



TRIPURA INDUSTRIAL DEVELOPMENT CORPORATION LIMITED

(A GOVERNMENT OF TRIPURA UNDERTAKING)

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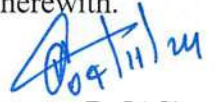
Dated, Agartala 4 November, 2024

NOTIFICATION

Tripura Industrial Development Corporation Ltd. (TIDCL) is hereby notifies **“Tripura Industrial Land Allotment Policy - 2024”** applicable in Industrial Estates/parks/area under administrative control of TIDCL, as approved by the Board of Directors of TIDCL.

Therefore, all concerned officers/Section-in-Charges of TIDCL are hereby directed to follow and implement the guidelines of the policy as approved by the Board of Directors with concurrence of competent authority.

The notification shall take immediate effect. Copy of the policy is annexed herewith.


(Vishwasree B. IAS)
Managing Director

Copy to:

1. The Director, Directorate of Industries & Commerce, Govt. of Tripura
2. The Office-in-Charge, PSU Section/Project Section, Directorate of Industries & Commerce, Govt. of Tripura.
3. All Section-in-Charge of TIDCL.

Copy also to:

1. The PA to the Hon'ble Chairman, TIDCL for kind information of the Hon'ble Chairman, TIDCL.



Tripura Industrial Land Allotment Policy, 2024

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1. Background

1.1. Introduction

The Government of Tripura is committed to catalysing improved industrial growth and development outcomes in the state. To this end, it has taken various steps to improve the industrial climate and business environment of the state.

As part of this, several industrial areas/estates have been created and developed across the state. The nodal agency responsible for developing and managing the same is the **Tripura Industrial Development Corporation Limited (TIDCL)**.

To further strengthen investment outcomes, it is crucial to ease investors' access to industrial land. This industrial land allotment policy is an important step towards bolstering economic growth and development in the state of Tripura by ensuring transparent and quick access to such land.

The policy is focused on achieving this through the transparent and swift allotment of land for the establishment of industries and other related activities. Provisions in the policy are, therefore, aimed at enabling fair and transparent allocation, keeping in mind overall industrial growth goals.

It is pertinent to mention here that this policy encompasses allotment only for industrial manufacturing units in industrial estates owned/operated by TIDCL.

1.2. Policy Vision, Mission, and Objectives

1.2.1 Vision

The policy envisions that through its implementation, swift and fair access to industrial land in industrial areas/estates of the TIDC is ensured. It will act as a mechanism for fair and transparent land allotment for industrial use.

Besides this, it will aim to ensure judicious allotment of land— a scarce resource, to users based on a holistic view of future development prospects.

In the long-term, the policy also envisions the achievement of inclusive growth by catalysing sustainable industrialisation and subsequent employment generation.

1.2.2 Mission

The **Tripura Industrial Land Allotment Policy, 2024** provides a framework, which, it is expected, will contribute to attracting local, domestic, and foreign investments from a variety of sectors and investors.

The mission of this policy is supporting the improvement of industrial growth outcomes through enhancing competitiveness and creating an enabling environment for industry by addressing a key investor concern— access to industrial land. Its larger vision is to contribute to the establishment of Tripura as a preferred destination for investment in the Northeast region as well as in India, by easing investor experience.

1.2.3 Objectives

The policy has the following major objectives—

- To allot land owned by TIDCL in an **effective, transparent, and expeditious manner**;
- To **facilitate the management and planning of TIDCL's land resources**;
- To **ensure optimal and judicious utilisation of land resources** in Tripura;
- To **contribute to building an investor-friendly business environment** in the state;
- To **stimulate and facilitate better investment outcomes**;
- To **contribute to employment creation** in the long term; and
- To **reserve land in industrial areas/estates for priority sectors** to strengthen them.

1.3. Notification of Industrial Estates/Parks

1. Whenever a new industrial estate is developed by TIDCL, the head office of the agency shall publish news of the same— in one prominent English daily newspaper and two vernacular newspapers which have wide circulation, intimating the launch of the new industrial estate and inviting entrepreneurs to file applications for allotment.
2. The layouts of industrial estates should be posted on the website of TIDCL along with the components of infrastructure planned for the industrial parks/estates. The details of the industrial estates will be updated on a monthly basis on the relevant websites.

1.4. Definitions

In this policy, unless the context otherwise requires, key terms are defined as explained below.

1. **Allotment:** the land parcel/plot given to an investor for the establishment of an industrial manufacturing unit within an industrial estate, on lease.
2. **Allottee:** the person to whom a land/site is allotted under this policy.
3. **Allotment Price:** the amount (exclusive of GST and other applicable taxes) as determined by TIDCL, mentioned in the Provisional Allotment Letter, payable by an allottee towards the allotment.
4. **Anchor Investor:** are defined as first lead investors in an industrial park whose brand value and potential for backward and/or forward linkages can stimulate further investment in the industrial park/estate. An anchor industry shall be considered as one that brings a minimum investment of INR 50 Crore and employs more than 100 persons.

5. **Annual Lease Rent:** the annual rent charged to a lessee during lease term.
6. **Applicant:** a person/group of persons (under the Indian Partnership Act (1932)) or a company registered under the Companies Act or Limited Liability Partnership Act (2008), or Cooperative Institution, or a body incorporated under any Act, who has made an application in the fashion prescribed by TIDCL seeking an allotment in a TIDCL industrial estate.
7. **Commercial production:** refers to the stage when a unit commences the production process for a product at a scale and efficiency sufficient for sale in the market.
8. **Detailed Project Report:** part of the application to be submitted by those seeking allotments. It will provide a detailed justification of the extent of the premises applied for with break-up, details of premises already possessed, whether the premises are required for re-location or shifting or expansion purposes, manufacturing processes, proposed installed capacity, power and water requirements etc.
9. **Extension of Timeline (EoT):** where an allottee seeks an extension of timeline (EoT) for the implementation of their project. Here, an application shall be made in case of incomplete/non-implementation. The same will be scrutinized and approved by members of the SAC/ representatives of TIDCL.
10. **Frontage charges:** an added premium for land parcels/plots, facing/abutting National Highways (NHs)/Service Roads parallel to NHs; State Highways (SHs) or the Service Roads parallel to the SHs; and District/PWD roads, or service roads parallel to District/PWD roads in TIDCL estates, or at an advantageous elevation.
11. **Implementation:** where an allottee's unit has been fully implemented and has commenced commercial operation to the capacity indicated in the project report submitted as part of the allotment application, and fully utilizes the plot/land allotted for the purpose for which it was allotted as envisaged in the project report.
12. **Industrial Estate:** industrial park/land parcel/sheds/Special Economic Zone (SEZ), or spaces developed or possessed by TIDCL for allotment.
13. **Industrial Park:** an estate developed primarily for establishment of industrial units to manufacture any product or provide a service, and having basic infrastructural facilities like developed plots, internal roads, water distribution facilities, sewage facilities, power distribution systems, common effluent treatment facilities, communication facilities and such other facilities/services as may be required. This includes both Industrial Parks and Industrial Areas.
14. **Land Development Cost:** to be paid by an applicant during time of application to help TIDCL recover expenditure on developing land and infrastructure in TIDCL estates.
15. **Lease:** (of immovable property) is a contractual agreement for transfer of a right to enjoy such property, made for a certain time, express or implied, or in perpetuity, in consideration of a price paid or promised of money, service or any other thing of value to be rendered periodically or on specified occasions to the transferor by the transferee.
16. **Lease term:** The period for which a plot is assigned to an allottee.

17. **Managing Director:** the officer designated as the Managing Director of TIDCL.
18. **Maintenance Charges:** comprising expenditure on maintenance of park infrastructure, user fees for common facilities (such as CETPs/ETPs etc.) as fixed and periodically revised by PFC.
19. **Mega Investor:** is defined as an investor in an industrial park with potential for backward and/or forward linkages in the industrial park/estate, bringing a large investment. A mega investor shall bring a minimum investment of INR 100 Crore and employ more than 100 persons.
20. **Micro & Small Investors:** Based on investments in plant/machinery and turnover, micro and small investors can be defined as such—

Category	Micro	Small
Investment in Plant and Machinery or Equipment	Not more than INR 1 Crore	Not more than INR 10 Crore
Annual Turnover	Not more than INR 5 Crore	Not more than INR 50 Crore

21. **Net Leasable Plotted Area:** the area comprising the total extent that can be allotted on lease as per the layout. This excludes, greenery, roads, open area and utilities (such as treatment plant, water, power etc.).
22. **Premium plot/s:** certain earmarked parcels of land within an industrial park based on advantages they enjoy owing to location, topography, elevation, and accessibility and are abutting roads (whether National Highways/State Highways/major district roads etc.). A frontage charge is levied on these (see point 9 above).
23. **Price Fixation Committee:** a committee comprising relevant TIDCL personnel and external personnel with subject-specific technical expertise that is responsible for recommending leasing rates for land parcels/plots in TIDCL-owned industrial estates.
24. **Screening & Allotment Committee (SAC):** a committee responsible for providing approval for allotment after due scrutiny of applications (including DPRs etc.) for allotment., as appointed by TIDCL.
25. **Special Economic Zone (SEZ) :** each Special Economic Zone notified under the proviso to sub-section (4) of section 3 and sub-section (1) of section 4 (including Free Trade and Warehousing Zone) and includes an existing Special Economic Zone under Special Economic Zones Act, 2005.
26. **Sub-Leasing of Leased Plots:** this is when an original tenant (allottee) wishes to rent out the allotted plot or part of it to another, but the original tenant remains in the lease agreement.
27. **Thrust Sector Investors:** Such investors will be those looking to set up industries within the thrust or focus sectors identified by the Govt. of Tripura. These sectors include – industrial units using rubber, bamboo, agricultural and horticultural produce, and natural gas as their major raw materials during production; tea manufacturing; agar oil

extraction; industrial units using plastic/ e-waste as major raw materials during production; municipal waste processing; packaging material manufacturing; agro-waste processing; industries using/manufacturing biodegradable plastic; industries making cutlery items using areca nut leaves/bamboo; and pharmaceutical units.

28. **TIDCL:** Tripura Industrial Development Corporation Limited (TIDCL) refers to the nodal agency responsible for developing and managing the industrial areas/estates in Tripura.

2. Pre-Allotment Procedures

In this section, the procedures to ensure the ready availability of industrial land, at fair rates and in a timely manner, have been laid out.

2.1. Price Fixation in TIDCL Zones

1. It is important that leasing allotment rates be affixed to ensure the sustainability of TIDCL industrial parks/estates/area/SEZ as this ensures the recovery of the costs incurred by the body in acquiring land and developing the same.
2. For this, TIDCL shall constitute a **Price Fixation Committee (PFC)** comprising:

S No.	Designation
1	Managing director (TIDCL)
2	Additional Director, I & C Dept.
3	Officer on Special Duty (TIDCL)
4	Superintendent Engineer , TIDCL
5	Revenue Department Official (Govt. of Tripura)
6	Any other expert/ association member recommended by MD

3. The roles and responsibilities of this PFC are to be as follows–
 - To recommend leasing rates for land parcels/plots in industrial estates/SEZ developed/ possessed by TIDCL.
 - Ascertain premium to certain parcels of land within an industrial park/estate/SEZ based on location, accessibility and other similar parameters. The identification of such premium plots shall be done during the planning stage of the park/estate itself.
 - To periodically update the leasing rates of land parcels/plots.
 - To recommend applicable rate of administrative charges and user fees for common infrastructure, from time to time.
 - Verifying demand reports submitted by industrial estate management/domain experts as and when required (such reports are required to be submitted with layout status along with the required budget for all works envisaged in an upcoming Financial Year to the PFC).
 - To review the project progress of infrastructure works on a quarterly basis. Progress reports must be submitted to the PFC in this regard.
 - To review the project implementation status of all live allotments on a monthly basis. Progress reports must be sent to the PFC every fortnight in this regard.
 - Recommend corrective action to TIDCL as and when required, to improve land offtake outcomes etc.

- Post approval by TIDCL, from time to time, allotment rates and leasing rates for all industrial parks/estates/SEZ are to be placed before the Board of TIDCL for information and shall be updated every month on the websites of TIDCL/the Industries Department and the SWAAGAT portal.

The PFC is a **recommendatory body** and TIDCL may approve or modify the recommendations of the committee, mandatorily recording cogent reasons for the same.

2.1.1. Estimation of Plot Prices

1. Lease rates should be affixed in a way that not only helps TIDCL recover the costs of acquiring, developing, and operating and maintaining industrial lands while also incentivising investment into industrial estates. For this, a **differentiated cost-plus approach** can be adopted towards pricing.
2. The following components can be considered in affixing leasing rates for land parcels in TIDCL's industrial estates—
 - a. **Land acquisition costs:** this would include all costs incurred in the acquisition of land, rehabilitation and resettlement costs (if any), and any other costs borne during land acquisition such as for legal processes etc. In cases where these costs are absent/negligible, the circle rate should be considered for the total area acquired, as periodically revised and published by the Govt. of Tripura.
 - b. **Internal infrastructure cost:** this would include not only the cost of civil works (such as roads, power and water supply, and waste management facilities) and the cost of developing other critical infrastructure components, but associated costs like approval charges, statutory charges such as land conversion as well.
 - c. **Administrative, Financing Cost and other Charges:** costs on salaries of only those employees associated directly with industrial estates, administrative expenses etc.
 - d. **Cost of capital:** any interest costs for funds borrowed to develop an industrial estate.
 - e. **External development costs & unforeseen expenditures:** costs incurred in improving connectivity to key gateways and availability of utilities etc. and a shield over and above to reduce the risks due to unforeseen expenditures.
 - f. **Frontage charges:** to be levied on 'premium plots' that face/abut National Highways (NHs)/State Highways (SHs)/corporation roads/service roads etc.
 - g. **Profit:** includes the opportunity cost/returns the agencies expect in return for development of parks.
 - h. Grants, concessions, rebates received from the Govt. of India or the Govt. of Tripura for acquisition/development of industrial land will be deducted (subject to release of funds/grants etc. under various periodic schemes).
 - i. An escalation rate of 20% will be levied on the lease amount for allottees every three years. A rate of 20% has been considered as inflation typically proceeds at 6%

annually in India. Thus, over three years, the escalation has been taken to be 20%.

3. **Thus, keeping in mind the various considerations outlined above, the determination of annual lease rent can be done in the following way-**

a. **Determination of annual lease rent:** Based on the parameters listed above, the annual lease rent can be estimated.

i. In order to estimate **land cost** per sq. m, the total cost of acquiring land for and developing the industrial estate can be divided by the total leasable area available:

$$\text{Land Cost per sq. m} = \frac{\text{Total Cost}}{\text{Total Leasable Area}}$$

NOTE: Here, **total cost** will comprise the following components:

- a. Land Cost
- b. Infrastructure Cost
- c. Cost of Capital
- d. Frontage Charges
- e. Profit

ii. Now, to implement differential pricing, the amount to be paid by different categories of allottees needs to be estimated. For this, allottees can be categorised into two blocks, based on length of lease terms. These are **long-term allottees** (a minimum of 20 years; up to 30 years) and **short-term allottees** (a minimum of 10 years).

Example of calculation of lease rent amount to be paid:

Average Land Cost x Lease Period (No. of Years)

Total Project Time (Years)

1. **Estimation of amount payable by long-term allottees:** Assuming that long-term allottees will typically be anchor and mega investors with a lease period of 30 years, and assuming the total maximum project lifecycle to be 60 years, long-term allottees would pay:

$$\frac{\text{Average Land Cost} \times 30}{60}$$

2. **Estimation of amount payable by short-term allottees:** Assuming that short-term allottees will typically be SME units/small-sized thrust sector units with a lease period of 10 years, and assuming the total maximum project lifecycle to be 30 years, short-term allottees would pay:

$$\frac{\text{Average Land Cost} \times 10}{30}$$

- iii. To further incentivise land off-take, the basis for the average land cost can be altered for different investor categories. For this, costs comprising the total land cost can be categorised into **mandatory** and **additional costs**, based on their nature. This categorisation will help clearly highlight which costs may be recovered from which category of investors.
- **Mandatory costs:** this will cover the cost of land borne by TIDCL, cost incurred towards land acquisition proceedings, and rehabilitation and resettlement costs, if any, as per government norms. It will also cover internal infrastructure costs including statutory charges and estimated/actual cost of civil works.
 - **Additional costs:** this will cover cost of capital (interest rate), administrative charges, and frontage charges. In cases where the method of development of an industrial park is through external borrowing, the cost of capital may be higher than for those developed through budgetary support.

The table below provides an illustrative framework for the calculation of total costs for different investor categories.

Component	Anchor tenants & Mega investors	Micro- and Small-Scale Investors (SMEs)	Thrust Sector Units	Non-Industrial & Industry Related Commercial Units	General Allotment
Land Cost including R&R cost					
Infrastructure cost					
Cost of Capital (Interest)					
Frontage Charges					
Maintenance Charges					
Profit					
Final Lease Rent (INR Cr.)	X	Y	Z	A	B
Compulsory		Optional			

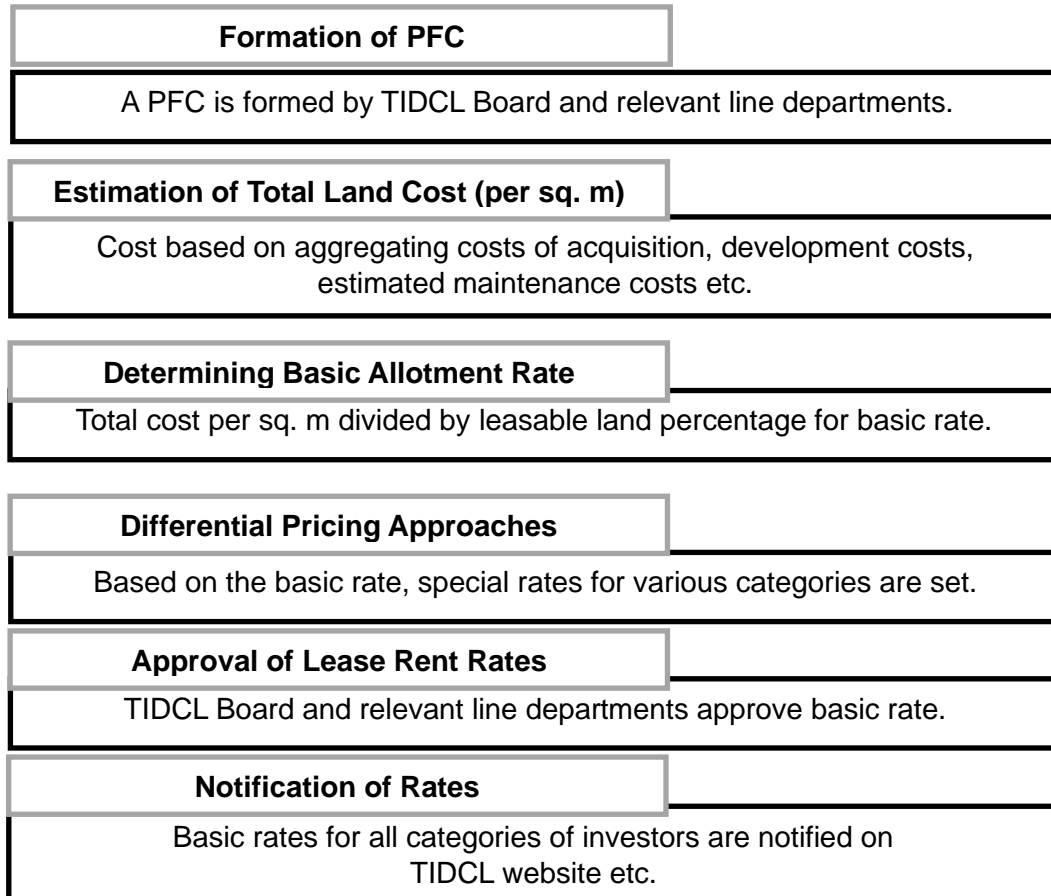
To estimate an average lease rate:

$$\text{Average lease rent} = (X + Y + Z + A + B) \div 5$$

NOTE: In exceptional cases, such as on the recommendation of the Govt. of Tripura, further concessions may be considered for special investors.

- b. An annual **cost audit** will be performed with the help of third-party agencies who will benchmark the developmental costs of TIDCL with respect to each industrial park in the state. The annual cost audit report will be presented by the MD, TIDCL before the board for necessary ratification.

c. Thus, the price fixation process can be summarised as follows—



Following the calculation of lease amounts based on an average land lease rent, allottees will be required to pay a portion of this total amount upfront, with the remaining being paid in instalments annually, over their lease terms, subject to a three—yearly escalation of 20%.

2.1.2. Categories of Investors

1. **Anchor tenants and Mega Investors:** anchor units are defined as the first lead investors in an industrial park whose brand value and potential for backward and/or forward linkages can stimulate further investment in the industrial park/estate. Thus, an anchor industry shall bring a minimum investment of INR 50 Crore and employ more than 100 persons.

Mega investors are defined as investors in an industrial park with potential for backward

and/or forward linkages in the industrial park/estate bringing a large investment. Thus, a mega investor shall bring a minimum investment of INR 100 Crore and employ more than 100 persons.

These units will be provided the required land for their proposed projects on the basis of DPR appraisal (submitted as part of e-applications). Keeping in mind the overall industrial development goals of the state, such tenants can also be invited to invest in TIDCL industrial estates based on recommendations from the Govt. of Tripura.

Such investors/tenants would typically have leases falling under the long-term lease bracket.

2. **Micro- and Small-scale Investors:** Such investors can be defined using the categorisation parameters used by the Government of India, based on the size of investment in plant and machinery/equipment or annual turnover. Currently, this is done in the following manner–

Category	Micro	Small
Investment in Plant and Machinery or Equipment	Not more than INR 1 Crore	Not more than INR 10 Crore
Annual Turnover	Not more than INR 5 Crore	Not more than INR 50 Crore

The typical lease term for such units would be a minimum of 5 years, falling under short-term leases.

3. **Thrust Sector Investors:** Such investors will be those looking to set up industries within the thrust or focus sectors identified by the Govt. of Tripura. Their lease terms will be determined based on the size of investment/projected employment generation.

Currently, thrust sectors identified by the Govt. of Tripura include– industrial units using rubber, bamboo, agricultural and horticultural produce, and natural gas as their major raw materials during production; tea manufacturing; agar oil extraction; industrial units using plastic/ e-waste as major raw materials during production; municipal waste processing; packaging material manufacturing; agro-waste processing; industries using/manufacturing biodegradable plastic; industries making cutlery items using areca nut leaves/bamboo; and pharmaceutical units.

4. Basis the categorisation above, the following table provides an alternative illustrative incentive-based approach to affixing total lease amounts based on average lease amount (to be estimated as elaborated in Section 2.1.1)–

Pricing approach – illustrative	Incentive range (of the average lease rental amount)	Land area under the scheme (of the total industrial area)
Anchor and mega investors	35-50%	20-30%
SEZ investors	35-50%	10-20%
Early Bird	25-50%	5% -10%
Priority Sectors/Ecosystem developers	15-25%	20-30%
General	0%	30-50%

2.2. Lease Terms for Units

While land allotment policies in India typically provide investors a period of 90 to 180 days from the date of provisional allotment complete allotment payments, a lease-based model that reduces upfront capex costs for manufacturing investors through flexible payment options can act to incentivise investments.

For example, where the total lease amount for an allottee is INR 10 crore, as per the current land allotment rates, instead of mandating that the entire payment be made within 90 to 180 days, a flexible payment option can be provided. Here, 10% of the payment can be done upfront with the balance (90%) being paid in periodic instalments.

Thus, this policy provides guidelines through which this can be achieved. The table below provides an illustrative approach for such an approach.

Category of Investor	Payment Options	Remarks
Anchor & Mega Investors	<ul style="list-style-type: none"> • A minimum upfront payment ranging from 30% to 50% of the lease amount may be charged. • The balance amount can be paid in periodic instalments, following the commencement of commercial production. 	<ul style="list-style-type: none"> • The minimum upfront amount needs to be paid within 30 days of the issuing of the provisional allotment letter. • The payment of the balance amount can be deferred for a maximum of 5 years.

Thus, allottees will be expected to pay 30-50% of the total lease amount upfront. The balance

amount will be paid in annual instalments over the lease period, subject to a three-yearly escalation of 20%.

2.3. Identification of Premium Plots: Frontage Charges

The PFC will identify certain parcels of land within an industrial park based on location, accessibility, demand and other similar parameters. These shall be earmarked during the planning of the industrial park itself.

1. A frontage charge shall be levied on plots which are surrounded by roads in following manner—
 - If the allotted plot is surrounded by approach roads on two sides, then 2% of the prevailing land rate will be charged as premium;
 - If the allotted plot is surrounded by approach roads on three sides, then 5% of the prevailing land rate will be charged as premium;
 - If the allotted plot is surrounded by approach roads on four sides, then 10% of the prevailing land rate will be charged as premium.
 - Contiguous plot on flat terrain: keeping in mind the topographical challenges of Tripura, for allottees securing flat plots that do not require land filling, 6% of the prevailing land rate will be charged as premium.
 - Plots with advantageous elevation: as investors prefer plots with advantageous elevation, 10% of the prevailing land rate will be charged as premium for plots at an elevation higher than surrounding ones.
2. If one or more plots are allotted to a single allottee and either of the plots are surrounded by roads on any side, then the premium is to be collected as applicable i.e., 2%, 5% and 10% treating entire allotment as single plot.

For instance, if plots 1 to 4 are allotted to a single allottee and either of the plots are surrounded by roads then premium has to be collected on the prevailing land rate of the four plots put together.

3. This frontage charge will be charged as part of the total lease rent amount to general allottees and non-industrial and industry related commercial units (where applicable) and can be excluded for other categories.

2.4. Maintenance & Administrative Charges

1. The initial cost of maintenance shall be at the rate as determined by Price Fixation Committee on a per sq. m per annum basis which will be collected **after implementation of an allottee's project.**

2. At the beginning of the financial year, the PFC is entitled to revise the maintenance charges per acre per annum, for industrial and commercial units based on a benchmarking of maintenance charges levied in other comparable parks outside the state.
3. Additionally, the PFC will also decide the charges to be levied on common facilities such as CETPs, WTPs, ETPs etc. These funds will be allocated to be used for maintenance of the industrial park.
4. Maintenance charges will be collected from all units existing within TIDCL-developed industrial parks for the purposes of maintenance and upkeep of the assets created by TIDCL in such parks.
5. Further, TIDCL may choose to appoint domain experts for the development and operation of gap infrastructure through private player participation on a DBFOT model or any other appropriate model.
6. Non-payment on due date will automatically entail an interest of 12% per annum or such other rate as may be prescribed from time to time.

3. Allotment Stage Procedures

In this section, the allotment procedures for industrial land in TIDCL industrial estates have been provided.

3.1. Method of Allotment

Allotment in TIDCL industrial parks/estates by lease for a term not exceeding 30 years will be done based on an online application and a physical application which will be scrutinised by a Screening and Allotment Committee (SAC).

3.1.1. Screening & Allotment Committee

1. TIDCL shall constitute a **Screening and Allotment Committee (SAC)** comprising:

S No.	Designation
1	Managing director (TIDCL)
2	General Manager (Land Allotment Dept.)
3	Superintendent Engineer (TIDCL)
4	DIC representatives
5	Executive Engineer (TIDCL)

2. The SAC shall screen applications of prospective allottees and subsequently provide approval for land allotment following the initial screening.
3. This committee will have the power to also appoint any external agency it deems necessary for the review of applications of project plans etc. submitted by investors.

3.1.2. Allotment Procedures

1. An applicant will be required to first register itself with TIDCL on its website/the SWAAGAT portal with a valid email-id and mobile number. The prospective applicant shall file an online application after registering and then submit the necessary documents/information and pay the requisite **processing fees** and **token amount** online, as may be indicated on the Tripura's single window website.
2. Applicants, whose applications are complete and in order, will be invited for interview before the SAC within 7 (seven) days from the date of a completed submission thereof. Selection of the applicant for an interview will also be based upon parameters as may be prescribed by TIDCL, reviewed periodically. Information as to the outcome of the interview (accepted/rejected/deferred) will be available on the TIDCL website.

3. After sanction of the application, a provisional allotment letter in the form as may be prescribed by TIDCL on its website will be issued in favour of the applicant within 10 (ten) days. A plot will be allotted on an “as is, where is” basis.
4. In case the application is rejected, the **token amount will be refunded to the applicant** upon a claim being made by the applicant for such refund. In case an application is rejected after a period of 30 (thirty) days from the date of complete submission of documents, the token amount will be refunded to the applicant with an interest as per the savings account interest rate as prescribed by the State Bank of India, which shall be computed after the 30th (thirtieth) day from the date of complete submission of documents by the applicant, up to the date of intimation of rejection to the allottee.
5. **Allotment by Auction:** In some cases, TIDCL may choose to allot plots through auction as well. For this, either a traditional auction or an e-auction may be conducted. The notification of the auction is to be published in a vernacular daily and two English dailies with wide circulation. Details of the same will also be published on the TIDCL website and the SWAAGAT portal. The date, and venue in case of a traditional auction, will be declared in the notification.

After interested investors have registered themselves on the TIDCL website for the auction, they must attend the auction. The highest bidder will then be chosen. Following this, the selected bidder must follow the application procedure set out for all other investors.

6. **Allotment by Special Invitation:** TIDCL may invite certain applicants or certain categories of applicants to apply for allotment of certain special categories of plots in their favour. This can include considerations such as-
 - a. Potential for growth
 - b. Size of investment
 - c. Sector-specific advantages
 - d. Support for entrepreneurs from marginalized sections
 - e. On recommendations of the Govt. of India/ Govt. of Tripura (PSUs etc.)

Such applicants will also have to apply through the online application process after invitation and subsequently appear for an interview before TIDCL. Here, plots will be allotted on an “as is, where is” basis.

3.2. Application Process for Investors

Applications for allotment of premises in TIDCL industrial parks/estates shall be made to the Managing Director of the TIDCL through the officer in-charge of allotment of premises under the body in the prescribed format.

1. Application for allotment of premises in industrial estates for industrial purpose for industries shall be made online (TIDCL website).
2. Prospective investors may **only** file applications through the prescribed online portal.
3. An investor facilitation cell comprising personnel appointed by TIDCL, the state Industries Department, and DICs shall assist in the uploading of online applications, where required.
4. Separate applications will need to be filed in case one applicant seeks allotment at different industrial estates. The necessary attachments should also be filed separately along with each application.
5. Applications are not transferable from one industrial estate to another, and any such request is to be treated afresh (requiring a separate application).
6. The applicant shall also submit as part of the **applications** along with DDs/NEFTs for security deposit and non-refundable application fees and other relevant documents, a **project report** and **entrepreneurs memorandum part I/II** etc. within a period of seven (07) calendar days in respect to applicants residing in India from the date of e-filing, and 15 (fifteen) calendar days from the date of e-filing for applicants residing outside of India.
7. Prior to filing an application, prospective applicants may also visit the industrial estate in question to select a plot, if so desired, that meets their specific needs. Upon the discretion of TIDCL, this plot may be earmarked for the applicant for a period of **30 days** within which a completed application will need to be submitted for successful allotment.

3.2.1. Documents for Applications

The following documents will need to be attached with applications seeking allotments in TIDCL industrial estates:

1. Online application form duly signed by applicant/authorised person;
2. Valid DD towards a security deposit;
3. Valid DD towards a non-refundable processing fee;

4. All attachments/enclosures shall be attested by the authorised person.
5. Authorisation letter, wherever necessary.
6. **Detailed project report** with a process flow chart justifying the extent of the premises applied for with break-up, details of premises already possessed, whether the premises are required for re-location or shifting or expansion purposes, manufacturing processes, proposed installed capacity, power and water requirements etc. for the project. The table below provides the specific elements that must be included-

S. No.	Elements to Be Covered in DPR
1	Investor's background including qualification and experience
2	Details of premises already possessed, whether the premises are required for re-location or shifting or expansion purposes
3	Details of items to be manufactured/services rendered and the marketing potential of the same
4	Land area applied for and tentative break-up of possible areas
5	Plan layout
6	Implementation schedule
7	Product process flowchart
8	Projected cash flow statements
9	Total investment detail including investment in technical and non-technical civil work, plant & machinery, and requirement of working capital
10	Sources of finance for the proposed project
11	Projected employment details
12	Power requirement
13	Water requirement
14	Natural Gas requirement
15	Estimated waste generation and details of nature of waste
16	Balance sheets for the last three years of the Applicant Company with necessary resolutions, documents concerning financial /technical support as certified by a Charter Accountant where/if applicable
17	Registration documents depending on types of organization viz. Proprietorship, Partnership, Trust, Private/Public Limited Company, etc. along with certified copies of the Partnership Deed, Memorandum and Article of Association and other relevant documents, as applicable.

1. **Plant/machinery layout** of the proposed project and details of **greenery/common areas to be maintained** as per the norms of the concerned authorities, if any.

2. **Copy of Partnership Deed** in case of existing partnership firm. In case of proposed partnership firm, it should be stated that promotor of proposed partnership firm giving the names and full addresses of all the partners.
3. A copy of **Memorandum and Articles of Association** in case of Limited Companies and a copy of resolution authorising the applicant to apply on behalf of the company; and ROC certificate, if the application is made in the capacity of a promotor of a proposed company. If a promotor makes the application, the same should clearly be stated as promotor or proposed private/public limited company, and names and full addresses of all the promotors may be indicated.
4. If an application is being made on behalf of a group of companies and if at the time of filing the application, it is not known as to whether one of the existing companies or a new private/public company from the group will implement the project, the applicant should clearly mention this in the application form and also enclose a list of the companies of individuals with full addresses who are likely to take part in implementation or promotion of the new company.
5. In case of co-operative companies/societies registered under the Societies Registration Act, similar details as in the case of a limited company may be furnished.
6. Self-certified copy of address proof in case of proprietary firm or partnership firm, Aadhaar card, electoral card, valid driving licence and self-certified copy of PAN card.
7. Two photographs of the applicants in case of proprietary firm or partnership firm and authorised person in case of company.
8. Entrepreneurs' memorandum part I/ part II (SSI Registration Certificate)/Udyog Aadhaar issued by the District Industries Centre or any other relevant certificate.
9. Technical education/qualification of entrepreneurs/promotors.
10. Caste certificate issued by competent authority in case of SC/ST entrepreneurs.
11. Self-employment registration in case of self-employed entrepreneurs; discharge certificate in case of Ex-service men.
12. For allotment of land in SEZ, the applicant will be required to obtain letter of approval from Development Commission defined under the Special Economic Zones Act, 2005.
13. Any other relevant document deemed fit by the Corporation in support of the application.

3.3. Payments at the Application Stage

The following payments need to be made by applicants at the time of the submission of the application–

1. **Processing fee:** a non-refundable processing fee will be paid by the applicant at the time of the submission of the application for allotment. This will be 1% of the Land Development Cost, with a ceiling of INR 5 Lakh, for each application.

2. **Security Deposit:** 5% of the prevailing average lease rate will be paid by the applicant as a refundable security deposit amount. This deposit is refunded in the following situations—
 - When an application is rejected prior to allotment;
 - When an allotment of a plot of a size not matching the size in the application is made and the alternate plot is rejected by the applicant within **one (01) month** of the acceptance of the application;
 - When an applicant withdraws an application prior to plot allotment;
 - When an applicant's unit commences commercial production, and the applicant notifies TIDCL of the same.
3. **Lease Rent Amount (where applicable):** Keeping in mind the flexible payment approach outlined above, tenants will have to pay the lease amount for one year upfront. This will need to be done within 30 days of the issuing of the provisional allotment letter for successful applicants.

3.4. Method of Assessment of Applications

1. The applications filed online will be examined and assessed by the SAC, TIDCL, or persons authorised by the MD, TIDCL, which will then be forwarded to the relevant authority for the issuing of final allotment.
2. Based on the scrutiny and approval of the SAC, the MD (TIDCL) will provide final approval for allotment which will be followed by selection of Plot/Site by an applicant is done.
3. The submitted DPRs will be assessed on the following parameters –
 - Financial credibility;
 - Viability of proposed project;
 - Innovative projects – such as in sectors of green/clean energy;
 - Industrial background and experience of the applicant;
 - Nature of industry/production– whether export-/import-oriented;
 - FSI consumption;
 - Employment generation; and
 - Overall convergence with industrial environment and growth goals of the state.
4. Incomplete applications filed online shall be rejected by TIDCL and the applicants will be informed of the reasons for rejection. However, such a rejection is not a disqualification.
5. Subject to the viability of the proposed project, applications received shall be categorized based on two considerations:
 - Based on **scale of investment** and **size of unit**: anchor units; mega investors; SMEs

- For **special category applicants** including SC & ST applicants, entrepreneurs from ex-servicemen category, subject to production of necessary evidence of having served in the military/auxiliary services; allottees who have established the industries in the allotted land fully and seek land for adjoining/nearby premises for expansion of their existing units in the same industrial parks where such expansion involves a minimum of 25% of the original installed capacity; women entrepreneurs; project proposals for state focus sectors.
6. Based on the recommendations of the SAC, TIDCL will take a decision for allotment on the basis of criteria such as financial viability of the proposed project, green category industries, justification for land sought, investment to be made, and employment to be created, Foreign Direct Investment (FDI), export-oriented units etc.
 7. When multiple applications are received for same plot(s), priority shall be given to applicants seeking the expansion of an existing unit.

3.5. Provisional Allotment Letter & Agreement to Lease

A provisional letter of allotment will be issued to applicants after approval of applications.

1. A provisional allotment letter should indicate the details of premises, extent, purpose of allotment, and value of the allotment.
2. A copy of site plan shall also be attached along with the provisional allotment letter.
3. A provisional allotment letter should be despatched to the address of the allottee by registered post with acknowledgment due or handed over in person to the allottee under proper acknowledgment. A copy will also be sent through the registered email of the allottee, within five (05) working days from the date of approval of application.
4. After the issuing of the provisional letter of allotment, an **agreement to lease** will be signed. Only after the completion of all civil works as detailed in the DPR for a unit will the execution of lease deed proceedings commence.

3.6. Project Implementation Timelines & Compliance Guidelines for Tenants

1. The allottee shall take all steps necessary for the implementation of the project and file such papers in evidence of implementation, like applying or securing approval of building plan, power supply, sanction of term loan, consent for establishment from Tripura State Pollution Control Board or any other relevant document related to approvals/permissions.
2. The timelines shall be calculated from the date of handing over of possession.
3. Allottees should implement the project in the allotted plot, for the purpose for which it was sold/leased, **within the stipulated period of taking possession** and go into commercial production.

4. Allottees must submit **quarterly reports** to the industrial estate management about implementation progress.
5. Inspection of the premises will be conducted at least once in 3 months to verify progress and assess the progress of implementation and record their findings in the form prescribed.
6. Records will be maintained of allotted plots, approvals being sought and received by the entrepreneurs, adherence to the timelines by these entrepreneurs. Monthly and quarterly reports will be produced on the same and submitted to the TIDCL for decision making in cases where extensions of time for implementation are sought.
7. Further, the project implementation status across TIDCL industrial parks will be categorised as follows–

S. no	Category	Implementation Status
1	R3	Land Allotted
1.1	R3a	Land application filed + Payments (Security deposit, application fee, frontage charges where relevant, and lease amount)
1.2	R3b	Provisional Allotment letter & Agreement to Lease issued
1.3	R3c	Commencement of Payment
1.4	R3d	Possession handing over
1.5	R2	Land in possession of company and other approvals in progress
1.6	R1	Land in Possession of company and approval obtained
2	G7	Civil works commenced and machinery ordered for
2.1	G6	Civil works completed (as detailed in DPRs)
2.2	G5	Machinery Erected
2.3	G4	Commenced Trial Production
2.4	G3	Gone in to production
2.5	G2	Final Allotment Order
2.6	G1	Execution of Lease Deed
3	C1	Final show cause Notice for cancellation
3.1	C2	Cancellation Order issued
3.2	C3	Plot/ Land Resumed
3.3	C4	Restoration of allotment after cancellation
3.4	C5	Restoration of allotment after resumption
3.5	C6	Deed of cancellation executed and refunded

3.6.1. Plots for Mega Investors/Anchor Tenants

The timelines outlined below are to be enforced from the date of the physical possession of plots/land.

Land Extent	All statutory approvals & building plan	All civil works	Installation of plant and machinery	Trial Production	Commercial Production
More than 10 acres (anchor tenants/mega investors)	1 Month	8 Months	10 Months	12 Months	15 Months

3.6.2. Medium-sized Plots

The timelines outlined below are to be enforced from the date of the physical possession of plots/land.

Land Extent	All statutory approvals & building plan	All civil works	Installation of plant and machinery	Trial Production	Commercial Production
More than 1 acre, less than 10 acres	1 Month	8 Months	9 Months	10 Months	12 Months

3.6.3. Small-sized Plots

The timelines outlined below are to be enforced from the date of the physical possession of plots/land.

Land Extent	All statutory approvals & building plan	All civil works	Installation of plant and machinery	Trial Production	Commercial Production
Up to 1 acre	1 Month	6 Months	9 Months	10 Months	12 Months

3.7. Extension of Implementation Timeline & Penalty for Non-Implementation

1. Allottees seeking an extension of timeline (EoT) for the implementation of their respective projects shall make an application in case of incomplete/non-implementation. All applications for extension of timelines (EoTs) for the implementation of projects shall be scrutinized and approved by members of the SAC/ representatives of TIDCL.
2. Any allottee who has not implemented the project as per the timelines, shall have to pay the following penalties for an EoT:

Case Type	Land Extent	Duration of Extension	Penalty
In industrial parks where Infrastructure development promised by TIDCL as per the final allotment letter is not completed and the allottee is unable to implement their project due to the non-completion of infrastructure works OR Any Government Order released from time to time	All Extents	Up to an additional six months (6 months). Any further extension shall be subject to relevant approval from TIDCL.	No Penalty
Implementation stage: Between R2 to G2 (implementation phases).	All Extents	Up to 3 Months	Penalty of 1% of the prevailing TIDCL average lease rate to be paid before extension
		Up to 6 Months	Penalty of 2%(i.e., 1% +1%) of the prevailing TIDCL average lease rate to be paid before extension
		Up to 12 Months	Penalty of 4% (i.e., 2%+1%+1%) of the prevailing TIDCL average lease rate to be paid before extension

3. Thus, non implementation is of two types:
 - Not taking effective steps for acquiring the necessary approvals and commencement of site preparation from the date of handover of the possession either on original allotment or within 30 days of granting the EoT for implementation.
 - Non-implementation of the project as per DPR submitted, within 12 months and failure to commence commercial production.
 - For any allottee seeking delay condonation where implementation delay is more than 1 year, TIDCL shall levy an additional penalty of 0.5% of prevailing TIDCL lease rates per year of delay along with the EoT penalty for 12 months as stated above. If the delay is within 1 year (12 months), penalties shall be levied as per above table.
4. **Monitoring of implementation of the unit/ project post EoT approval:**
 - Effective steps shall be taken by all allottees within 2 months of approval of EoT for the plot.
 - One reminder notice shall be issued to all allottees "before 6 months of the implementation due date" as a reminder of the approaching date of implementation.
 - A mandatory "**Show Cause Notice (SCN)** for Cancellation due to not taking effective steps or non-implementation" shall be issued to allottees within 30 days of the completion of the above period, i.e., completion of the 3-month/6-month periods for effective steps for implementation and site preparation as the case may be and on the completion of the implementation due date whether original or extended.
 - The relevant legally agreed conditions related to cancellation on non-implementation in the Lease Deed shall be clearly mentioned in the Notice.
5. **Response of the allottee for the SCN:**
 - If the allottee has not responded within 15 days of the serving of the SCN for cancellation or if the response is absolutely not satisfactory, i.e., not taking any effective steps and keeping allotment plots vacant without any justification, within 15 days of the Show Cause Notice(SCN), this will lead to **automatic cancellation** of the allotment.
 - In case the allottee has taken effective measures and the justification is found to be satisfactory, the SCN along, with the explanation may be placed before the MD, TIDCL for the allotments made at the state-level and this shall be placed in the SAC meeting for necessary confirmation within 30 days of the response from the allottee. If confirmed, extended implementation date with necessary EOT fees shall be taken. In such case the EOT process shall take effect.
 - In case the justification furnished by an allottee is found to be unsatisfactory, a **Cancellation Order** shall be issued immediately duly mentioning the provision for representation/making appeals within 60 days of the cancellation orders to the MD, TIDCL.

6. **Timeline for payment of EoT penalties:** The allottee is required to pay the penalties levied **within 15 days** from the date of issuance of EoT. In case the allottee fails to pay within 15 days, the timeline for payment shall be extended for an additional 15 days at a 9% interest.
- Review meetings by the SAC shall commence on every 20 days. In case of holidays, the next working day shall be considered.
 - In cases where allotment size is **below 5 acres**, the SAC to examine the case shall comprise DIC personnel with one TIDCL representative.
 - In cases where allotment size is **above 5 acres**, the SAC to examine the case shall comprise DIC personnel and MD (or appointed representative/s) of TIDCL.
 - In case the allottee fails to pay the penalties levied within the stipulated timeline, **cancellation cum resumption orders** shall be issued within 5 days from the expiry of the due date for the payment of penalties.
 - After such cancellation and after execution of cancellation deed, no restoration of allotment shall be considered, and the plot shall be put into vacancy for fresh allotment.
 - These EoT conditions shall be applicable for all units, i.e., industrial and non-industrial units.
7. **Resumption Premium for Non- Implementation of the project:** In cases where the notice for the resumption of a plot/land parcel allotted is issued, as per the terms of the cancellation order-cum-resumption notice, no request for restoration from the defaulting allottee shall be entertained and the applicant shall be advised to re-apply for premises through a new application.
8. A notice shall be issued in the daily newspaper declaring that the said premises have been resumed and available for fresh allotment. Under no circumstances will restoration of premises be considered.
9. **Resumption Premium:** In case the allottee is not able to implement the project within the stipulated time, the allotment will be cancelled. The security deposit paid by the concerned allottee will also be forfeited. However, a part of the upfront payment of the lease rental for one year, paid at the time of allotment, will be reimbursed in the following manner–

Delay	% of upfront lease payment to be returned
6 months	80
1 year	60
1.5 years	40

3.8. Commencement of Commercial Production

1. Following the completion of all civil works, a unit must commence **commercial** production. This commencement will be verified by the concerned DIC personnel.
2. The relevant DIC personnel will also be required to verify the utilisation of the allotted land, as per conditions stated in the provisional allotment letter issued by TIDCL and as promised in the online application/DPR by the allottee.
3. The DIC personnel will also examine the area constructed within the premises and whether the constructed area is as per the approved building plan.
4. The DIC shall get the plot/land parcel surveyed to ascertain the exact extent of occupation by the allottee and the extent of land used for industrial activity (including other support facilities, like transformers, watchman quarters, godowns etc.).
5. The DIC shall then verify project implementation, if completed as per the project report/ DPR. Land used for non-industrial use shall not be included for the purpose of evaluation of land usage.
6. Failure to commence commercial production on the part of an allottee within the stipulated time agreed upon in the provisional allotment letter (including EoTs) will lead to automatic cancellation of the allotment.

3.9. Execution of Lease Deed

1. **Completion of Civil works:** On verification of **completion of civil works as per the approved DPR**, which will be done by a DIC representative, a **Final Allotment Letter** shall be issued to the allottee on their registered email and via post, within seven (07) working days from the date of intimating completion of civil works.
2. **Submission of Documents and Execution of Lease Deed:** The allottee must then submit the Lease Deed with lease documents in the prescribed format within seven (07) days from the date of receipt of the final allotment letter.
 - Lease deed in the prescribed format shall be executed and registered by the allottee and industrial estate/park authorities immediately, within 21 (twenty-one) working days.
 - The execution of the lease deed is essential within **1 month** from the date of issue of final allotment letter. In case the lease deed has not been executed even on the

expiry of 1 month, the allotment will stand cancelled. The date of execution of the lease deed shall be deemed as the date of handing over possession of the plot.

3. **Physical Possession of plot/land:** Physical possession, free of all encumbrances, shall be delivered within a maximum of seven (07) working days from the date of payment of allotment price (the applicable minimum upfront amount of the total lease amount to be paid).
 - The actual plot shall be measured physically, and boundaries of the plot shall be fixed on the ground, as per the site plan attached to the provisional allotment order.
 - **Possession certificate** in the prescribed format duly mentioning the exact area/Survey No. shall be signed by both the allottee and the concerned TIDCL authorities.
 - The authorities will then upload an **acknowledgement** from the entrepreneur to the TIDCL which will confirm that physical possession was given to the entrepreneur free of all encumbrances, encroachments etc.
4. **Annual Lease Rental:** An annual lease rental or part thereof, will be payable depending on the investor category, intimated separately along with service tax as applicable, as affixed by the PFC in the manner outlined in Section 2.
5. **Issuing NOC:** Allottees may mortgage leased plots only after obtaining NOC from TIDCL to avail loans for construction of factory building or establishment of plant and machinery for the purpose of the project implementation from reputed financial institutions and scheduled banks.
 - Provided that, in case an allottee defaults in payment to financial institutions/scheduled banks and such financial institutions/scheduled banks intend recovery of their dues, TIDCL reserves the right to determine the lease, after giving notice.
 - Or it may permit transfer of lease-hold rights in favour of the auction purchaser recommended by the concerned financial institution/scheduled banks, on payment of the balance lease amount along with any interest accrued to TIDCL. The plot will be available for its original intended use only and the new lessee can setup and run his unit after seeking all necessary approvals. Here, financial institutions include all banks and financial institutions approved by Govt. of India.

4. Operational Phase Procedures

In this section, procedures to ensure smooth operation of industrial units on TIDCL industrial estates have been laid out.

4.1. Guidelines for Changes in Constitution & Shareholding

1. **Change in constitution** refers to any change in shareholding patterns of an allottee and/or a change in the legal status of the allottee.
 - Proposals for change in constitution shall be considered by TIDCL before or during the project implementation period. The object of allowing change in constitution is to enable allottees to raise necessary resources/finances to implement the proposed projects and prevent trading of industrial plots. All such changes shall be with prior approval of TIDCL only.
 - The shareholders/partners/members of the allottee firm at the time of allotment shall hold not less than 51% equity/share in profit and loss of the business unit till implementation of the project.
 - Per change, a processing fee of INR 5,000 will be charged.
2. **Change in shareholding:** such changes of an allottee firm will be considered in the following situations and shall be processed and approved by collecting a process fee of INR 10,000/- for each change:
 - Among the family members, wherein changes occur on account of death of members/partners/shareholders of the allottee or wherein the members/partners/shareholders of the allottee desire a transfer of shares/interest in favour of family members without addition of outsiders.
 - Change of shareholding between existing members/shareholders/partners of the allottee without addition of new members.
 - **Dilution of Shares up to 49%:** Change of shareholding up to 49% of the allottee, wherein shareholders/partners/members of the allottee firm at the time of allotment shall hold not less than 51% equity/share in profit and loss of the Allottee business unit till implementation of the project in full and commencement of regular production.
 - For dilution of 49% of the equity/share in profit and loss of the allottee business unit: in such a case, a process fee of 3% on the average lease rate prevailing as on the date of such change subject to a ceiling of INR 5 lakh for such change will be charged.
 - For granting approvals for multiple changes, the process fee shall be collected once (INR 5 .00 Lakh) for dilution of 49% or part thereof.

- For plots up to 1 acre, the maximum amount chargeable per change will be INR 2 lakh.
- Necessary supplementary/revised agreement in the above cases shall be executed and registered.
- A differential cost shall be collected from the allottee in the following cases-
 - i. If the shareholding equity percentage of the initial shareholders of the allottee/legal entity at the time of allotment, falls below 51% during or prior to project implementation.
 - ii. In case the allottee incorporates an SPV Company for the implementation of the project, if the shareholding of original the allottee company/ its shareholders at the time of the allotment falls below 51% equity of the SPV.
- This differential cost shall be **the difference in the lease amount at the time of allotment and the date of approval of the change in constitution**. In addition to this differential cost, a process fee of INR 10,000 for each change shall be collected.
- The allottee must submit the following documents for change in constitution applications to be approved–
 - Firm Registration Certificate
 - Incorporation Certificate
 - Companies Article of Association & Memorandum of Association
 - Entrepreneurs Memorandum
 - Profit & Loss Statement/ Balance sheet
 - Share Capital Structure duly certified by a practicing Chartered Accountant (CA)

3. **Change in the legal status of the Allottee:** A process fee at the rate of 3% on the value of the land prevailing on the date of issue of such approvals, subject to a ceiling of INR 5 lakh shall be levied on each change. For plots of less than 1 acre, it will be a maximum of INR 2 lakh for each such change. The fee will be collected in the following cases:

- Where the allottee is a proprietary firm converting into a partnership firm/a company under the Companies Act/such other legal entity as per any other existing law, where the proprietor of the original firm holds not less than 51% or more share in the profit and loss and capital investment/equity.
- Where the allottee is partnership firm and converts into a company under the Companies Act/such other legal entity as per any other existing law where the original partners together hold not less than 51% equity of the company under the Companies Act/ such other legal entity.
- Where the allottee is a company as per the Companies Act/ such other legal entity as per any other existing law and decides to implement the project in the name of a

- Special Purpose Company (SPC) incorporated under the law, wherein the original allottee company/its shareholders at the time of allotment shall hold not less than 51% equity of the company in the SPC. In such cases, the original allottee needs to hold 51% equity until the project is implemented and the company goes into commercial production.
- Where the allottee is a partnership firm converting to a proprietary firm with the exit of all but one partner, a process fee of INR 10,000 shall be collected.
4. On approval of the changes in legal status (conversion), a supplementary agreement/ amendment to the Lease Deed should be entered into, duly paying the appropriate stamp duty and the same shall be registered.
 5. **Approval of change in constitution shall be issued by the DIC** with prior approval of TIDCL in writing as per the above guidelines duly collecting the process fee as prescribed above.
 6. Allottees seeking change in constitution shall produce the necessary documents duly certified by the competent authorities/professionals.
 7. In all cases, before issuing approval, all dues owed by the allottee whatsoever to TIDCL shall be collected.

4.2. Provisions for Sub-Leasing of Leased Plots

Sub-leasing of a plot occurs when an allottee wants to rent out their plot/industrial unit to another party.

1. An allottee shall apply for permission to sub-lease or rent out the plot/superstructures/buildings, or any part thereof, to the concerned DIC and TIDCL.
2. Sub-leasing permission may be granted by TIDCL on review of the application made by an allottee for up to 10 years on recovery of subletting charges in advance.
3. Sub-leasing will only be allowed in the following situations–
 - Industrial units for industrial activity;
 - Commercial units for commercial activity (where applicable).
4. As the PFC reserves the right to review lease rates periodically, if there is any change in the rates, then the differential sub-leasing charges will be recovered from the allottee.

5. Sub-leasing charges can be set at 2% of the average lease rate for industrial purposes (and 3% for commercial purposes, where applicable), which is to be paid in advance for the period of sub-leasing granted by TIDCL.

Example of calculation of sub-leasing charges:

1. Assuming that of a plot covering 4000 sq. m, an area of 1000 sq. m is being sub-leased by a commercial unit, and that the current average lease rate in the TIDCL industrial estate in question is INR 20,000 per sq. m, sub-leasing charges will be estimated in the following manner:

$$\begin{aligned}\text{Sub-leasing Charges} &= \text{Area Being Sub-leased} \times (\text{TIDCL rate} \times 3\%) \\ &= 1000 \times 20000 \times 3\% \\ &= \text{INR } 6,00,000 \text{ per annum}\end{aligned}$$

6. If done without prior sanction, an allottee shall have to pay a penalty of INR 3000 per day from the date of the violation.

4.3. Procedures for Transfer of Allotment/Leasehold Rights

Transfer of allotment refers to transfer of allotment from an original allottee to a third-party where dilution of shares is less than 50% by the original allottee.

1. Any proposal for transfer of allotments shall be approved after implementation of the project in full and after commencement of regular production of the unit as evidenced by DCP, except in cases of transfer by hereditary process to the legal heir.
2. A process fee for transfer at 2% on the prevailing average lease rate as on the date of issue of the approval plus applicable taxes for each transfer shall be levied.
3. In the following cases, allotment transfer requests can be considered as follows, wherein the percentage of holding is less than 50% or without any shareholding by the original allottee—

Original Allottee	New Allottee	Transfer Rate
Proprietor	Natural heir/member of immediate family (blood relative), namely spouse, sons/daughters, siblings, parents, in-laws, grandfather,	NIL

	or grandson, of the allottee.	
Proprietor	1. Other proprietary firms 2. Partnership firm 3. Company (under the Companies Act) 4. LLP or such other legal entity	2% on prevailing average lease rate as on the date of issue of the approval plus applicable taxes.
Partnership	1. Company (under the Companies Act) 2. LLP or such other legal entity	2% on prevailing average lease rate as on the date of issue of the approval plus applicable taxes.
Company (under the Companies Act) LLP	1. Special Purpose Company or such other legal entity	2% on prevailing average lease rate as on the date of issue of the approval plus applicable taxes.
Existing allottee	1. Any firm where the original allottee holds less than 50% share	Not allowed.

4.4. Procedures for Changes in Line of Activity & Name of Firms

1. **Name changes:** Allottee requests for change of company name shall be approved by the DIC.
 - The allottee must make an application to the DIC, providing a suitable justification for the change being requested.
 - The DIC will approve such changes based on the application, provided this change does not fall under change in constitution/transfer.
2. **Change in Line of activity:** Requests for change in line of activity or commencement of additional line of activities shall also be made to the DIC. The following conditions will be considered for the same –
 - Any manufacturing changes should be documented and the allottee shall submit a proper justification and reason for this change/expansion in manufacturing profile to the relevant DIC.
 - The allottee shall only be permitted to implement the proposed changes after written consent of the DIC is provided.
 - The allottee shall be allowed to change/expand their line of activity at any time **before** the commencement of commercial production. After commencement, however, the allottee shall be allowed to change the same only after one year from the date of the commencement of commercial production.

- The allottee shall be allowed to expand/diversify their line of activity at any stage after the successful commencement of commercial production, subject to written consent from the relevant DIC.
 - The new products to be manufactured, however, should not fall under any sectors/industries prohibited in Tripura (this may include ‘red category’ of industries etc., depending on the specific industrial park).
 - The new products to be manufactured should also not be detrimental to existing industrial units and neighboring allottees, and should be compatible with the larger nature of the park itself.
 - Further, in case an allottee has already received fiscal incentives from the Govt. of Tripura under various policies, then the allottee will no longer be eligible to benefit from fiscal incentives for the new product/s.
3. A process fee of INR 10,000 will be levied along with any applicable taxes for each such change.
 4. In all such cases, the period of implementation shall be reckoned from the date of possession of the premises. In cases of delay in implementation, penalties shall be levied as stated under this policy.

4.5. Provisions for Reserving Plots

For the applications/industries which fall under the category of ‘mega projects’ or for anchor investors, who will start production as early as possible providing large scale employment, and industrialists who will come with FDI, TIDCL may allow for advance reservation of plots for future expansions.

1. Here, the plot/s abutting an applicant’s selected plot may be reserved on the basis of an application made to TIDCL and the concerned DIC.
2. The applicant shall, alongside the application for the reservation, also provide tentative plans for land usage for the area for which a reservation is being sought.
3. Further, a security deposit (i) at the rate of 50% of the applicable land premium and (ii) 50% rent for the period of project implementation timeline land shall be charged in advance for the reservation. The same will be adjusted against applicable (as revised from time to time) premium and rent when the reserved plot is brought under usage by the applicant after deduction of 25%.

4. The approval for the reservation will be given at the discretion of TIDCL and the DIC, based on an examination of the applicant's DPR (submitted as part of the application itself).
5. The reservation can, however, be revoked by TIDCL in the following situations–
 - Failure to comply with project implementation timelines for the area under usage;
 - Failure to commence commercial production within the stipulated timeline (including EoTs, where sought);
 - In the event of cancellation/withdrawal of the original allotment.
6. **Right to First Refusal:** in cases where reservation requests are approved, the allottee will reserve the 'right to first refusal', wherein the allottee will hold the contractual first right or first opportunity to accept or decline an offer on the reserved plot/s. There will, however, be no obligation to accept the offer.

4.6. Provisions for Amalgamation of Plots

Applicants seeking to apply for multiple **adjacent** allotments may combine plots abutting one another and make one single application for the amalgamated plots.

1. For amalgamation, the applicant must make a request to the concerned DIC as well as TIDCL, clearly demarcating which plots they seek along with a justification for the request.
2. The relevant DIC and TIDCL personnel will then, based on their discretion, provide approval for the request.
3. If the amalgamated plots have different base prices, the lease amount will be set on the rate of the plot with the highest base price.
4. Following the approval, the application process will be the same for the applicant (an online application, a hard copy application, and the relevant documents).
5. In case either plot faces a road (NH/SH/district road etc.), frontage charges will be applicable on the total area sought for allotment.

4.7. Excess Area Encroachment by Tenants

1. If at any time, an allottee is found to be possessing excess area due to any reason, the encroachment shall be removed by the DIC, and the encroached area will be duly

resumed as vacant triggering the release of the necessary notices.

2. In all such cases, it will be the responsibility of the allottee themselves to inform TIDCL of the encroachment.
3. If the allottee thus informs TIDCL in the initial stage itself, then allotment of such additional land may be considered, if found feasible by TIDCL on payment of the prevailing lease rental.
4. In all cases of wilful encroachment, the allottee and the concerned officers responsible, are liable for civil/criminal actions to be initiated by TIDCL, besides which penalties may be levied at the rate of 5% of the prevailing average lease rent.
5. If excess area under an allottee's possession is less than 10% of the allotted extent, the DIC may regularize the allotment duly collecting the applicable amount as mentioned above.
6. If, however, this excess area is more than 10% of the allotted extent, the DIC should submit proposals to TIDCL for approval.
7. In cases where the excess area is regularised, the concerned DIC will ensure that the existing lease deed with the allottee in question is rectified to reflect the new plot area/allotment size.

4.8. Grievance Redressal Mechanism for Tenants

1. As land disputes and other grievances can hinder successful operationalisation of industrial units, it is important that tenants, too, have a platform through which to seek redress for their grievances. While this policy provides clauses through which allottees can make appeals for extensions of payment and implementation timeframes as well as against cancellation orders, the provisions in this section are to address other key allottee concerns.
2. TIDCL shall create a **Grievance Redressal Cell (GRC)** which shall have representatives from TIDCL, the relevant/concerned DIC/s, and representatives from among the allottees. Individuals with expertise in conflict resolution, legal matters, and industrial policies may also be called upon by TIDCL for specific cases.
3. Allottees may approach the GRC for including disputes related to lease agreements, infrastructure maintenance, service charges, regulatory compliance, and any other issues affecting the functioning their industrial units. Allottees must submit their grievances **in**

writing to the GRC.

4. For minor grievances, resolution shall be aimed within 15 working days, while complex issues will be resolved in a maximum of 30 working days.
5. The grievance redressal process shall be transparent, with regular updates provided to the concerned tenants regarding the status of their grievances.
6. Tenants shall have the right to appeal if they are dissatisfied with the initial resolution provided by the GRC. A subsequent meeting, with the relevant TIDCL personnel and other GRC members, will be scheduled within 15 days of the appeal. Following this, the grievance must be addressed within a maximum of 30 days.

5. Exit Procedures

In this section, procedures to safeguard all stakeholders' interests in a fair and just manner have been listed. These provisions and processes are aimed at ensuring fair and transparent cancellation and other exit procedures.

5.1. Allotment Cancellation & Restoration

1. Cancellation of allotments shall be processed in the following situations:

- **Failure to pay allotment price:** If an allottee fails to pay the allotment price within stipulated timelines (including EoTs).
- **Failure to commence commercial production:** If an allottee fails to commence commercial production within the stipulated time agreed upon in the provisional allotment letter (including EoTs).
- **Failure to execute lease deed:** If the allottee fails to execute the lease deed and take physical possession of land within 30 days from the date of issuance of final allotment letter.
- **Failure to comply with interim timelines:** If an allottee fails to adhere to the interim timelines mentioned in the clauses relating to project implementation (acquisition of all statutory approvals, completion of civil works, installation of plant and machinery, trial production, and commencement of commercial production/ commencement of activity), a **Show Cause Notice (SCN)** shall be issued. If the allottee in question then fails to respond to the SCN with proper justification within 15 days from the date of the issuance of the notice, the allotment shall be automatically cancelled. **(advertisements of default)**
- **Non-usage of facilities for extended period:** allottees not using their constructed units for a period of one year will have their allotments cancelled. The TIDCL reserves the right to then resume possession of the plot and pursue re-allotment of it.

2. **Cases of non-execution of lease deed:** In cases where an allottee, after completing the payment of the lease rate for allotment (or part thereof), fails to execute the lease deed within the stipulated time of 30 days, the allotment is liable to be cancelled.

- TIDCL reserves the right to cancel an allotment whenever it is found that the land is not utilized by the allottee for the purpose for which it was allotted. Consequent upon cancellation, TIDCL has the right to also allot the plot in question to a needy entrepreneur.

3. **Cases of non-payment of land cost:** In cases where an allottee, fails to complete the payment of the allotment price within the stipulated time including period after the granting of an EoT, the allotment is liable to be cancelled.
4. Once the cancellation is confirmed, TIDCL will carry out the following steps to complete the cancellation process:
 - **Resumption-** The DIC will resume possession of the plot for which the allotment has been cancelled within 15 days of issuance of the cancellation order, duly conducting resumption proceedings as per the procedure for the same, duly taking live colour pictures with the date and time. Monthly reports by the DIC shall include the number of plots physically resumed on field vis-a-vis the plots where cancellation orders have been issued.
 - **Registration of cancellation deed:** After the resumption procedure mentioned above, the DIC shall execute and register the cancellation deed to affect the cancellation within 15 days of the completion of the resumption procedure mentioned above. In case the concerned allottee does not come forward to do the registration after the due process of appeal, the registration and execution of the cancellation deed in the relevant sub-registrar's office shall be done unilaterally by the DIC.
 - Monthly responses by the DIC shall include the number of cancellation deeds registered vis-a-vis the plots where the cancellation process has crossed the resumption stage.
 - **Refund Process:** Refunds of the amounts paid by the concerned allottee as per regulations will be done. The eligible amounts for refund are not to be made to the allottee where cancellation orders have been issued by TIDCL for:
 - Non-payment of balance land cost amount in time;
 - Non-implementation of project in time;
 - Collection of amounts in advance from associations to whom land has not yet been allotted which creates scope for making belated requests for restoration of allotment at older rates and the plots are held up as they are not being kept under vacancy which affects TIDCL revenues and also leads to a situation where entrepreneurs' monies remain stuck for long periods.
5. The refund of amounts due to the applicant/ allottee shall be made immediately after the registration of the cancellation deed as mentioned above or the cancellation of the allotment order. This will be done through–
 - The collection of the bank account details from the online application form where providing bank account details is mandatory.

- In case a Bank Mandate form is provided by the concerned allottee, the refund shall be made through NEFT/RTGS to the account number duly provided and verified for correctness.
- In case these details are not provided by the concerned allottee within a reasonable timeframe (i.e., 15 days from the receipt of the registered letter sent to the registered address), the amounts due shall be refunded by issuing a Demand Draft (DD) in the name of the concerned allottee to the usual registered address as per the records of TIDCL, through registered post with acknowledgment due (RPAD). The same will also be sent via email with a photograph of the DD to the email ID registered with TIDCL, duly intimating issuance of the refund amount to the registered address.
- TIDCL's office will release the Demand Draft based on the invoice raised by the respective Zonal Office so that the same can be dispatched.
- **Deemed refund:** In case the said RPAD is refused by the addressee or returned or unserved due to non-availability of the addressee, a Xerox copy of the DD along with a receipt copy of the RPAD and the endorsement received from the postal department shall be kept as record by TIDCL, and the original DD preserved in records as well. In such cases, the refund is deemed to be issued.
 - A "**paper notification**" with a list of all such "cancelled but non-refund cases" will be issued by the Zonal Office on a quarterly basis in the local daily newspaper informing the concerned allottees of the cancellation of allotment and calling upon the concerned to collect the applicable refund amount from TIDCL/Zonal Office within 15 days of such publication, failing which the same shall be unclaimed refunds for a period of 1 year after which no claim whatsoever shall be entertained.
 - Pursuant to cancellation orders, the cancelled plots/land shall be kept under vacancy for allotment to alternate entrepreneurs through the online application process.
 - Copies of such paper notifications shall also be placed on display at TIDCL and Zonal offices. A copy of the paper notification shall be also retained in the office of the DIC for future records so that the entire procedure is completed in a transparent and legal manner.
 - The amounts which remain unclaimed in spite of above shall be duly accounted, recorded and retained by the Finance Wing, TIDCL under a separate head "Unclaimed refunds- Other Current liabilities", in the books of accounts.
- **Reallotment of resumed Plots/lands:** After refund of the amount or deemed refund following the procedure mentioned above, the plot so resumed shall be listed as vacant, open for allotment through online applications within seven (07) days from the date of refund or after following the procedure mentioned above in case bank mandate forms/bank details are not provided by concerned applicants or allottees.

- The General Manager (Asset Management wing, TIDCL) shall ensure the same is duly complied with across all Zones with due monitoring before every meeting of the PFC, TIDCL, and other relevant bodies.
- The number of plots put up in the vacant list post-cancellation shall be given as a separate agenda in every meeting by the concerned DIC following certification of the refund to the concerned allottee by the concerned DIC.
- The IT/MIS personnel within TIDCL shall then update the information online on how many plots are vacant but un-allotable due to:
 - Non-Refund;
 - Non-registration of the cancellation deed;
 - Non-Resumption; **or**
 - Failure to place the plot under vacancy even after resumption.

The same personnel must ensure the status of such plots is updated to “vacant” after refund/registration and resumption is done.

- All the above remaining steps post-cancellation (resumption, registration of cancellation deed and refund) for the relevant plot and its reallocation by including it in the ‘vacant’ category shall be completed within 60 days.

6. **Restoration of a cancelled allotment** can be sought by the concerned allottee through provisions for appeals against cancellation orders:

- An appeal must be filed within 60 days against the cancellation order.
- The appeal shall be decided on by the MD, TIDCL who will present the appeal to the SAC within 30 days of the filing of the appeal.
- If the appeal is considered, then the EOT process and extended due date shall be granted to the allottee. Such an appeal can be only made by the allottee for those cases where the cancellation has been made due to non-implementation of projects.
- If the appeal process concludes by upholding the cancellation orders issued by the DIC, further steps for the cancellation process shall take effect as described above.

5.2. **Refund of Processing Fees, Lease Premium and Lease Rent.**

i. **Processing Fees:** Once deposited, processing fees will not be refunded at any point of time considering administrative and incidental expenses borne by TIDCL for processing of the application.

ii. **Security Deposit:**

a. If any applicant makes a request for a refund of the security deposit for withdrawing their application before a provisional allotment letter is issued the full security deposit amount shall be refunded.

- b. If the application for allotment could not be considered for want of vacant plots/sheds, the full security deposit shall be refunded.
- c. Applicants can submit requests for withdrawal of allotments within 60 days for the date of signing of agreement to lease or 6 months from the date of application, whichever is earlier. TIDCL will refund of full security deposit after cancellation of the agreement to lease and registration.
- d. Security deposit will not be refunded in any case after a period as mentioned above in 3.2.c.

iii. **Lease Premium:**

Option :1

- a. Applicants can submit requests for withdrawal of allotments on or before 60 days for the date of signing of agreement to lease/ before 6 months from the date of application, whichever is earlier. TIDCL will refund of full security deposit after cancellation.
- b. Beyond 6 months, in case of surrender/cancellation of land/shed allotted for violations of terms and conditions of allotment, the allotment (provisional or final) will be cancelled and one time lease premium paid will be partially forfeited as per following provisions:
 - Beyond 6 months but within 1 year: 10% of the premium will be forfeited and the remaining 90% will be refunded. In case, there is any pending lease rent, the refundable premium will be calculated after adjusting the pending lease rent.
 - **Beyond 1 year but before 3 years:** For each year, an additional 10% will be deducted. In case there is any pending lease rent, the refundable premium will be calculated after adjusting the pending lease rent.
 - **Beyond 3 years: No land premium will be refunded.**

The following conditions will be applicable for any kind of refund as mentioned above:

- i. Only after the deed of cancellation is executed and registered by the leasee, will the refund be considered.
- ii. In case where possession was not delivered by TIDCL for any, the amounts paid towards allotment price shall be refunded including the security deposit. The process fee is non-refundable.
- iii. Refunds shall be made after duly deducting the amount so arrived at from the payments made by the allottee to TIDCL towards the allotment price. In case the amounts paid by the allottee are lesser than the amount to be deducted, no amount is refundable.
- iv. The amounts paid towards process fee, penalties, etc. are not refundable.
- v. The amount towards repairs, damages caused, loss, theft of fittings shall be deducted out of the amount refundable (if any) to the allottee.

- vi. In case power supply is obtained by the allottee, a "No Dues Certificate" and "Dismantling Certificate" from the relevant organ/branch of the Tripura State Electricity Corporation Limited shall need to be submitted before refund.
- vii. Dues for water charges shall be deducted for the actual consumption as against the maximum rate as per the agreement.
- viii. The allottee shall also pay the property tax (if applicable), to the local body/authority and a certificate to this effect shall need to be furnished before the refund is processed.
- ix. TIDCL may direct the allottee to remove of the same at their cost within timeframes allowed by it as per the terms of the agreement. The refund on this account cannot be claimed as a matter of right. No interest shall be payable to the allottee on the amounts paid on this account.

5.3. Processes for Extension of Leases

An applicant may, after the original lease term not exceeding 30 years, extend the lease by maximum for another 30 years. The following procedure is to be followed for the same—

1. An applicant must file an application for lease extension with the concerned DIC and TIDCL.
 2. The applicant must pay a lease premium at the rate of 25% of the prevailing average lease rate at the time of renewal subject to the payment of total outstanding dues.
 3. To be eligible for an extension of lease, the applicant's unit must be under commercial production.
 4. An extension will then be granted based on the decision of TIDCL and the concerned DIC.
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6. Issue of Notifications: TIDCL will issue separate notifications for implementation of the various propositions in the Tripura Land Allotment Policy, 2024. During issue of such notifications, the policy statements of Tripura Land Allotment Policy, 2024 will be guiding principles with modifications/changes as necessiated including rates, amounts, percentages at the discretion of the TIDCL.
