



GOVERNMENT OF KERALA

Abstract

Industries Department - Multi-storied Industrial Estates under the control of Director of industries & Commerce - Lease of Built-up space - Guidelines - Orders issued.

INDUSTRIES (F) DEPARTMENT

G.O.(Rt)No.1058/2023/ID Dated,Thiruvananthapuram, 13-10-2023

Read:- Letter No. DIC/12312/2018-ID6 dated 08/09/2023 from the Director of Industries & Commerce, Thiruvananthapuram.

ORDER

Government are pleased to order that built-up space in the Multi-storied Industrial Estates (GALA) under the control of Director of Industries & Commerce be allotted in accordance with the Guidelines appended to this Government Order.

(By order of the Governor),
SUMAN BILLA
PRINCIPAL SECRETARY,

The Director of Industries & Commerce, Thiruvananthapuram.

The Accountant General (Audit I/Audit II), Thiruvananthapuram.

Stock file / Office copy.

Forwarded /By order,

Signed by

Zeenath M

Section Officer

Date: 13-10-2023 14:18:19

GUIDELINES FOR LEASE OF BUILT-UP SPACE IN THE MULTI STORIED INDUSTRIAL GALAS UNDER DIRECTORATE OF INDUSTRIES AND COMMERCE

1.0 Introduction:-

The Directorate of Industries & Commerce has envisaged and implemented Multi Storied Industrial Galas (or Standard Design Factory) in various places in the state to overcome the space constraints of MSME sector and for the industrial promotion of the state. The project aims to generate hundreds of direct employment opportunities and huge investment in the area. This rule is formulated for the allotment of built- up space and management of the Galas. These guidelines shall be called **GUIDELINES FOR LEASE OF BUILT-UP SPACE TN THE MULTI STORIED INDUSTRIAL GALAS UNDER DIRECTORATE OF INDUSTRIES AND COMMERCE.**

2.0 General Conditions:-

2.1 The built-up space in the Galas owned by Government **shall** be leased out for industrial purposes for a term **not exceeding 30 years** under these Guidelines. This term is extendable for another 30 years subject to their satisfying the terms and conditions of the initial lease.

2.2 The availability of built-up space in the Gala under these Guidelines shall be notified by the General Manager, District Industries Centre concerned (wherever the Gala is situated) for general information of the public and applications shall be invited in online mode for the same

2.3 The built-up space allotted under these Guidelines shall be used only for industrial purposes

2.4 The built-up space shall be allotted to entrepreneurs on lease basis subject to the following conditions:

2.4.1 The allottee shall take possession of the allotted space as it is. Further modification or customization inside the built-up space shall be the responsibility of allottee. Such modification or customization shall be under prior permission from the General Manager, District Industries Centre concerned.

2.4.2 The allottee shall not cause or permit to cause any nuisance in the allotted built-up space which may be disagreeable or injurious or offensive by reason of effluent, dust, smoke, gas, noise, vibration or fire hazards to neighbouring industrial units. The allottee shall keep General Manager, District Industries Centre indemnified against any and all claims for damages arising as a consequence of the establishment and running of his/her unit.

2.4.3 The General Manager reserves the right for executing additional works if any or changing the structure of built-up space without paying any compensation to the allottee.

2.4.4 The allottee shall also observe and comply with all rules, guidelines and regulations of all authorities, statutory or otherwise.

3.0 Application for allotment

Application for allotment of built-up space for industrial purpose shall be submitted in FORM A provided as ANNEXURE I, to the General Manager, District Industries Centre along with a copy of Project Report, machinery lay out, partnership deed with acknowledgement from Registrar of Firms/Certificate of Registration from Registrar of Companies with Memorandum of Association/Articles of Association (in case of entities other than proprietary), Credentials of the applicant or any other relevant documents as demanded by General Manager. The General Manager shall place the application before the District Industries Land Appraisal Committee (DILAC) with his specific recommendation thereon within 30 days of receipt of the application

3.1 Each application for allotment of built-up space under these guidelines shall be accompanied by a processing fee of Rs.5000/-.

3.2 The processing fee shall not be refunded once the application is received and processed by the General Manager, DIC.

3.3 The processing fee received by the General Manger shall be deposited in a separate TSB account and can be utilized for the general requirements in connection with the maintenance of Gala on proper proceedings.

4.0 Allotment

The allotment of built-up space for industrial purpose shall be done by the Allotting Authority. The General Manager, District Industries Centre shall be the allotting authority on the recommendation of the respective land allotment committees at District Level (DILAC).

5.0 Allotment Procedure

5.1 Matters to be considered: -

Application for allotment of built-up space shall be disposed of by the allotment authority within a period of one month taking into consideration, the viability of project, the desirability and suitability of the industry proposed in the Gala, investment and employment potential of the

proposed unit, the financial capacity and experience of the applicant to conduct the industry, the pollution sensitivity of the area and any other matter as may be ordered from time to time by the Industries Department. The allotting authority shall scrutinize the application after interviewing the applicant and shall be allotted built-up space on the recommendation of DILAC. The allotment order shall be in **Form B** provided as ANNEXURE II. In case of rejection of the application, the reasons therefore shall be specified in the order.

5.2 Allotment Order:

The allottee shall remit upfront an amount equal to 12 months' lease rent as Security Deposit within 15 days from the date of allotment order and execute an agreement with General Manager in 'Form C' provided as ANNEXURE III. The application fee shall be adjusted towards the security deposit. If the allottee fails to remit the Security Deposit and execute the agreement within 15 days from the date of allotment, the allotment shall be cancelled accordingly without further intimation to the allottee and the allottee will forfeit the application fee already remitted.

5.3 Payment of Rent:

The lease rent shall be remitted within 5th day of every month starting from the month succeeding the date of allotment. The allottee can remit the rent with fine equal or not less than 0.5% of monthly rent up to the 10th day of every month. After that the allottee is liable to pay fine as above and penal interest @10% of the rent. The basic lease rent fixed at the time of allotment shall be enhanced by 10% every year. (e.g., If the basic rent fixed at the time of allotment is Rs. 1000/-, the 2nd year's rent shall be Rs. 1100/- and 3rd year's rent shall be Rs. 1210/- and so on.)

6.0 Responsibility of the allottee:

6.1 The allottee shall take possession of the allotted built-up space within one week from the date of payment of Security Deposit and execution of agreement.

6.2 The allottee shall place a name board in front of the allotted space within 2 weeks from the date of taking possession.

6.3 The allottee shall commence the activity in the allotted space within 6 months from the date of allotment, unless further time has been specifically granted in this regard by a written consent of the General Manager. The General Manager shall have the power to grant extension up to 12 months.

6.4 The allottee is liable to pay the lease rent every month even if he/she could not start the unit within the stipulated time period.

6.5 If the allottee does not start the unit after 12 months from the date of allotment, the built-up space allotted shall be resumed automatically to the department without intimation to the allottee. On such resumption, the resumption interest has to be paid by the allottee in order to get back the initial lease premium (security deposit).

7.0 Defaulted payment: -

7.1 In the case of defaulted payment of monthly lease rent, Security Deposit paid by the allottee shall be adjusted first towards the fine, then towards penal interest and finally towards rent.

7.2 In case of defaulted payments up to consecutive 3 months, the allotted space shall be resumed. In such cases, the defaulted payment along with 'resumption interest @ 6% per annum on the total value of 12 months lease rent at the time of resumption for the period from the date of taking possession of the built-up space to the date of resumption shall be adjusted from the Security Deposit.

8.0 Indicative value (Rent Calculation): -

The cost of built-up space is calculated on the basis of cost of building including additional works and common amenities provided therein. The cost of space thus calculated shall be divided by total built up area and shall be arrived to get the Indicative Value (lease rent) for each built-up space. The lease rent shall be enhanced by 10% every year automatically. The calculation statement towards fixation of rent is given in **ANNEXURE V**. The rent shall be fixed by the General Manager of the respective District Industries Centre based on this calculation.

9.0 Liability to pay further amount: -

Allottees shall also be liable to make further payments as demanded by the allotment authority on account of provisions of infrastructure and cost of maintenance on existing assets that may be incurred subsequent to the allotment.

10.0 Allottee not to sublet the space:

10.1 The allottee shall not sublet, underlet, rent out, part with possession, or in any way encumber the space during the continuance of agreement in Form C.

10.2 The allottee shall not change the line of activity without sanction in writing of the concerned General Manager, District Industries Centre

A penalty of Rs.1000/- per day shall be charged from the allottee if any violation of the above clauses is noticed and established in due course. In severe cases, the space may even be resumed. The decision if any, in such cases will be taken by the Competent Authority after giving an opportunity of the allottee to show cause.

11.0 Resumption of Built up space:

In the following cases, the built-up space allotted shall be resumed by the Competent Authority (General Manager, District Industries Centre)

11.1 A maximum period of 12 months is fixed as period within which the allottee should utilize the space for the purpose for which it is allotted. If the allottee does not start the commercial production on the allotted space within this period or the extended period as granted by the Competent Authority, the space will be automatically resumed.

11.2 If a unit is found not functioning, a maximum grace period of six months shall be given to the allottee as decided by the Competent Authority, to restore the unit to normalcy and restart the production process. But even after the extended period of time, if the allottee fails to restart the business, the space will be automatically resumed.

11.3 If the allottee fails to remit the lease **rent** up to 3 months and he/she is not willing to pay lease rent along with fine in lump sum on demand notice, the space shall automatically be resumed.

11.4 If the allottee violates any of the terms and conditions of allotment guidelines or agreement executed at the time of allotment of space, the allotted space shall automatically be resumed.

11.5 If the original allottee sublets/underlets the space, the allotted space shall automatically be resumed.

11.6 The allottee, if aggrieved by the decision of the General Manager, may or Competent Authority, may file an appeal before the Director of Industries & Commerce within 30 days on receipt of a copy of resumption order and the Director shall dispose of the appeal within 30 days.

12.0 Recovery of defaulted amount:-

All amounts due to Government under these guidelines shall, in case of default, be recoverable from the allottee as arrears under the provisions of Kerala Revenue Recovery Act 1968.

13.0 Right of Allotting Authority: .

The General Manager and officers under him/her shall have the right to enter and inspect at all reasonable times in the allotted premises to review the progress of project to ensure that no contravention of the terms and conditions of allotment/agreement takes place.

14.0 Transfer & Change of Possession; -

14.1 The allotted space can be transferred to a new legal entity [viz. an](#) individual/Firm/Company only on prior approval after a period of three years.

14.2 The application for transfer shall be submitted before the General Manager through the Estate Officer with **all** documents mentioned in Annexure 4(A).

14.3 Transfer of allotted space will be allowed with condition that the transferee should start the production process in the premises, so allotted within three months and a maximum period of 6 months from the date of transfer.

14.4 If the transfer is permitted, the transferee has to pay the Security Deposit equal to 12 months lease rent effective at the time of transfer and the security deposit remitted by the original allottee shall be refunded by adjusting 3 months lease rent effective at the time of transfer as processing fee.

15.0 Change in Constitution:

The following cases shall be considered as constitution changes: -

15.1 In case of proprietorship, if the original allottee dies and the unit is transferred to legal heirs (with no other changes)

15.2 In case of partnership firm/company, retirement from the firm/induction of new partner/death of existing partner and inclusion of legal heir/change of all board directors, accordingly.

15.3 All applications for change in the constitution will be entertained only if the allottee remits 3 months lease rent at the time of application for the change.

15.4 The allottee shall submit the documents mentioned in Annexure 4(B) for the approval of changes in the constitution.

16.0 Change of Product or activity or Name of entity:

16.1 The allottee shall not change the proposed product or activity or name of the entity without the prior permission of the General Manager, District Industries Centre.

16.2 An allottee shall be allowed to switch over to new product / activity only after Six months from the date of allotment.

16.3 The allottee has to submit the documents mentioned in Annexure 4 (C) for the change and remit 3 months lease rent at the time of application as processing fee.

17.0 Lock in Period: -

A lock in period shall be imposed on all units.

17.1 No transfer/change in constitution will be allowed for a period of three years from the date of commencement of production.

17.2 In case of change of product/activity the lock in period will be six months only.

18.0 General Conditions:-

18.1 Allottee shall remit monthly maintenance charges before 5th working day of every month into the separate account (bank or TSB, as approved by Government) in the name of the Competent Authority or Monitoring Committee, to meet the common amenity charges like the cleaning, security, electricity & water charges, minor repair and maintenance etc.

18.2 The allotment is liable to be cancelled if allottee contravenes any of the provisions mentioned in the earlier clauses.

18.3 The allottee shall pay all statutory charges like electricity & water charges (individual connection), GST and all other kinds of taxes, cess etc. if any payable to Govt. Agencies from time to time.

18.4 The allottee shall not sublet, underlet or create any encumbrances of the built-up space under any circumstances. Subletting & pledging of industrial unit in the Gala shall not be permitted under any circumstances and the competent authority shall have the power to resume that space without notice, if found so.

18.5 . Any application for transfer, change in constitution or change in activity should be disposed of within 30 days from the date of receipt of application by the General Manager, District Industries Centre.

18.6 The Director of Industries & Commerce shall be vested the powers to administer, control, manage and monitor the activities in the industrial gala.

18.7 The Director of Industries & Commerce shall have the powers to make and amend the relevant Guidelines from time to time in the best interest of industrialization including the revision of rates from time to time.

19.0 Management & Accounting of lease premium (security deposit) and monthly Lease rent:-

19.1 The initial lease premium or security deposit towards the built-up space shall be remitted by the allottee in a separate account (either bank or TSB in Treasury) and the allottee has to produce proof of the same before the Competent Authority. This mode will continue till the Department facilitates online mode of payment.

19.2 The monthly lease premium towards the built-up space shall be remitted by the allottee in a separate head of account in Government treasury and the allottee has to produce proof of the same before the Competent Authority every month/shall be remitted through e-chalan in the respective District Industries Centres. This mode will continue till the Department facilitates online mode of payment.

19.3 The monthly maintenance charges shall be remitted by the allottee in a Special TSB in Government treasury or bank and the allottee has to produce proof of the same before the Competent Authority every month. This mode will continue till the Department facilitates online mode of payment. This amount shall be withdrawn only for the common amenity charges viz. cleaning, security, electricity & water charges, minor repair and maintenance etc. based on a resolution of the Monitoring Committee.

19.4 A proper accounting system should be maintained by the Competent Authority for the supervision and inspection of figures in all accounts.

19.5 A yearly statement of accounts shall be forwarded to the Director of Industries & Commerce for compliance.

19.6 Monthly reconciliation of figures shall be conducted without fail.

19.7 The General Manger, District Industries Centre can withdraw amount from special TSB account/ Bank account for the purpose of maintenance or the refund of initial lease premium on proper proceedings through BiMS.

20.0 Monitoring Committee

20.1 Each Multi Storied Gala will have a Monitoring Committee to supervise the overall activities in the gala and withdraw funds from the accounts to meet the common amenity charges viz. cleaning, security, electricity & water charges, minor repair and maintenance etc.

20.2 Constitution of the monitoring committee:-

- i.** General Manager, District Industries Centre (Chairman)
- ii.** One representative of the allottees or association of allottees in the Gala.
- iii.** Manager, District Industries Centre who deals with the files on Gala (Convenor)
- iv.** Estate officer of Gala

20.3 The quorum of the monitoring committee shall be two.

20.4 In case of a difference of opinion in any matter placed before the Committee, the issue may be put to a vote and if it doesn't get the majority, the decision of the Chairman will be final.

21.0 User's Association

An association comprising all allottees in the Gala shall be organized for the purpose of meeting common requirements like street light, lift operating, water, security services, cleaning of common areas etc. The Association shall conduct its activities on the basis of the bye-law approved by the General Manager, District Industries Centre.

22.0 Date of Effect of Guidelines

These Guidelines shall have effect from the date of the Government Order according sanction to these Guidelines,

FORM A

APPLICATION FOR ALLOTMENT OF BUILT-UP SPACE IN MULTI STORIED
INDUSTRIAL GALA AT

1. Name & full address of the applicant:
2. Mobile Number of the applicant :
3. Qualification of the Applicant
 - a. General :
 - b. Technical :
4. Name of the proposed unit
5. Nature of the constitution : Proprietary/Partnership/Pvt. Ltd.
Company/ Other(specify)
6. Name of Proprietor/Partners/Directors :
7. Whether the applicant belongs to SC/ST
8. Proposed Activity
9. Extent of space required in sq.feet)
10. Total Project cost
11. Period by which the unit expected to : become operational
12. Details of existing unit if any :
13. Experience of the promoter in years
14. Total employment to be provided
15. Power supply required (in HP)
16. Anticipated water requirement in litre/day
17. Nature of effluent if any :
18. Details of remittance of processing fee :

DECLARATION

I/We have read the guidelines governing the Allotment and use of built-up space in Multi Storied Industrial Gala at and I/We undertake to abide by the same. I/We further state that the particulars given above are true and correct to my/our knowledge and belief.

Place:

Date:

SIGNATURE OF THE APPLICANT

Enclosures:1) Bio-data/Credentials of the applicant

- 2) Qualification Certificate
- 3) Caste Certificate (if SC/ST)
- 4) Copy of Aadhar Card & PAN Card
- 5) Detailed Project Report
- 6) Machinery Lay out

FORM B

Allotment Order

Proceedings of the General Manger, District Industries Centre ,.....
(Present:)

RefNo Dated:

Sub: Industries- District Industries Centre- Multi Storied Industrial Gala
-Allotment of Built-up space on lease rent basis - Sanctioned - Orders
Issued

Read: 1) Application dtd.....of Shri./Smt....., M/s

2) Detailed Project Report submitted by Shri./Smt..... M/s
.....

3) GO (Ms) No /2023/ID dtd/...../2023

Shri./Smt
..... (Name & full address),

Proprietor/Mg. Partner/Mg. Director, M/s.

..... (Name of the unit) has applied for the allotment of
built-up space in Multi Storied Industrial Gala at on lease rent basis for setting up
an industrial unit for the manufacture of (name of products to be manufactured).

The application had been considered by the District Industrial Land Allotment Committee
(DILAC) at its meeting held on and it was decided to allot built-up space
admeasuring an extentsquare feet in Multi Storied Industrial Gala at
..... to Shri/Smt

..... (Name &
address of the applicant) for establishing an industrial unit for the manufacture of
..... (products to be
manufactured) under the name & style of M/s.....

..... (name of the unit). Sanction for the same has to be
accorded. Hence this order.

In the above circumstances and in exercise of powers delegated to me, sanction is hereby accorded for the allotment of built-up space admeasuring an extent square feet in Multi Storied Industrial Gala at.....

... to Shri/Smt

..... (Name & address of the applicant) for establishing an industrial unit for the manufacture of (products to be manufactured) under the name & style of M/s.

..... (name of the unit)

subject to the terms & conditions contained in the Guidelines for allotment of built-up space in Multi Storied Industrial Gala and specifically subject to following conditions:

1. The built-up space is allotted at a provisional lease rent of Rs.....per square feet and the rate mentioned above shall be enhanced by 10% every year and the allottee is liable to pay the lease rent fixed within 5th day of the every month from date of allotment.
2. The allottee shall remit an additional monthly payment proportionate to the cost of common amenities viz. electricity, water, security charges, maintenance costs etc which will be decided by the Monitoring Committee.
3. The allottee is directed to pay an amount of Rs.... (Rupees...) towards the initial lease premium as security deposit equal to 12 months lease rent within 15 days from the date of this order and execute an agreement in the prescribed format with the undersigned in stamp paper worth Rs.200/-
4. The allottee shall take possession of the allotted space within one month from the date execution of agreement with department and shall commence the production within 6 months from the date of this order, failing which the space will be resumed by the department as the provisions in the GUIDELINES.
5. The ADIO/IEO, is hereby authorized to hand over the possession of the built-up space described hereunder after completing all formalities as per Guidelines.

General Manager

To

1. Shri./Smt

M/s.....

SCHEDULE

Name of Multi Storied Industrial Gala -

Name of DA/DP in which the Gala is located

Name of Taluk

Built-up space Identification Number

Extent of space allotted in sq.ftsq.ft

Floor Ground/1s^t/2n^d

Copy to: 1. The ADIO/IEO,.....

2. Stock File/Running File

FORM C

AGREEMENT FOR LEASE OUT OF BUILT-UP SPACE UNDER MULTI STORIED INDUSTRIAL GALA

ARTICLES OF Agreement made thisday of Two thousand Twenty BETWEEN The Governor of Kerala (hereinafter referred to as "the Government") of the one part and Sri/Smt. Son of..... aged years presently residing at (residential address), Proprietor/Mg. Partner/Mg. Director who is authorized to execute this agreement for and on behalf of M/s , Room No. Multi Storied Gala, (place) a firm constituted under MSME Act and having its office at the Multi Storied Gala, (place) (hereinafter referred to as "the Lessee" which term where context so admits include his/their heirs,/executors, administrators, /legal representatives and permitted assignees) of the other part.

WHEREAS on the application of the Lessee under the Guidelines for Lease of Built-Up Space in The Multi Storied Industrial Galas under Industries and Commerce Department 2022 (hereinafter referred to as the Guidelines with amendments if any, made from time to time), the Government have agreed to let and the lessee agreed to take on lease the space of built-up area more particularly mentioned and described in the Schedule hereunder written (hereinafter referred to as the built-up space) for the purpose of Manufacturing of under the name & style o f M / s (place) WHEREAS the Government is the absolute owner of land measuring an extent of Acres/cents in Resurvey No of Village in Taluk,.....District being the part of Development Area/Development Plot, (place) and more particularly described in the First Schedule hereunder written.

AND WHEREAS the Government has constructed a building thereon known as "MULTI STORIED GALA" (Standard Design Factory) more particularly described in the second schedule hereunder written, with intend to lease out it to the entrepreneurs interested in using the same for setting up and running industrial unit.

AND WHEREAS the Lessee has applied to the General Manager, District Industries Centre for allotment of built-up space which is the part of SDF Building admeasuring 750 sq.ft on Ground Floor of the same and more particularly described in the third schedule hereunder written for setting up and running an industrial unit for the manufacture of under the name & style of M/s.AND

WHEREAS the application for allotment of the lessee for built-up space in Multi Storied Gala, (place) has been considered by the District Industrial Land Allotment Committee (DILAC) at its meeting held on ..and recommended for the allotment of built-up space admeasuring an extent of sq ft and allotted accordingly vide the Order No. dtd.

AND WHEREAS the lessee has paid an amount Rs./- (Rupees) towards the initial lease premium as security deposit that equal to 12 months lease rent vide the Receipt No .dated of General Manager District Industries Centre, (district)

NOW THIS DEED WITNESSETH AND IT IS HEREBY AGREED AS FOLLOWS:

1. In consideration of the rent hereinafter reserved and the covenants and conditions to be observed and performed on the part of the lessee, the Government doth hereby grant unto the lessee a lease of the built up space described in the third schedule hereunder written, being the part of the building described in the second schedule hereto and constructed on the land belonging to the Government described in the first schedule hereto, TO HOLD the same for a period of 30 years commencing from (date)
2. The lessee shall pay the government during the term of lease a monthly rent, clear of all deductions, payable in advance on or before the 5th day of each month as follows:
 - 1st year (period(from) to.....(to) Rs..... per square feet/month
 - 2nd year (period(from) to..... (to) Rs.....per square feet/month
 - 3rd year (period(from) to..... (to) Rs.....per square feet/month
 -
 -
3. The lessee shall pay the common facility charges decided by the Association in addition to the monthly lease rent payable by the lessee.
4. The lessee has deposited with the Government an amount of Rs..... (Rupees...) equal to 12 months rent as security deposit. The same shall not carry any interest and shall be refunded to the lessee at the termination of the lease, whether by efflux of time or otherwise after deducting all the amount due from lessee to the Government at that time.
5. The lessee shall pay proportionate charges and expenses incurred by the Government towards outer maintenance of the common areas and outer side of the building described in the second schedule hereunder written, supply of water, electricity etc and also proportionate charges towards maintenance of common facilities like road, street lighting etc monthly on the basis of bills/demand submitted in this behalf by the General Manager, District Industries Centre, the payment to be made within seven (7) days of the receipt of the bill/demand.
6. The lessee shall be bound to pay penal interest on all overdue payments from the date they become overdue at 10% per annum until the date of payment

7. The lessee shall at all times during the said term maintain the premises in good and tenable condition
8. The lessee shall use the premises only for the purpose of setting up an industrial unit under the GUIDELINES for manufacturing and shall not make any alterations or additions to the building, including relocation of doors and windows, nor provide toilets, water closets, bathrooms, pantries etc. in the allotted space without written consent from the General Manager, District Industries Centre. Addition/alteration, if permitted will have to be undertaken by the lessee at its own cost including the cost of additional infrastructure and approvals if required.
9. The lessee shall commence operation in the industrial unit in the allotted premises not less than 6 months from the date of execution of this agreement.
10. The lessee shall permit the General Manager, DIC or the officials under him with or without workmen or others during the said term to enter upon the premises or part thereof for the purpose of carrying out inspection, repairs and maintenance work in the common areas.
11. The lessee shall not erect or display or permit to erect or display without the consent in writing of the General Manager, District Industries Centre any advertisements, hoardings or notices in the interior or exterior part of the premises, except the name plate of a size not exceeding the size approved by the General Manager, District Industries Centre.
12. The lessee shall not sublet or under let the allotted premises under any circumstances.
13. The lessee shall not transfer the allotted built-up space without the written consent of the General Manager, District Industries Centre.
14. The lessee shall not change the constitution of the unit within three years from the date of commencement of the commercial production and after three years without the written consent of the General Manager, DIC.
15. The lessee shall not change the product or activity within six months from the date of commencement of the commercial production.
16. The lessee shall not change the product or activity without the written permission of the General Manager, DIC.
17. The allotment shall be renewed on request of the lessee on such terms & conditions that will be fixed by the Government including the enhancement of monthly lease rent on executing a fresh agreement within six months before the expiry of the present term of lease subject however that the lessee has fulfilled all the obligations in terms of the present contract.
18. It is also distinctly agreed that the lessee shall deliver up the allotted space at the expiration of or sooner determination of tenancy restored to the former conditions, fair wear and tear excepted.
19. The lessee shall insure the allotted space, structures and equipment that may be erected or installed in the premises against loss or damage by fire, natural calamities and the lessee shall keep the Government indemnified in the event of loss by fire or natural calamities of the leased premises and the insurance money received from the Insurance company shall be utilized to re-build or restore the same to its original condition.
20. The lessee shall take adequate measures for the disposal of industrial waste and any other waste according to the norms stipulated by the pollution Control Board and/or other statutory bodies and as approved by the Government.

21. The lessee shall not cause any disturbance, annoyance, nuisance or damage to the Government or other lessees who are occupying other portions of the building described in the second schedule hereto.
22. The lessee shall not store, keep or display any material or equipment in the verandah, staircase, corridors and other common areas within the building or within the premises and shall not cause any obstructions to inconvenience for the smooth passage of persons and material of other industrial units and for carrying out official duties of Government Officers.
23. If the lessee wishes to terminate the lease before the date of expiry of the said term, the lessee shall give the Government 3 months' notice in writing.
24. The lessee shall make its own arrangement with KSEB to obtain electricity connection from the supply points available at different locations in the Gala Building. The lessee shall take adequate steps for internal wiring, electrification of the built-up space allotted to it by the General Manager, District Industries Centre.
25. The lessee shall make its own arrangements for internal furnishing works in the built-up area allotted to it. Partitions, false flooring and false ceiling works if undertaken, should be done after approval from the General Manager, DIC without damaging the building and other facilities available in the built-up space.
26. The lessee shall install necessary firefighting equipment's in the built-up space allotted to it including equipment's for fire alarm and connect it to the main fire alarm system in the building with the permission of the General Manager, DIC.
27. It is distinctly agreed to by the parties that the Government will be entitled to construct and utilize additional floors and leasing it to other parties in respect of the building described in the second schedule hereunder written without causing any undue disturbance, nuisance or annoyance to the lessee for conducting his/her business smoothly in the allotted premises.
28. In the event of the lessee failing to commence the activities within six months or the lessee discontinue the operation for a period of six months or make default in remitting the lease rent for a period of three months, the lessor has the right to terminate the lessee and repossess the building after giving 30 days' notice to the lessee.
29. In case of lessee makes default in payment of the lease rent and any other amount due in terms of this agreement and the same is not paid on demand by the General Manager, District Industries Centre, the Government has the right to proceed against the lessee and all its assets under provisions of the Kerala Revenue Recovery Act 1968
30. This agreement is prepared in duplicate, original to be retained by General Manager, District Industries Centre and the duplicate by the lessee.

SCHEDULE-I

District

Taluk

Village

Re-Survey No.

Extent acres/cents

Description: - An extent of acres/ cents of dry land in Re-survey No in Village in Taluk, District being the part of Development Area/Development Plot, (place)

Boundaries

North - M/s

East - M/s

South - M/s

West - M/s

SCHEDULE-II

A Multi Storied Gala building (SDF), (place) of concrete structure having a total built up area of sq.ft situated in the land described in Schedule-I

SCHEDULE-III

A built-up area of Sq ft on the ground/first/second/ floor of the building in the Schedule-II situated in the land described in the Schedule- I.

IN WITNESS WHEREOF Sri, General Manager, District Industries Centre, for and on behalf of the Governor of Kerala and Sri aged years son of residing at Mg. Partner of M/s., (place) who has been authorized to execute this agreement for and on behalf of M/s ,(place) have hereunto set their hands on the day and year first above written.

Signed by Sri

General Manager

District Industries Centre,

for and on behalf of the Government in the presence of witnesses: .

1.

2.

Signed by Sri., the Lessee who has been authorized to execute this agreement for and on behalf of M/s.
....., (place) in the presence of witnesses.

1.

2.

Check list for Allotment/Transfer/Change in constitution/Change of Activity.

A. Allotment of Built-up space.

1. Bio-data/ Credentials of the applicant
2. Qualification Certificate
3. Caste Certificate (if SC/ST)
4. Copy of Aadhar Card & PAN Card
5. Detailed Project Report
6. Machinery Lay out

B. Transfer of Built-up space

1. Request of the transferor clearly the reason for transfer and the details of transferee
2. Documentary proof that the unit was set up and functioned (Electricity bill for 12 months/Balance sheet for 3 years)
3. Copy of the Allotment Order/Agreement
4. NLC from bank
5. NLC from KSEB
6. No dues certificate from CST department
7. Resolution in case of other than proprietary
8. MOA/ICA/Partnership Deed with certification from RoF/RoC
9. Request of the transferee
10. Credentials of transferee
11. Detailed Project Report of the transferee in case of change of activity
12. Notarized affidavit of Transferee/Transferor

C. Change in Constitution

1. Request of the allottee clearly the reason for the change
2. Documentary proof that the unit was set up and functioned (Electricity bill for 12 months/Balance sheet for 3 years)
3. Copy of the Allotment Order/Agreement
4. NLC from bank

5. NLC from KSEB
6. No dues certificate from GST department
7. Resolution in case of other than proprietary
8. MOA/AOA/Partnership Deed with certification from RoF/RoC
9. Credentials of incoming partner/share holder
10. Notarized affidavit of Allottee/Incoming Partner
11. Death Certificate and legal heirship certificate in case the change due to the death of existing partner/director/proprietor

D. Change of Activity/Product

1. Request of the allottee for change of activity
2. copy of Allotment Order
3. NLC from bank, KSEB, OST
4. Detailed Project Report
5. Effective steps taken for the new activity

Statement on fixation of lease rent and common utility charges

A. Lease Rent

i.	Total built up area	: Sq. ft
ii.	Total allottable area	: Sq. ft
iii.	Total Common amenities area	: Sq. ft
iv.	Total project cost (includes cost of building, electrification, security deposits, plumbing, transformers, ETP, Drainage, internal roads, water supply infrastructure, storage tanks, wells, security cabins, fire safety etc and all other infrastructure facilities for common use)	:	Rs.
v.	Lease Rent Rate of allottable area per Sq. ft	:	Total Project Cost(iv) / Total built up area(i)
vi.	Lease Rent Rate of Common amenities area per Sq.ft	:	Monthly Lease Rent Rate of allottable area per Sq.ft(v) X Total Common amenities area(iii)/Total allottable area(ii) / 2
vii.	Net Lease Rent Rate per sq ft of allotted area	:	{ Lease Rent Rate of allottable area per Sq.ft(v) + Lease Rent Rate of Common amenities area per Sq. ft.(vi)}
viii.	Investment Recovery Period in Years	:	30
ix.	Net Lease Rent Rate per sq ft of built up area per month	:	Net Lease Rent Rate per sq ft of allotted area(vii) / 30 / 12
x.	Rate of Annual Increase	:	10%
xi.	Monthly Lease Rent Rate per allottee for first year	:	Net Lease Rent Rate per sq ft of built up area per month(ix) X 110/100

- xii. Monthly Lease Rent for an allottee for first year : Monthly Lease Rent Rate per allottee for first year(xi) X Area allotted in Sq. Ft.

NB:

1. The rate shall be rounded to the nearest highest tens.
2. Every year there shall be an enhancement of 10 % and rounded to the nearest highest tens. The investment recovery period is 30 years.
3. This calculation of rent is meant for the ground floor. The rent rate for the higher floors shall be slightly less than the rates fixed and allotted to the ground floor. As the floor goes higher, 5% reduction per floor shall apply. This reduction shall not exceed 20% for the highest floor.

B. Utility charges

The utility charges shall be collected from each allottee based on the Sq.ft of area allotted to each.

The items to be included under utility charges are:

1. Power charges to KSEB
2. Hiring charges for security guards
3. Operator charges for electrical room/ firefighting/ lift/ pump/ ETP etc
4. Office staff
5. Sweepers
6. Gardeners
7. AMC
8. Repair and maintenance charges etc

- i. Utility charges per month per Sq ft allotted in Sq ft : Total monthly Utility charges/Total area
- ii. Utility charges per allottee : Utility charges per month per Sq. ft X Area allotted in Sq. ft.