in the Common duct by appropriate ducts/ pipes.
- 16.2.5. The funds required to construct and maintain the CETP and Common ducts **will be** provided in the Annual Budget Estimate of Industries Department.
- 16.2.6. The cost of laying ducts/ pipes for connecting the units / enterprises to the Point of Connection in the Common duct to be borne by the respective lessee.  
For the purpose;
  - 16.2.6.1. The Units / Enterprises **shall** make a written request for laying duct / pipe to connect to CETP.

- 16.2.6.2. On receipt of the written request, the Department **will** make a request APWD for submission of estimates.
- 16.2.6.3. On receipt of the request from the Department, APWD **shall** submit estimates to the Department.
- 16.2.6.4. On receipt of estimates from APWD, the Industries Department **will** advise the units / enterprises to deposit the estimated cost directly to APWD through Director of Industries
- 16.2.6.5. On receipt of advance, APWD **will** lay the ducts / pipes connecting the unit with CETP.
- 16.2.7. All such units obtaining connection to CETP **shall** pay the charges annually at such rate as fixed by the Department. The Annual user charges **shall be** fixed by following the formula- **{{(Cost of construction of CETP /Total No. of years for which lease to be granted as per Policy\*)/ Total No of Plots& sheds in the Industrial Estate}}**, where (\*) stands for 30 years of lease period as per this Policy.
- 16.2.8. The annual user charges **shall be** paid by the respective units along with Annual Lease Rent.
- 16.3. Supply of drinking Water to Industrial Units/ enterprises/ utility services/Offices/Labour accommodation set up within the Industrial Estate.**
- 16.3.1. Water supply for drinking purposes only will be provided through piped water supply. The Department **shall** construct common overhead tanks of appropriate capacity in each Industrial Estate.
- 16.3.2. The Common Overhead Tanks **will be** connected by suitable common pipes of appropriate size not exceeding 3" diameter laid along the Roads.
- 16.3.3. All the Units / Enterprises requiring piped water supply **will be** connected to the nearest Point of Connection in the Common Pipes by pipes of not more than ¾" diameter.
- 16.3.4. The funds required to construct and maintain the Common Overhead Tank and the common water pipe lines **will be** provided by Industries Department.
- 16.3.5. The Concerned Agency (PBMC/APWD/RD) providing water supply **will be** allowed to store water in the overhead tanks only for the purpose of supply of water to Industrial Units/ enterprises/ utility services/Offices/Labour accommodation set up within the Industrial Estate. Supply of water to any person/ household outside Industrial Estate **will not be** permissible.
- 16.3.6. The cost of pipes for connecting the units / enterprises to the Point of Connection in the Common Water Supply Pipeline **will be** borne by the respective lessee. For the purpose;
- 16.3.6.1. The Units / Enterprises **shall** make a written request for supply of piped water connection.
- 16.3.6.2. Within 7 days of receipt of the written request, the Department **will** make a request to APWD for submission of estimates.

- 16.3.6.3. Within 20 days of receipt of the request from the Department, APWD **shall** submit estimates to the Department.
- 16.3.6.4. Within 7 days of receipt of estimates from APWD, the Industries Department **shall** advise the units / enterprises to deposit the estimated cost directly to APWD through Director of Industries.
- 16.3.6.5. Within 45 days of receipt of advance, APWD **will** lay the pipes connecting the unit with Over Head Tank.
- 16.3.6.6. Upon providing pipe connection, water supply **will be** provided by concerned agency (PBMC/ APWD/RD).
- 16.3.6.7. The payment of water charges **will be** made directly by the concerned unit / enterprise to the concerned agency providing water.
- 16.3.7. The units requiring large quantity of water **shall** make their own arrangements of water.
- 16.3.8. Bore well is not permitted to be installed / set up by any unit / enterprise within Industrial Estate.
- 16.3.9. All the units / Enterprises **shall** mandatorily install rain water harvesting system including Ring Wells, small ponds etc. to meet the water requirement for Industrial purpose of the unit.
- 16.4. Supply of Electricity to Industrial Units/ enterprises/ utility services/Offices/Labour accommodation set up within the Industrial Estate.**
- 16.4.1. Electricity supply required for Industrial Units/ enterprises/ utility services/Offices/Labour accommodation set up **will be** provided by the Electricity Department or such agency authorized by Government to provide power.
- 16.4.2. The electric supply **will be** provided to such Industrial Units/ enterprises/ utility services/Offices/Labour accommodation set up within the Industrial Estate from Common Transformer.
- 16.4.3. The funds for installation of Transformer and its maintenance / up gradation **will be** provided by the Industries Department through its Annual Budget.
- 16.4.4. The Common Transformer of appropriate capacity at appropriate location **will be** installed by the Electricity Department or such agency providing the service. The payment for installation of Transformer/ maintenance of the transformer/ up gradation of the transformer **will be** made to the Electricity Department/ Agency by the Industries Department against the estimates submitted by Electricity Department/ Agency.
- 16.4.5. The Concerned Agency (Electricity Department / Agency authorized to provide power) **will be** allowed to provide connection from the Transformer only for the purpose of providing power supply to Industrial Units/ enterprises/ utility services/Offices/Labour accommodation set up within the Industrial Estate. Supply of power from the transformer installed within Industrial Estate to any person/ household outside Industrial Estate **shall not be** permissible.

- 16.4.6. All Industrial Units/ enterprises/ utility services/Offices/Labour accommodation requiring electricity supply **will be** connected to the Common Transformer.
- 16.4.7. The cost for establishing connectivity from the Nearest Common Transformer to the Industrial Units/ enterprises/ utility services/Offices/Labour accommodation **will be** borne by the respective lessee.
- 16.4.7.1. The Units / Enterprises **shall** make a written request for supply of Electric Connection to the Electricity Department / Agency through Industries Department in the format prescribed by Electricity Department / Agency.
- 16.4.7.2. Within 15 days of receipt of the written request in the prescribed form, the Electricity Department **will** prepare and forward the estimates to the applicant.
- 16.4.7.3. Within 15 days of receipt of payment, Electricity Department/ Agency **will** provide electrical connection including laying of cables and poles as per requirement / estimate.
- 16.4.7.4. The payment of electricity charges **will be** made directly by the concerned unit / enterprise to the concerned agency providing electricity power connection.
- 16.4.8. In case the electricity power supplied from the existing transformer is not sufficient to meet the power requirement of any unit/ enterprise, such unit/ enterprise may approach Electricity Department / Agency for installation of dedicated transformer and all such cost and incidentals for installation of such transformer and providing power supply to the unit/ enterprise **shall be** borne by the respective unit/ enterprise.
- 16.4.9. The units/ enterprises are encouraged to install Roof Top Solar Power Panels for meeting the power requirement of the unit/ enterprise. Such units are also encouraged to connect the solar power plant with power grid of Electricity Department/ Agency and avail the benefit as provided by the Electricity Department / Agency.

## Chapter 17 Reporting and Action on Violations

**The provision under this chapter is applicable to all the allotment made to existing enterprises in existing Industrial Estate and new allotment made in existing Industrial Estate / New Industrial Estate.**

- 17.1. The Estate Managers **shall** submit a report in the format as prescribed by the Director of Industries / Department for monitoring the Industrial Estate on quarterly yearly basis.
- 17.2. The Estate Manager **shall** also submit such additional reports within such period and in such format as and when sought by the Director / Competent Authority.
- 17.3. The Estate Manager **shall** conduct periodic inspections of allottees at least once in a quarter **with 3 days prior notice** and ensure that conditions of Lease agreement/ deed and the provisions of this Policy are not deviated or violated by any lessee.
- 17.4. The Estate Manager while submitting the quarterly reports **shall** invariably submit the details of all payment due and paid by the allottee/ lessee to various Government Departments/ Agencies providing services such as Power, Water, conservancy etc.
- 17.5. **Action on Violation**
  - 17.5.1. The Estate Manager of respective Industrial Estates **shall** check below mentioned fields on monthly basis and submit a report to the Director and Secretary of Industries Department, UT of A & N Islands to ensure effective implementation of the various Clauses of the Policy:-
    - (a) Mortgage of Plot / Shed
    - (b) Encroachment
    - (c) Transfer of ownership without intimation/ acceptance of competent authority
    - (d) Change of activity without approval
    - (e) Change in name without approval
    - (f) Damaging any public property by the proprietor or their employee
    - (g) Non-payment of lease rent, electricity charges, water charges, conservancy charges to concerned Government Department/ agencies providing the services
    - (h) Breach of any of the conditions of this Policy and the lease agreement.
    - (i) Any other violation(s).
  - 17.5.2. Within 7 days of observing any of the violation(s) as above, the Estate Manager **shall** submit a report to the Director in such format as deemed appropriate / prescribed along with evidences, photographs etc. for taking appropriate action as deemed fit.
  - 17.5.3. Upon receipt of such report, the Director **shall** issue a Show Cause Notice to the lessee to submit a reply within 7 days.

**17.5.4.** The report along with the reply of the lessee **shall be** submitted by the Department to Competent Authority within 15 days for taking appropriate decision as deemed fit, including termination and eviction as per procedure given under **Chapter-18 and Chapter-19.**



## Chapter- 18 Termination of Lease

**The provision under this chapter is applicable to all the allotment made to the existing enterprises in existing Industrial Estate and new allotment made in existing Industrial Estate / New Industrial Estate.**

- 18.1. The Competent Authority **shall** have the power to terminate the lease without reference to the period of lease on any of the following events:
- 18.1.1 On receipt of report from Estate Manager indicating that the lessee has violated any of the terms and conditions of the lease agreement and/or this Policy.
  - 18.1.2 If the commercial production / activity is not commenced within the stipulated period for Plot / shed.
  - 18.1.3 If the Plot / Shed is not used for the purpose for which it was allotted.
  - 18.1.4 If the lessee is not active for a continuous period of more than six months.
  - 18.1.5 If the lessee defaults in payment of lease rent and such default exceeds consecutively for 12 months.
  - 18.1.6 If the lessee defaults in payment of Power, Water Charges, conservancy charges etc. and such default exceeds three months shall be notified to the Industries Department by the Concerned Government Department / agencies within 15 days of such default. The concerned Government Departments/ agencies providing service are also free to disconnect / discontinue providing the services to the lessee as per the policy of the concerned service providing agency.
  - 18.1.7 If the lessee or any of his / her employee causes any damage to common facility including but not limited to roads, drains, landscape, power grid etc. and does not make good such damage even after notice or make the payment as assessed towards the damage within such period as notified.
  - 18.1.8 If the lessee or his firm/ company is declared insolvent and gone bankrupt.
  - 18.1.9 If the lessee do-not engage adequate safety precautions at the workplace for the workman and or to the firm/ enterprise located contiguously even after issue of three notices.
  - 18.1.10 If the lessee is not in possession of statutory clearances / approvals/ NOCs as required to run the business / activity and keep it up to date.
  - 18.1.11 If the lessee does not make statutory contribution towards the workman such EPF Contribution etc.
  - 18.1.12 Before initiating the process of termination of the lease, the Department **shall** issue notice to the lessee to show cause the reasons for such breach of conditions within such period as indicated in the notice.
  - 18.1.13 Upon receipt of the reply, the Department **shall** examine the same and submit to the Competent Authority for suitable decision.
- 18.2 The competent authority **will** take a suitable decision including termination of the lease. However, in case the competent authority takes a decision to terminate the lease, such decision **shall be** taken only after giving a reasonable opportunity to the lessee to make his submission including personal hearing to the lessee, if any.

18.3 The order of termination and the consequence thereof **shall be** communicated to the lessee in writing by the Competent Authority himself or he may authorize the Department to issue such order.

18.4 The timelines for various activity **shall be** as follows:

Sl No	Activity	Maximum time line
1	Issue of notice to the lessee by the Department. The notice will be issued through Registered Post or e-mail or by hand.	Within 05 days of observance of any violation
2	Response to the notice by the lessee.	15 days from the date of receipt of notice.
3	Examination of the reply submitted by the lessee by the Department and submission to competent authority	15 days from the date of receipt of reply
4	Disposal of the matter by competent authority including personal hearing, if any.	30 days from the date of submission of the case by the Department.

## Chapter-19 Consequent of Termination

**The provision under this chapter is applicable to all the allotment made to existing enterprises in existing Industrial Estate and new allotment made in existing Industrial Estate / New Industrial Estate.**

- 19.1. **Upon** termination of the lease;
- 19.1.1 The Security deposit **shall be** forfeited by the Department.
- 19.1.2 Within 30 days of receipt of communication of termination of the lease, the lessee **shall** clear all the dues and remove the plant and machinery, equipment, raw materials, goods and such other materials and hand over the peaceful possession of the Industrial Plot or the Industrial Shed as the case may be, free from encumbrances.
- 19.1.3 Such plant, machinery, equipment, raw materials, finished goods, semi-finished goods etc. **will be** handed over to the lessee only after recovery of dues, if any and in the event the dues are not paid, the **Competent Authority.(Chapter-1 Clause-11)** **shall** order to dispose of items in such manner as deemed fit to recover such dues.
- 19.2 In the event the lessee does not hand over the peaceful possession of the plot / Shed within such period, the **Competent Authority.(Chapter-1 Clause-11)** **shall have** the right to:
- 19.2.1 Advise the agencies providing Electricity & Water supply to discontinue / disconnect the services / connection provided to such enterprise of the lessee.
- 19.2.2 Order for taking over the possession forcibly by the Department or such agency/ committee as deemed appropriate.
- 19.2.3 Order to seal the premises.
- 19.3 In all such cases the Department/ Agency / Committee **shall** make an inventory of the plant, machinery, equipment, raw materials, finished goods, semi-finished goods etc. available in the premises of the lessee.
- 19.4 Such plant, machinery, equipment, raw materials, finished goods, semi-finished goods etc. **will be** handed over to the lessee only after recovery of dues, if any and in the event the dues are not paid, the competent authority **shall** take a decision to dispose of items in such manner as deemed fit to recover such dues.

## **Chapter- 20 Recovery of Dues**

**The provision under this chapter is applicable to all the allotment made to existing enterprises in existing Industrial Estate and new allotment made in existing Industrial Estate / New Industrial Estate.**

20.1. All amounts payable to the Department under these rules **shall be** recoverable in the following manner:

- 20.1.1 From the Security Deposit made by the lessee: In which case, the lessee **shall** make the payment, so recovered, along with 14% compound interest calculated on monthly basis from the date of due to the date of actual payment.
- 20.1.2 In the event of termination of the lease and the lessee not clearing the due within stipulated period, by disposing the assets of the lessee for amount due.
- 20.2 In the event the dues are not completely recovered by the options given at **clause 20.1.1 and 20.1.2**, the dues **shall be** recovered in the same manner as arrears of land revenue as provided in Clause (b) of Section 130 of the A & N Islands Land Revenue and Land Reforms Regulations 1966 (No. 2 of 1966) or under the provisions of any other law for the time being in force.
- 20.3 The above act of recovery **shall be** made without the intervention of any Court.

## **Chapter 21- Management of Existing Lessee in Existing Industrial Estate**

Management of Existing Enterprises / Units allotted with space in Existing Industrial Estate

- 21.1. The provision under this chapter is applicable to all the allotment made to existing enterprises in existing Industrial Estate.
- 21.2. The Annual lease rent in respect of Plots as per **Chapter-3 Clause 3.1** and the Annual Lease Rent for Sheds as per **Chapter3 clause 3.2** **shall be** applicable from the date of notification of the Policy.
- 21.3. The lease tenure for the existing allottee / lessee in the existing Industrial Estates **shall be** as per the respective lease agreement signed by the lessee.
- 21.4. The date of commencement of lease tenure for the existing lessee **will be** counted from the date of handing over of Plot / Shed to the lessee. In the absence of date of handing over of the Plot/ Shed, the date of signing of 1st lease deed **shall be** considered as the date of commencement of lease tenure.
- 21.5. The Allotment of Plots / Sheds already cancelled and physical possession taken over **shall be** made as per the provisions under **Chapter-5** and such allotment **shall be** considered as a New Allotment.
- 21.6. The Re-allotment of all the Plots / Sheds where the tenure of lease as per exiting lease agreement has expired **shall be** made as per provisions under **Chapter-6**.
- 21.7.** The actions/deeds done/decisions already taken under the earlier Policy /Rules **shall be** valid, only to the extent in respect of those lessees up to the period for which, the lease period is still in operation/ existence except for Annual Lease Rent which **will be** applicable as per this Policy as given at **Chapter-3 clause 3.1 and 3.2**.
- 21.8. The manner of payment of Annual Lease Rent for Plots and Sheds **shall be** as per the provisions contained under Chapter- 9.
- 21.9. The provisions of **Chapter 9 Encroachment, Chapter-10 Mortgage Permission, Chapter-11 Transfer, Chapter-12 Change in activity/ additional activity, Chapter-13 Change in Name, Chapter-14 Subletting / Subleasing, Chapter-15 General Conditions, Chapter-16 Management of Infrastructure facility in the Industrial Estate, Chapter 17 Reporting and action on violations, Chapter-18 Termination, Chapter-19 Consequence of Termination and Chapter-20 Recovery of Dues** **shall be** applicable to all existing lessee allotted Plots / Sheds in existing Industrial Estate irrespective of lease period as is applicable to any new allotment.

## **Chapter 22 Repeal and applicability**

- 22.1. The provision under this chapter is applicable to all the allotment made to existing enterprises in existing Industrial Estate and new allotment made in existing Industrial Estate/ New Industrial Estate.
- 22.2. From the date of notification of this Policy in official gazette, "the Rules for Lease of Developed Plots in the Industrial Estate at Garacharma, 1977" and the "Andaman and Nicobar Islands (Industrial Estate) Rules" **shall be** considered as repealed.
- 22.3. Notwithstanding such repeal, anything done or any action taken or purported to have been done or taken under the guideline hereby repealed **shall**, in so far as it is not inconsistent with the provisions of this guideline, be deemed to have been done or taken under the corresponding provisions of this guideline.
- 22.4. In case of default on the part of allottee under previous guidelines, the department **will be** at liberty to take action under such guideline or any other law from time being enforced.

### **Chapter 23 Appeal**

23.1 The appellate authority against any order passed **shall be** as per:

<b>Sl No</b>	<b>Description of function</b>	<b>Competent Authority</b>	<b>Appellate Authority</b>
1	Approving / Rejecting the recommendation made by Screening Committee for allotment of Industrial Plots / Sheds in Industrial Estate.	Chief Secretary	Hon'ble LG
2	Taking penal actions including termination of lease agreement and issuing further direction consequence to termination for resumption / taking over physical possession, change of ownership/ constitution of the firm, change of activity etc.	Pr. Secretary (Inds)/ Commissioner cum Secretary (Inds)/ Secretary (Inds)	Chief Secretary

23.2 All such appeals **shall be** preferred by the aggrieved party within a period of 30 days from the date of receipt of the order appealed against by such party.

23.3 The decision of appellate authority **shall be** final and binding on both the parties.

**Annexure-1****Negative List of enterprises / activities which shall not be considered for allotment of Plots/ Sheds**

1. All manufacturing and Service Sector Enterprises falling in the RED Category as notified by Central Pollution Control Board, Ministry of Environment, Forest & Climate Change, Government of India vide Circular No. B-29012/ESS/(CPA)/2015-16 dated 17<sup>th</sup> March, 2016 as amended from time to time. The notification dated 17<sup>th</sup> March, 2016 is available in website [https://cpcb-revisedcategorizationofindustrialsector \(py.gov.in\)](https://cpcb-revisedcategorizationofindustrialsector(py.gov.in))

**Annexure-2A****Circle Rates of land in A & N Islands as per Notification No. 277 dated 22.10.2019 effective from 22.10.2019**

S.No.	Location of the Industrial Estate & Village	Rates in Rupees per Square Metre	Multiplication factor	Rate in Rupees per Sq. Mt for Commercial / Institutional use
1	Garacharama	12450	2	24900
2	Dollygunj	12450	2	24900
3	Mithakhari	2917	1.75	5104.75
4	Little Andaman (Netaji Nagar)	900	1.5	1350
5	Bakultala	525	1.5	787.5
6	Sita Nagar ( Diglipur)	1313	1.5	1969.5
7	Joginder Nagar (Campbell Bay )	131	1.5	196.5

**Annexure-2B****Present rate of Estimated Development Cost as per APWD rates**

S.No.	Location of the Industrial Estate & Village	Estimated Development cost of Land (per Sq. mt.)	Cost Index	Total Development cost (per Sq. Mt)
1	Port Blair (Dollygunj, Garacharama, Mithakhari, CaddleGunj, Kanyapuram)	233.33	154	387.33
2	Hutbay (Netaji Nagar), Little Andaman	233.33	222	455.33
3	Bakultala, Middle Andaman	233.33	172	405.33
4	Sita Nagar, Diglipur, North Andaman	233.33	197	430.33
5	Joginder Nagar, Campbell Bay, Great Nicobar	233.33	226	459.33



**Annexure-2C****Annual Lease Rent of Plots for all New Allotment in Existing and New Industrial Estates**

S.No.	Location of the Industrial Estate & Village	Circle Rate of land (per Sq. mt)	3% of Col. 3	Development cost of land (per Sq. Mt)	Total Annual lease Rent (Per Sq.mt) (4+5)
1	2	3	4	5	6
1	Port Blair (Dollygunj, Garacharama)	24900.00	747.00	387.33	1134.33
2	Mithakhari	5104.75	153.14	387.33	540.47
3	Hutbay (Netaji Nagar), Little Andaman	1350.00	40.50	455.33	495.83
4	Bakultala, Middle Andaman	787.50	23.63	405.33	428.96
5	Sita Nagar, Diglipur, North Andaman	1969.50	59.09	430.33	489.42
6	Joginder Nagar, Campbell Bay, Great Nicobar	196.50	5.90	459.33	465.23

- **Maintenance Charges and additional lease rent to be applicable as per Chapter 4 clause 4.1.1**

**Annexure-3****Cost of Construction in each Tehsil as per Circle Rate notified vide Notification No. 277 dated 22.10.2019 effective from 22.10.2019**

Name of Tehsil	Rate of construction for Commercial building (Rupees per Sq. mt)	Age Factor	Multiplication factor	Depreciated Rate of construction for commercial building (Rupees per sq. mt)
Port Blair (Dollygunj)	30,046	1996-2004	0.7	21032.20
Port Blair (Garacharama)	30,046	1960-1980	0.5	15023.00
Rangat (Bakultala)	34,407	1996-2004	0.7	24084.90
Great Nicobar (Joginder Nagar, Campbell Bay)	43,130	1996-2004	0.7	30191.00

**Annual Lease Rent for Sheds for all leased and new Allotment in Existing Industrial Estates**

S.No	Location of the Industrial Estate & Village	Circle Rate of commercial land (per Sq. mt)	3% of Col.3	Depreciated rate of Construction for commercial building (per Sq.mt)	3% of Col.5	Total (4+6)
1	2	3	4	5	6	7
1	Port Blair (Dollygunj)	24900.00	747.00	21032.00	630.96	1377.96
2	Port Blair (Garacharama)	24900.00	747.00	15023.00	450.69	1197.69
3	Bakultala, Middle Andaman	787.50	23.63	24084.90	722.547	746.17
4	Joginder Nagar, Campbell Bay, Great Nicobar	196.50	5.90	30191.00	905.73	911.63

- **Maintenance Charges and additional lease rent to be applicable as per Chapter 4 clause 4.1.2**

**APPLICATION FORM FOR ALLOTMENT OF PLOT IN THE INDUSTRIAL ESTATES  
IN ANDAMAN & NICOBAR ISLANDS  
FOR NEW ALLOTMENT IN NEW / EXISTING INDUSTRIAL ESTATE**

1.	Name of the Applicant	:	
2.	Name of the Firm	:	
3.	Present Address in full along with telephone number/ Mobile Number/ email address (Mobile Number & email are mandatory)	:	
4.	Constitution of the Firm (Proprietary/ Partnership/ Coop Society/ NGO/ Registered Company)	:	
5.	Name of the Proprietor in case the applicant is other than proprietor OR Name of all the Director/ Partners in case of applicant represents Partnership/ Coop Society / NGO / Registered Company)	:	
6	Address Proof of the applicant (Proprietor in case of Proprietary / All Directors in case of Registered Company / All the Partners in case of Partnership firm/ Director and Secretary in case of Cooperative Society / NGO/SHG) -	:	
7	Identity Proof of the applicant (Proprietor in case of Proprietary / All Directors in case of Registered Company / All the Partners in case of Partnership firm/ Director and Secretary in case of Cooperative Society / NGO/SHG) - Aadhaar /Voters identity card/ driving license/ passport.	:	
8	Registration No, date of registration and registering authority details	:	Regd. No ..... Redg. Date..... Registering Authrotiy
9	<b>Detailed Project Report</b> duly certified by Registered CA to be submitted		
10	Whether existing Industry proposed for shifting to Industrial Estate		Yes / No
11	If Yes to Sl. No 11 above		
a.	Name of the of the existing Industry		
b.	Address of the Existing Industry		
C	Nature of Activity of the Existing Industry		Servicing / Manufacturing
d.	Name of the Product(s) manufactured/ / Service(s) offered		
e.	Detailed Project Report for the project proposed to be set up in Industrial Estate for which application is made to be submitted.		
12	Udyam Registration Number (if any)		Udyam No. Udyam issue date:
13	Payment Details	:	Application Fee Rs..... Instrument No..... Processing Fee : Rs.....Instrument No.....

		EMD: Rs.....Instrument No.....
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I/ we have read the rules laid down regarding the allotment of Plot in the Industrial Estate. I/ we agree to abide by the rules and conditions that have been laid down by the A & N Administration through the Directorate of Industries regarding the Plot to be allotted in the Industrial Estate. I/ we shall enter into an agreement with A & N Administration through Director of Industries immediately after commencement of the activity and also make Security deposit equal to 03 years Annual Lease Rent for plot, with the Directorate of Industries before taking possession of the Plot allotted within one month from the date of allotment.

Place:

Date:

Signature of the Applicant

List of Mandatory documents to be attached:

1. Address Proof of the applicant (Driving license / passport/ Ration Card/ LPG Connection/ Residential Electricity Bill / .PAN Card)
2. Identify Proof of the applicant (Driving license / passport/Aadhaar Card)
3. Detailed Project Report duly certified by Registered CA which shall contain the details products/ services proposed, Plant & Machinery required, Area of land required, Source of finance, projected turnover, Rate of Return and Break Even Point, projected employment etc.
4. Certificate of Incorporation certificate in case of Registered Company **or** Firm Registration certificate & Registered Partnership Deed in case of Partnership firm **or** Society Registration certificate in case of Cooperative Society **or** Copy of Certificate issued by Central Govt/ State Govt/ UT Govt. in case of SHGs/ NGOs.
5. Copy of Articles of Association and Memorandum of Association in case of Ltd Company or Cooperative Society
6. Copy of PAN Card of the applicant or Copy TAN card in case of firm / company.

In addition to the above, following documents will be mandatory for existing units applying for plot in Industrial Estate

1. Copy of balance sheet for last two years
2. Copy of GSTIN certificate
3. Copy of Udyam Registration certificate, if applicable

### Time Lines for various activities in Development and Management of Industrial Estate

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#### 1. Time lines for preparation of Layout Plan

SI No	Description/ Activity	Maximum Time	Responsibility
a.	Carrying out Survey including Contour Survey of the Land (New Industrial Estate/ Vacant land in existing Estate)	Within 30 days from the Date of Notification / Taking over the land by Department	Department through Concerned division of APWD
b.	Completion of survey work	30 days for land area up to 5000 Sq. mt and 60 days for land more than area 5000 Sq. mt.	Concerned division of APWD
b.	Determining the level of Infrastructure Required	Within 30 days of the date of receipt survey report from APWD	Compilation Committee
c.	Preparation of Layout Plan	Within 30 days of recommendation of Compilation Committee	Concerned Division of APWD
d.	Approval of Layout Plan by Administrator.	Within 30 days of submission of draft layout Plan by APWD	Industries Department
e.	Placing of boundary markers as per approved Layout Plan	30 days in case of Land area up to 5000 Sq. Mt 90 days in case of Land area more than 5000 Sq. mt	Department through Concerned division of APWD
f.	Construction of Roads, drainage etc.	6 months from the date of approval of layout plan	Department through Concerned division of APWD

#### 2. Time lines for New Allotment

SI No	Description/ Activity	Maximum Time	Responsibility
a.	Publication of Vacancy notice inviting application	30 days from the date of placing boundary markers	Industries Department
b.	Screening of applications for its completeness as per clause 6.8.2 and 7.8.2 and communicating to the concerned applicant	15 days from the last date for receipt of application	Estate Manager
c.	Submission of documents in case of incomplete application	15 days from the date of communication	Concerned Applicant
d.	Submission of list of completed application to Screening Committee	07 days of receipt of complete applications	Estate Manager
e.	1 <sup>st</sup> Stage screening of application and finalization of eligibility list as per clause 6.8.5	30 days of receipt of completed application from Estate Manager	Screening Committee
f.	Finalization and Publication of list of eligible applicant	07 days from the date of screening committee meeting	Industries Department
g.	2 <sup>nd</sup> Stage of selection- Conducting Auction	15 days of publication of eligible list	Industries Department
h.	Acceptance of quote by	45 days from the date of	Industries Department

	H-1 bidder and approval for allotment of Plot by Administration	auction	
i.	Issue of allotment letter	07 days from the date of receipt of approval	Industries Department
j.	Acceptance of Terms & Conditions of allotment and submission of security Deposit	30 days from the date of issue of allotment letter	Concerned allottee
k.	Handing over of the plot	7 days of receipt of acceptance letter & Security Deposit	Industries Department & lessee
k.	Obtaining approval of building plan, arrangement of finance, procurement of machinery and commencement of commercial activity as per clause 8.1	3 years from the date of issue of allotment letter	Concerned allottee/ lessee
l.	Signing of Lease Deed	30 days from the date of handing over the Plot / Shed	Industries Department & the lessee

### 3. Time lines for Allotment in case of Existing lessee (Plots and Sheds) where the lease tenure had exceeded 30 years

SI No	Description/ Activity	Maximum Time	Responsibility
a.	Issue of notice to existing lessee intimating expiry of lease period advising him to exercise the option of First Right of Refusal auction	30 days from the date of issue of notification	Industries Department
b.	Submission of reply / option of First Right of Refusal	10 days from the date of notice	Concerned lessee
c.	Publication of vacancy notice	30 days from the date of receipt of reply from the lessee	Industries Department
d.	Receipt of application	30 days from the date of publication of vacancy notice	Industries Department
e.	Scrutiny of application received against the vacancy notice and communication to applicants in case of incomplete application	15 days from the last date for receipt of application	Estate Manager
c.	Submission of documents in case of incomplete application	15 days from the date of communication	Concerned Applicant
d.	Submission of list of completed application to Screening Committee	07 days of receipt of complete applications	Estate Manager
e.	1 <sup>st</sup> Stage screening of application and finalization of eligibility list as per clause 6.8.5 and 7.8.5	30 days of receipt of completed application from Estate Manager	Screening Committee
f.	Finalization and Publication of list of eligible applicant	07 days from the date of screening committee meeting	Industries Department
g.	2 <sup>nd</sup> Stage -Auction	15 days of publication of eligible list	Industries Department
h.	Acceptance of quote by H-1 bidder and approval for allotment of Plot by Administration	45 days from the date of auction	Industries Department

**3.1 Time lines where allotment is made to applicant other than existing lessee.**

SI No	Description/ Activity	Maximum Time	Responsibility
a.	Issue of Letter of Intent	07 days from the date of receipt of approval	Industries Department
b.	Acceptance of Terms & Conditions of allotment and submission of security Deposit	30 days from the date of issue of allotment letter	Concerned allottee
c.	Obtaining approval of building plan, arrangement of finance, procurement of machinery and commencement of commercial activity as per clause 8.1	3 years from the date of issue of allotment letter	Concerned allottee
d.	Signing of Lease Deed	30 days from the date of handing over the physical possession of Plot / Shed	Industries Department

**3.2 Time lines in case of allotment is made to existing lessee.**

SI No	Description/ Activity	Maximum Time	Responsibility
a.	Issue of allotment letter	07 days from the date of receipt of approval	Industries Department
b.	Acceptance of Terms & Conditions of allotment and submission of security Deposit	30 days from the date of issue of allotment letter	Concerned allottee
d.	Signing of Lease Deed	07 days from the date of commencement of commercial activity	Industries Department

**4. Time limit for disposal of application for Mortgage permission/ change of activity/ change of constitution/ change of name etc.**

SI No	Description/ Activity	Maximum Time	Responsibility
	Screening of the application for its completeness	05 days from the date of receipt of approval	Estate Manager
	Screening of the application by Screening Committee	25 days from the date of receipt of complete application	Screening Committee
	Approval of competent authority and communication of decision to applicant	30 days from the date of screening committee	Industries Department

**5. Time limit for taking action against any Violation.**

SI No	Description/ Activity	Maximum Time	Responsibility
a.	Issue of notice to the lessee by the Department. The notice will be issued through Post/ email/ WhatsApp.	Within 15 days of observance of any violation	Industries Department
b.	Response to the notice by the lessee.	7 days from the date of receipt of notice.	Concerned Lessee
c.	Examination of the reply submitted by the lessee by the Department and submission to	15 days from the date of receipt of reply	Industries Department

	competent authority		
<b>d.</b>	Disposal of the matter by competent authority including personal hearing, if any.	30 days from the date of submission of the case by the Department.	Competent Authority
<b>f.</b>	Peaceful vacation and handing over the premises to Department free from encumbrance	30 days from the date of receipt of communicating the cancellation order to the lessee by the competent authority	Concerned Lessee
<b>g.</b>	Notice in case the peaceful possession is not handed over	07 days from the date of completion of 30 days time period.	Industries Department
<b>i.</b>	Issue of order for taking over forcible possession including sealing of the premises, disconnection of power / water etc.	30 days after the extended time given for vacating the premises	Competent Authority
<b>j.</b>	Taking over physical possession of the premises forcibly and sealing of the premises and preparing the inventory list available in the premises	15 days from the date of issue of order	Industries Department
<b>k.</b>	Disposal of the items for recovery of dues, if any	60 days from the date of taking over the physical possession	Industries Department



**FORMAT FOR FIRST RIGHT OF REFUSAL**

To  
The Director of Industries  
A&N Administration  
Port Blair.

Sub: Application for First Right of Refusal-reg.

Sir,

I/ We have been allotted the Plot/ Shed in the Industrial Estate.....measuring an area of .....Sq.m./ Sq.ft. for setting up of .....activity as per the lease agreement executed between the Director of Industries and M/s.....on.....

\* The lease period of my/our allotment expired on..... and I/We are interested in having a first right of refusal to continue our activity in the existing allotted plot/ shed. Therefore, the same plot / shed may be re- allotted in favour of M/s.....

\* The lease period of my/our allotment expired on..... and I/We are interested in having a first right of refusal to continue our business by changing the activity from .....to .....in the existing allotted plot/ shed. Therefore, the same plot / shed may be re- allotted in favour of M/s.....

We undertake that I/we will participate in the allotment process including submission of online application and participation in auction along with other applicants and in the event the quote given by is not the highest, we offer to match the highest bid.

I/We also undertake and agree to adhere the terms and conditions incorporated in the Andaman and Nicobar Islands Industrial Estate (Allotment & Management) Policy, 2023.

Thanking you

Yours faithfully

( Signature of the Proprietor/ Director)

\* Strike out the inapplicable clause.

## Format for Letter of Intent

To

.....  
 .....  
 .....

Sub:- Allotment of Industrial Plot / Shed in Industrial Estate at .....

**Letter of Intent/ Allotment letter**

This has a reference to your application bearing ID No..... dated .....for allotment of Plot / Shed in the Industrial Estate at ..... and subsequent auction conducted on .....

The Highest Bid of Rs .....(Rupees .....only) per Sq. mt per year as Annual Lease Rent offered by you have been accepted and the Competent authority is please to allot you the Industrial Plot / Shed bearing Plot / Shed No. .... at Industrial Estate..... on following terms and conditions:

- (1) All the terms and conditions as contained in the A & N Industrial Estate (Allotment & Management) Policy, 2023 (herein after referred to as “the Policy”) shall have to be strictly adhered to. The allottee is advised to read the Policy thoroughly.
- (2) The Allotment made is purely on provisional basis till the commencement of Commercial production / activity.
- (3) The allottee shall take all effective steps to commence commercial production / activity within 3 years from the date of handing over of the physical possession of the Plot / within 12 months from the date of handing over of the physical possession of the Shed.
- (4) A lease agreement as per format at **Annexure-9** of the Policy shall have to be executed by the allottee with the Department within 30 days from the date of handing over the plot.
- (5) The Highest Annual Lease Rent as quoted during the bid + 2% of Highest Annual bid quoted as Maintenance Charges shall have to be paid annually by 15<sup>th</sup> of preceding month in which the plot/ shed was handed over.
- (6) Additional annual lease rent equivalent to 2% of the Gross Profit from the date of commencement of production only by those units which are mandatory required to file IT Returns shall be paid within one month from the date of filing of IT return.
- (7) In the event the commercial activity is not commenced within the stipulated period or such extended period as per **Chapter 8** of the Policy, the allotment shall be cancelled and the Plot/ Shed shall be resumed with all the developments made in it and the Security Deposit shall be forfeited.
- (8) The lessee may construct Toilet/ Rest Room etc. within the Plot/ Shed so demised upon the lessee. However, such construction shall be strictly in accordance with the approved building plan. The total area to be used by the lessee for the above purpose shall not exceed 10% of Total Area of the Plot / Shed allotted to the lessee.
- (9) The lessee may construct Captive Warehousing as may be required for storage of Raw Material / Finished product. However, such construction shall be strictly in accordance with the approved building plan. The total area to be used by the lessee for the above purpose shall not exceed 40% of total Area of the Plot / Shed allotted to the lessee.

- (10) All buildings in the allotted plot shall be constructed by the lessee in accordance with the Building Bye Laws and Regulations in force from time to time as well as any other law, rules and regulations in force relating to the construction and use of the premises and the plans and elevations approved by the Appropriate authority. A copy of the approved building Plan shall be submitted to Department within 15 days of obtaining such approvals from Appropriate Authority. All costs and incidentals in obtaining the approval of building plan shall be borne by the lessee.
- (11) The lessee shall not commence construction work unless the plans, elevations and sections have been approved by the appropriate authority. No additions or alterations of buildings, the plan of which have been so approved, shall at any time be made, except with the previous approval of the said authority. In case additions / alterations are taken up in the already constructed building, the approval of revised building plan shall be obtained before taking up such additions/ alterations and a copy of such revised approved building plan shall be submitted to the Department within 15 days of obtaining such revised approval from the Appropriate Authority All costs and incidentals in obtaining the approval of building plan shall be borne by the lessee.
- (12) No temporary, semi-permanent structure shall be built on the plot, except during the period of construction or re-construction in future.
- (13) All survey boundary marks demarcating the boundaries of plots shall be preserved and kept in good condition by the lessee during the period of construction and during the entire period the plot so demised, is in the possession of the lessee.
- (14) Within 30 days of receipt of this letter, the allottee shall submit the acceptance of terms and conditions and pay an amount equivalent 3 years Annual Lease Rent as quoted during the bid as Security Deposit. The EMD submitted by the allottee shall be adjusted against the Security Deposit. Thus after adjustment of the EMD, the allottee shall have to deposit an amount of Rs .....(Rupees.....only) as Security Deposit within 30 days of receipt of this letter.
- (15) The period for submission of acceptance of Terms and Conditions shall not be extended. However, the period for submission of Security Deposit may be extended in case of written request made by the allottee within expiry of 30 days' time limit for another 30 days only once subject to payment of penalty of Rs 5000/- per week of delay. For the purpose, part of a week shall be counted as one week
- (16) The allotment will be automatically cancelled in the event the unit fails to submit the acceptance letter within 30 days and Security Deposit within 30 days or such extended time line and in the event of cancellation of the allotment, the EMD submitted by the applicant / allottee shall be forfeited to Government.
- (17) The receipt of this letter should be acknowledged.

Director of Industries

Format of Handing Over Note

Pursuant to allotment Industrial Plot / Shed bearing No..... at Industrial Estate ..... vide allotment letter No..... and on submission of acceptance of terms and conditions by the allottee vide letter No.....dated ..... and submission of Security Deposit vide receipt No.....dated ....., the physical possession of the Industrial Plot / Shed bearing No..... at Industrial Estate ..... Is hereby handed over to the allottee represented by Shri ..... S/o..... (Prop./ Director/Managing Partner/ General Secretary/ Authorized Representative) on this the .....day of ....., 20...

The Schedule of the Plot/ Shed is given below:

The Industrial Plot / Shed bearing No..... at Industrial Estate is bounded by

.....in the East,  
.....in the North  
.....in the South  
.....in the West.

Paste pass-  
port size  
photograph  
of the  
lessee

Handed Over by

Taken over by

Signature  
Name of the Officer  
Designation  
Office Seal

Signature  
Name of the allottee  
Designation  
Office Seal

Witness-1  
Signature—  
Name ----  
Address-----

Witness-2  
Signature—  
Name ----  
Address-----

**Format of Lease Agreement****(See Rule-21)**

This agreement made on this date, the.....day of , 20... between the President of India acting through the Director of Industries, A & N Administration, Port Blair (hereinafter called “the lessor” of the one part) and M/s ....., Proprietor Shri. ...., S/o Shri..... R/o ..... under ..... Tehsil, ..... District ..... State (hereinafter called “the lessee” of the other part).

**(WITNESSES AS FOLLOWS)**

In consideration of the rent herein reserved and the covenants on the part of the lessee hereinafter contained, the lessor hereby demise and to the lessee to lease out the plot / shed measuring an area of ..... Sqr .Mtr. out of the land Survey No. .... area .... Hectsat Industrial Estate, ..... under ..... Tehsil, more particularly described in the schedule hereunder written, to the lessee for a term of ..... in the first instance commencing from the date of taking over the physical possession of the plot and subject to the terms and conditions hereinafter contained below:

1. All the terms and conditions as contained in the A & N Industrial Estate (Allotment & Management) Policy, 2023 (herein after called as “the Policy) shall have to be strictly adhered to. The allottee is advised to read the Policy thoroughly.
2. The Allotment made is purely on provisional basis till the commencement of Commercial Activity.
3. The allottee shall take all effective steps to commence commercial activity within 3 years from the date of handing over of the physical possession of the Plot / within 12 months from the date of handing over of the physical possession of the Shed.
4. The lessee shall make the payment of the Highest Annual Lease Rent as quoted during the bid and 2% of Highest Annual bid quoted as Maintenance Charges by 15<sup>th</sup> of preceding month in which the plot/ shed was handed over.
5. The lessee shall make additional lease rent equivalent to 2% of the Gross Profit from the date of commencement of production only by those units which are mandatory required to file IT Returns annually within one month from that date of submission of IT Return.
6. In the event the commercial activity is not commenced within the stipulated period or such extended period as per Chapter 8 of the Policy, the allotment shall be cancelled and the Plot/ Shed shall be resumed with all the developments made in it and the Security Deposit shall be forfeited.
7. The lessee shall apply and obtain power supply, taped water connection etc. for the enterprise from the concerned department and all the costs and expenses incidental for obtaining such power supply or water supply shall be borne by the lessee

8. The lessee shall segregate the dry waste and wet waste at source and make arrangement to dispose the same through the concerned agencies and all the cost and incidental shall be borne by the lessee.
9. The lessee shall install all such fire safety equipment's/ devices as required by the enterprise and shall obtain a certificate from the authority concerned to the effect that the fire safety equipment's installed meets the requirement of the enterprise. The lessee shall at all time keep such fire safety equipment's refilled / updated and in good condition.
10. The lessee shall install / adopt all such safety equipment and standards as required in carrying out the business and for the safety of workers.
11. The lessee shall apply and obtain all approvals, statutory clearances, NOC etc., as required for the enterprise from the concerned competent authority before commencement of the commercial activity and renew such approvals / NOCs as required.
12. The enterprise discharging effluent shall obtain connection to common CETP set up in the Industrial Estate and all the cost and incidental towards obtaining the connection shall be borne by the lessee. The lessee who do not want connection to the CETP, shall install such equipment as required for cleaning water, air etc. and shall ensure that polluted water or air is not emitted / discharged directly to atmosphere / drains etc. The lessee shall obtain Consent to Operate within 90 days from the date of commencement of commercial production from the competent authority and all cost and incidentals in obtaining such certificate shall be borne by the lessee.
13. The Plot /shed shall be used by the 'Lessee' only for the purpose for which it has been allotted in particular and without prejudice to the said generality, the 'Lessee' shall not carry on any business or trade except the particular activity for which the Plot /Shed has been allotted. The lessee shall not:-
  - (a) Use the Plot / shed or any part thereof for the purpose of any unauthorized activity, dwelling house, place of amusement, theatre or to carry on business or any retail business or for any offensive trade or business or for any purpose which, in the opinion of the Department/ Administration cause nuisance or inconvenience to the public or to any occupant or premises in the neighborhood, do anything which shall cause excessive wear and tear to the roads and accesses to other land, building and factory sheds belonging to the Department of Industries or allotted to other 'Lessee'
  - (b) Cause any refused dump of debris or scraps on the road or within the industrial Area, but shall keep the Plot / Shed including all vacant ground clean and in good order.
14. The lessee may construct Toilet/ Rest Room etc. within the Plot/ Shed so demised upon the lessee. However, such construction shall be strictly in accordance with the approved building plan. The total area to be used by the lessee for the above purpose shall not exceed 10% of Total Area of the Plot / Shed allotted to the lessee.

15. The lessee may construct Captive Warehousing as may be required for storage of Raw Material / Finished product. However, such construction shall be strictly in accordance with the approved building plan. The total area to be used by the lessee for the above purpose shall not exceed 40% of total Area of the Plot / Shed allotted to the lessee.
16. The lessee or his employee shall not cause any damage to the Government Property including but not limited to roads, drains, landscape, power grid, pipe lines etc. In such case, the entrepreneur shall make good the damage caused by him or his employee within such period of time as fixed by the lessor or the competent authority. In case the damage is not made good within the stipulated period, the entrepreneur shall be liable to pay the cost for making good for such damage.
17. The lessee is encouraged to install solar power generation units or such other power generation units using Renewable Energy Sources for fulfilling their Captive Power Requirement either fully or partially for generation of Green Energy. Such power generation units should be either located in the rooftop or within the premises / Plot/ Shed allotted to the unit and no additional space / area would be allotted to any lessee for the purpose of installing power generation units using Renewable Energy Sources. The lessee may also get connected to the Power Grid as per applicable norms of Electricity Department or such agency allowing to connect to their Power Grid.
18. The Administration shall not be responsible for any damage caused to property of the 'Lessee' by natural calamities like earthquake, landslide cyclone, Tsunami or any other calamities like explosion, fire, riot, epidemics etc.
19. The 'Lessee' will take the possession of Plot/shed on as-is where-is condition and no further demand for any development such as earth cutting or leveling etc. shall be entertained. Any improvement or development of the land is purely the responsibility of the 'Lessee' provided that the plan for such action shall be approved by the Competent Authority.
20. All buildings in the allotted plot shall be constructed by the lessee in accordance with the Building Bye Laws and Regulations in force from time to time as well as any other law, rules and regulations in force relating to the construction and use of the premises and the plans and elevations approved by the Appropriate authority. A copy of the approved building Plan shall be submitted to Department within 15 days of obtaining such approvals from Appropriate Authority. All costs and incidentals in obtaining the approval of building plan shall be borne by the lessee.
21. The lessee shall not commence construction work unless the plans, elevations and sections have been approved by the appropriate authority. No additions or alterations of buildings, the plan of which have been so approved, shall at any time be made, except with the previous approval of the said authority. In case additions / alterations are taken up in the already constructed building, the approval of revised building plan shall be obtained before taking up such additions/ alterations and a copy of such revised approved building plan shall be submitted to the Department within 15 days

- of obtaining such revised approval from the Appropriate Authority All costs and incidentals in obtaining the approval of building plan shall be borne by the lessee.
22. No temporary, semi-permanent structure shall be built on the plot, except during the period of construction or re-construction in future.
  23. The lessee is encouraged to construct the factory shed/ work shed etc. using alternate materials to cement & concrete.
  24. All survey boundary marks demarcating the boundaries of plots shall be preserved and kept in good condition by the lessee during the period of construction and during the entire period the plot is so demised is in the possession of the lessee.
  25. The Lessee must submit quarterly reports to the Department about the progress in implementation during implementation period and such other reports as sought by the Department from time to time during operation of enterprises.
  26. Any lawful officer of A & N Administration or any authorized official or authorized persons by the competent authority or by the A & N Administration shall be entitled at all time to enter upon the property / Enterprise / Industrial Enterprise set up by the lessee in the allotted Plot /Shed for inspection and collect any information as required. The lessee shall extend his cooperation in carrying out such inspections / verifications.
  27. The lease shall be terminated in the event the lessee commits any violation which, includes but not limited to
    - (a) Mortgage of Machinery & Equipment without obtaining proposer permission from **Competent Authority (Chapter-1 Clause**
    - (b) Encroachment
    - (c) Transfer of enterprise without acceptance by **Competent Authority (Chapter-1 Clause 1.11**
    - (d) Change of activity without acceptance by **Competent Authority (Chapter-1 Clause 1.11**
    - (e) Change in name without acceptance by **Competent Authority (Chapter-1 Clause 1.11**
    - (f) Damaging any public property by the proprietor or their employee
    - (g) Default in payment of lease rent / dues
    - (h) If the Plot / shed is not used for the purpose for which it was allotted within a period of four years in case of Plot and Two Years in case of Sheds from the date of handing over the physical possession of the Plot/ Shed
    - (i) If the lessee is not active for a continuous period of more than six months
    - (j) If the lessee or any of his / her employee causes any damage to common facility including but not limited to roads, drains, landscape, power grid, water pipelines, sewage lines, CETP etc. and does not make good such damage even after notice OR make the payment as assessed towards the damage within such period as notified
    - (k) If the lessee or his firm/ company is declared insolvent and gone bankrupt



- (l) If the lessee do-not engage adequate safety precautions at the workplace for the workman and or to the firm/ enterprise located contiguously even after issue of three notices
- (m) If the lessee is not in possession of statutory clearances / approvals/ NOCs as required to run the business / activity and keep it upto date
- (n) If the lessor does not make statutory contribution towards the workman such EPF Contribution etc.
- (o) Breach of any of the conditions of the A & N Industrial Estate (Allotment & Management) Policy, 2023 and this lease agreement

**28. Upon termination of the lease;**

- i. The Security deposit shall be forfeited to the Government.
- ii. Within 30 days of receipt of communication of termination of the lease, the lessee shall clear all the dues
- iii. In the event the dues are not paid and the peaceful possession of the Plot / Shed is not handed over within such period, the **Competent Authority (Chapter-1 Clause 1.11)** shall have the right to:
  1. Advise the agencies providing Electricity & Water supply to discontinue / disconnect the services / connection provided to such enterprise of the lessee
  2. Order for taking over the possession forcibly by the Department or such agency/ committee as deemed appropriate.
  3. Shall have the power to order to seal the premises.
  4. Order to take over machinery, equipment, raw materials, goods and such other materials belonging to the lesser as available in the Plot / Shed with proper inventory

**29. In the event the dues are not paid within such period as prescribed, all amounts due and payable to the Department under these rules shall be recoverable in following manner:**

- (a) From the Security Deposit made by the lessee.
- (b) By disposing the assets of the lessee for amount due.
- (c) In the event the dues are not completely recovered by the options given above, in the same manner as arrears of land revenue as provided in clause (b) of Section 130 of the A & N Islands Land Revenue and Land Reforms Regulations 1966 (No. 2 of 1966) or under the provisions of any other law for the time being in force,
- (d) The above act of recovery shall be made without the intervention of any Court

**30. Appeal against any of the penal actions taken by the **Competent Authority (Chapter-1 Clause 1.11)** shall be made before the Chief Secretary within 30 days of from the date of receipt of order appealed against. The decision of the appellate authority shall be final and binding on both the parties.**

**SCHEDULE**

Industrial Plot / Shed bearing Plot / Shed No.....measuring an area of .....Sqr. Mtr at the land out of the land Survey No. .... area .... Hects at Industrial Estate, ..... under ..... Tehsil, bounded by:-

North side :

South side :

West side :

East side :

Signed, sealed and delivered by.

**.Director of Industries  
(First Party)**

In the presence of witnesses:

- 1.....
- 2.....

Signed by Shri. ...., S/o Shri. .... R/o..... under ..... Tehsil ..... District .....State Proprietor / Authorized Signatory M/s .....(name of the Industrial unit)

**Proprietor/ Authorized Signatory  
(Second Party)**

In the presence of witnesses:

- 1.....
- 2.....