



## GOVERNMENT OF KERALA

### **Abstract**

Industries Department – Private Industrial Estate Scheme – Orders - issued.

### **INDUSTRIES (F) DEPARTMENT**

G.O. (Ms) No. 47/2017/ID

Dated, Thiruvananthapuram, 20/06/2017.

### **O R D E R**

1. Development of industries is best done in Kerala in industrial enclaves. But acquisition of land by public entities takes time, and may sometimes be constrained by resources.
2. In the circumstances, as stated in the Industrial & Commerce Policy, 2017, Government wish to empower private entities to develop industrial estates in the State. When Government gives its approval for a Private Industrial Estate, investors trust the approval and set up units for the long term in the Private Industrial Estate ; Government has therefore a duty to protect their interests.
3. Hence conditions are imposed, in the form of a Permit, on the Developer when conveying Government's approval to the Developer. However, in case there are any failures on the part of the Developer and services committed are not given, the conditions of the Permit empower Government to order KINFRA take over management of Private Industrial Estate. But this shall be done only after giving the Developer a chance to be heard, in the spirit of section 10 of the SEZ Act, 2005.
4. The following framework is laid down for this purpose.

(By Order of the Governor),  
Paul Antony,  
Additional Chief Secretary to Government.

The Director of Industries & Commerce, Thiruvananthapuram.  
The Managing Director, Kerala State Industrial Development Corporation Limited.  
The Managing Director, KINFRA, Thiruvananthapuram.  
The Principal Accountant General (G&SSA) Kerala, Thiruvananthapuram.  
The Accountant General (E&RSA) Kerala, Thiruvananthapuram.  
Finance Department  
Planning & Economic Affairs Department  
Stock file/Office copy.

Forwarded / By order,

Section Officer.

## **Private Industrial Estate (PIE) Scheme**

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1. Entities owning and possessing 50 acres and more, and desirous of developing the land with infrastructure and utilities for allotment to industries, may apply in Form 1 to KINFRA for Private Industrial Estate Developer permit. Such entities may be companies, cooperatives, charitable societies, or partnerships registered under the relevant statute. Consortium of Micro Small and Medium Enterprises (MSME) units may also form entities to apply for the Private Industrial Estate Developer permit.
2. The land proposed for Private Industrial Estate shall be fit for industrial use. It shall not fall in ESA or CRZ. It shall not fall within the purview of the Kerala Conservation of Paddy Land and Wet land Act, 2008. The land should not have any other restrictions regarding land use.
3. On receipt of the application, the same shall be scrutinised by a Committee comprising Secretaries to Government of the following Departments: Industries, Finance, Revenue, Local Self Government, Water Resources, Power, and Environment. The Committee shall give due consideration to the suitability of the land, access roads to it, water availability in the area, and to the financial and technical capability of the applicant to implement the proposed development within two years of approval. The Committee shall dispose of applications within sixty days of receipt.
4. On approval by the Committee, the Government in the Industries Department shall issue the Private Industrial Estate Developer Permit to the applicant entity in *Form 2* after satisfying itself of the sufficiency of those commitments to safeguard interest of allottee units in the Private Industrial Estate.
5. The Private Industrial Estate Developer Permit shall confer on the Private Industrial Estate Developer
  1. a Development Permit under the Kerala Panchayat Building Rules, 2011/ Kerala Municipality Building Rules, 1999,
  2. exemption u/s 81(3) of the Kerala Land Reforms Act, 1963 from the ceiling provisions for the PIE property,
  3. notification under the Act as an Industrial Area, and a Single Window Clearance Board, under the Kerala Industrial Single Window Clearance Boards & Industrial Township Area Development Act, 1999, and exemptions as applicable from time to time under the Income Tax laws of the country.
6. Government may strive to facilitate the Private Industrial Estate Developer in developing roads, power and water supply for the Private Industrial Estate, and may also invest upto ₹ 2 crores for bringing power upto the boundary of the Private Industrial Estate.
7. The Private Industrial Estate Developer Permit shall specify with time-lines, the infrastructure and utilities the Developer will put in.

- 7.1. The Developer shall submit application for building permit within 2 months of obtaining approval to start the Private Industrial Estate and start construction within 3 months of receiving all statutory approvals.
- 7.2. He shall develop a minimum processing area of 25 acres of allotable land within 2 years of approval in order to make the park operational.
8. The Developer shall provide the infrastructure and utilities such as power, street lighting, roads, water supply, sewage and effluent treatment plants, communication networks, etc within the timelines he has committed to in Form 1. Default in this regard shall make him liable for action by KINFRA under clause 17.
9. In case of delay in providing the services, the Developer shall apply for extension of time to KINFRA, whereupon a committee under the Director of Industries Commerce shall examine the same and provide such extension if found reasonable, within 15 days of receipt.
10. The Developer shall be liable to undertake maintenance of utilities and services within the Private Industrial Estate for allottee units, for which purpose he may charge the allottee units. Default in undertaking maintenance of utilities and services to the allottee units shall make him liable for action by KINFRA under clause 17.
11. The Developer shall be liable for ensuring compliance of the Private Industrial Estate with environment norms. Red category industries as notified by the Kerala State Pollution Control Board shall not be permitted in Private Industrial Estates.
  - 11.1. The Developer shall ensure that there is no drawal of ground water beyond permitted levels within the Private Industrial Estate, whether by the Developer or by the allottee units. He shall implement rainwater harvesting for the Private Industrial Estate.
  - 11.2. The Developer shall put up solid waste management systems, including for garbage collection from allottee units, and common effluent treatment systems where prescribed by the Kerala State Pollution Control Board.
  - 11.3. No effluent shall be let out of the Private Industrial Estate to the surrounding areas. Recycled water shall be used within the premises.
12. The land in the Private Industrial Estate shall be allotted only to industrial units. Warehouses, other logistics services, vehicle servicing and repair depots may also be accommodated, but vehicle showrooms, shopping complexes and malls or any outlets selling to or servicing retail customers will not be allotted space in a Private Industrial Estate.
13. Private Industrial Estate should not to be for a single unit or a single group's enterprises; hence the Private Industrial Estate shall have a minimum of 5 unrelated equally sized allottee units.
14. The allotment of land or built up space in the Private Industrial Estate and commercial terms thereof may be fixed at the discretion of the Developer.
  - 14.1. However, the commercial terms shall be declared upfront by the Developer at

the letter of allotment to a unit ; furthermore, the Developer shall not vary these terms to the disadvantage of the unit after allotment without the express, written consent of the allottee unit.

15. The constitution of the Private Industrial Estate Developer entity may be changed with the prior permission of Government after satisfying them that the new entity is financially atleast as strong as the predecessor entity to implement the Private Industrial Estate.
16. The Private Industrial Estate Developer Permit shall be liable to cancellation by Government if no substantial development has happened within two years of issue.
  - 16.1. There shall be annual reviews of the progress of work on the Private Industrial Estate. The Developer shall submit a progress report on the Private Industrial Estate by April 30<sup>th</sup> of each year to KINFRA, and a committee under the Director Industries Commerce shall complete its review process by June 1<sup>st</sup> of the year.
  - 16.2. On confirmation of development, the permit shall be made valid for a period of thirty years.
17. Government may, in order to protect the interest of allottee Units in a Private Industrial Estate, or in the public interest, issue such directions as it may consider necessary for operation of the Private Industrial Estate. If at any time the Government is of the opinion that a Developer -
  - (a) is unable to discharge the functions or perform the duties imposed on him by or under the provisions of this Permit or
  - (b) has persistently defaulted in complying with any direction given by Government under this Permit; or
  - (c) has violated the terms and conditions of the Permit; or
  - (d) whose financial position is such that he is unable to fully and efficiently discharge the duties and obligations imposed on him by the Permit, and the circumstances exist which render it necessary for it in public interest so to do, Government may, on application, or with the consent of the Developer or otherwise, for reasons to be recorded in writing, suspend the Permit granted to the Developer for a whole or part of his area established as Private Industrial Estate, for a period not exceeding one year, and appoint KINFRA to discharge the functions of the Developer in accordance with the terms and conditions of the Permit and manage the Private Industrial Estate accordingly.

**Form 1**  
**Application for Private Industrial Estate Developer Permit**  
[as per clause 1 of the Private Industrial Estate Scheme]

1.	Name and Address of applicant :	
2.	Name and Address of applicant entity (with details of Board resolution authorising the applicant to apply) :	
3.	Details of Registration of Applicant Entity (Registration No., Registering authority, copy of Registration certificate, Memorandum of Association and Association of Article) :	
4.	Details of Permanent Account Number (PAN) and Goods & Service Tax (GST) Registration :	
5.	Extent of land for which Private Industrial Estate development land is applied for :	
6.	Survey Number details :	
7.	Whether the land is in the ownership and possession of the applicant entity :	
8.	Whether the land applied for falls in ESA or the purview of the Kerala Conservation of Paddy land and Wetland Act – 2008. :	
9.	Details of development that will be carried out with time lines :	
	Nature of Development activity	Development shall be started by
		Development shall be completed by

- Add as many rows as necessary
- All items of development, such as land development, built up space, common facilities, power, street lighting, water supply, sewage and effluent treatment, garbage removal and disposal, etc shall be listed out. Phase-wise development is permitted, and should be described as such in this format.
- Only items listed above shall be advertised by the Developer.

- Failure in achieving the above-mentioned development may make the Developer liable to action under Clause 17 of the Private Industrial Estate Scheme.

10.	Details of allottable land and built up space that will be developed	:	

**Affirmation**

I am authorised by Board Resolution No. ..... of the Applicant Entity to apply for a Private Industrial Estate Development Permit. I have read and understood the terms and conditions of the Private Industrial Estate Scheme. Undertaking to abide by these terms, I apply hereby for a Private Industrial Estate Development Permit. I understand that in terms of clause 17 of the Private Industrial Estate Scheme, the management of the Private Industrial Estate may be taken over from me by KINFRA in case of any lapses on my part to abide by the commitments given above.

All the statements made above are true to the best of my knowledge and belief.

**Authorised signatory:**

**Form 2**

**Private Industrial Estate Developer Permit**  
[as per clause 4 of the PIE Scheme]

WHEREAS M/s..... has applied for a Development Permit under the Private Industrial Estate Scheme, to develop the land herein below described, duly affirming that they undertake to abide by the terms and conditions of the scheme ;

AND WHEREAS the Committee of Secretaries has recommended the case after due scrutiny : NOW THEREFORE Government are pleased to grant Private Industrial Estate Development Permit in respect of the area described below subject to the terms and conditions of the scheme, and subject to the commitments given by the applicant in *Form 1*.

1.	Extent of Land in Hectar	
2.	Survey Number Details	
3.	Built up area in Sq. Mtrs.	

This permit shall be valid initially for a period of two years from the date of issue. On confirmation of development, it shall be valid for a period of thirty years.