

**Government Order No : 120–IND of 2021**
**Dated : 22.04.2021**

Sanction is accorded to the adoption of the Procedural Guidelines to the Jammu & Kashmir Industrial Land Allotment Policy, 2021-30, as per annexure appended to this order for its implementation with effect from 01.04.2021.


Sd/-

(Ranjan Prakash Thakur)
Principal Secretary to the Government

Dated: 22.04.2021

No. IND/Gen-34/2021-1

Copy to the :-

1. All Financial Commissioners.
2. Director General of Police, J&K.
3. Principal Secretary to the Lieutenant Governor.
4. All Principal Secretaries to Government.
6. Chief Electoral Officer, J&K.
7. All Commissioner/Secretaries to the Government.
8. Joint Secretary (J&K), Ministry of Home Affairs, Government of India.
11. Chairman, J&K Special Tribunal.
12. All HoD’s of Industries and Commerce Department.
13. All Deputy Commissioners.
14. Director, Information.
15. Director, Archives, Archaeology and Museums.
17. Private Secretary to the Hon’ble Lieutenant Governor.
18. Private Secretary to the Chief Secretary.
19. Private Secretaries to Advisor (F)/(B)/(BK) to Lieutenant Governor.
20. Private Secretary to Principal Secretary to the Government, Industries and Commerce Department.
21. In-charge website, GAD/ I&C Department.

(Sartaj Hussain Madni)
Deputy Secretary to the Government
Procedural Guidelines to
Jammu & Kashmir Industrial Land Allotment
Policy 2021-30
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1. Land Allotment

1.1 The Department of Industries and Commerce shall upload details of vacant industrial land available in different Industrial Estates on the Single Window Portal - https://investjk.in. The portal shall remain live displaying information of available industrial land at all times.

1.2 The portal shall have details of land like – Developed, Semi-Developed and Undeveloped including estimated/ tentative date of development of the Estate. The same shall also be advertised in print and online media by the Industries & Commerce Department as well by Industrial Development Corporation(s).

1.3 The applicant shall submit an online application and upload DPR as per format given at Annexure-I (DPR Format) and/or any other document as notified by Government of Jammu and Kashmir.

1.4 A non-refundable processing fee as per Clause 7c of Jammu & Kashmir Industrial Land Allotment Policy 2021-30 shall be payable by the applicant along with the application.

1.5 All applications received for allocation of Industrial Land only shall be scrutinized on the basis of pre-defined parameters as per Clause 8.3 of Jammu & Kashmir Industrial Land Allotment Policy 2021-30, by the Divisional Level Appraisal Committee within 30 days.

1.6 The Divisional Level Appraisal Committee shall meet as per requirement and at least fortnightly to avoid accumulation of applications for land allotment.

1.7 In case of a query/ shortcoming raised by Divisional Level Appraisal Committee, the applicant shall be intimated about the same and will be given 15 days to address the query/ short coming; he/ she shall not be required to submit a new application during this period.

1.8 The applications cleared by Divisional Level Appraisal Committee shall be placed before the concerned Land Allotment Committee for approval of land allotment as per Clause 9.1-9.3 of the Jammu & Kashmir Industrial Land Allotment Policy 2021-30.

1.9 The final decision regarding approval of Land Allotment will rest with concerned Land Allotment Committee.

1.10 Approved applications shall be forwarded to Industrial Development Corporation(s) for issuance of Land Allotment Certificate (LAC).

1.11 Industrial land is categorized into Zone A and Zone B as per Clause 6 of Jammu & Kashmir Industrial Land Allotment Policy 2021-30.
2. Rates of Industrial Land:

<table>
<thead>
<tr>
<th>Plot size</th>
<th>Zone-A. (Rs. in lakhs/Kanal)</th>
<th>Zone-B. (Rs. in lakhs/Kanal)</th>
</tr>
</thead>
<tbody>
<tr>
<td>For land not exceeding 5 Kanals</td>
<td>5.00</td>
<td>2.50</td>
</tr>
<tr>
<td>For land not exceeding 10 Kanals</td>
<td>6.00</td>
<td>3.50</td>
</tr>
<tr>
<td>For land not exceeding 20 Kanals</td>
<td>7.00</td>
<td>4.50</td>
</tr>
<tr>
<td>For land exceeding 20 Kanals.</td>
<td>8.00</td>
<td>6.00</td>
</tr>
</tbody>
</table>

3. Payment of Premium

3.1 The allottee shall have to pay entire sum of land premium within 60 days of issuance of LAC and before execution of lease deed.

3.2 The payment shall be made online only on the Single window Portal.

4. Lease Rental/ Any other Charges

Annual lease rent and any other charges (applicable), as decided by Board of Directors of Concerned IDC from time to time, shall be paid by the allottees to the concerned IDC.

5. Lease Deed

5.1 The land shall be allotted on lease to the allottee, initially for a period of 40 years.

5.2 The lease deed can be extended to 99 years subject to fulfillment of the conditions laid down in the lease deed.

6. Execution of Lease Deed and Physical Possession

6.1 Lease Deed in the prescribed format as Annexure-II (Lease Deed Format) shall be executed between IDC and the allottee within sixty days of issuance of Allotment Letter.

6.2 Possession certificate shall be signed by allottee and concerned Estates Manager within 15 days of execution of lease deed.

6.3 The allottee shall take effective steps after obtaining possession certificate. The effective steps shall include the construction of building and placement of orders for procurement of machinery and

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shall not mean mere construction of Chowkidar Shed and Boundary Wall.

6.4 In case of failure to execute lease deed within stipulated timeframe a final notice of 30 days shall be given to the allottee by the concerned Estate Manager immediately on expiry of time period.

6.5 If the allottee voluntarily surrenders the land to the lessor within a period of three years after handing over the possession of land, he/she will be provided an exit route by way of refund of the 80 percent of premium paid.

6.6 Such land shall again be added to the Land Bank on Single Window Portal for fresh allotment.

6.7 No refund shall be allowed after a period of three years from the date of handing over of the possession of the land except in circumstances beyond the control of the allottee/promoter, for which he/she shall be required to appeal before the Apex Project Clearance Committee through the Managing Director of concerned IDC.

6.8 No sale or transfer of the allotted vacant land by the allottee shall be permitted under any circumstances. Vacant land shall mean such lands where no machinery whatsoever has been installed. Mere construction of the shed or boundary wall or Chowkidar shed shall not exempt the land from being treated as vacant land.

7. Stamp Duty and Court Fee

7.1 All New units and existing units undertaking substantial expansion shall be eligible for 100% exemption of Stamp duty on land transactions in Government Industrial Estates, including lease deed and mortgage deed.

7.2 New units and existing units undertaking substantial expansion shall be eligible for exemption of payment of court fee for registration of documents relating to land transactions.

8. Transfer of Lease Hold Rights

8.1 The unit holder shall apply for request of Transfer of lease hold rights/ De-registration only after the unit comes into production, along with all documents mentioned in Jammu & Kashmir Land Allotment Policy 2021-30 Clause 15.1.1 - 15.1.9 to the GM DIC (Concerned) along with following documents:

8.1.1 Furnishing of documents viz. Copy of Memorandum of Understanding/ Resolution of Board of Directors/

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Incorporation Certificate by the Registrar of Companies/
Articles of Association/ Memorandum of Association/
Provisional Registration of Incoming unit and Permanent
Registration of Existing unit to be de-registered

8.1.2 Public Notices in minimum two leading dailies inviting
objections.

8.1.3 NOC from IDC(s).

8.1.4 NOC/ NDC from the concerned Bank/ Financial Institution/
Sales Tax/ PDD/ DIC wherever required.

8.1.5 An undertaking by the incoming Promoter (attested by a
Magistrate) stating therein that liability if any arising due to
transfer of lease hold rights (Outright-sale) shall be borne by
the Proprietor/ Partners/ Company along with declaration
that land is free from all encumbrances.

8.1.6 An affidavit by the outgoing Promoter duly executed in the
Court of Law to the effect that the land is free from all
encumbrances.

8.1.7 Clearances of all estate’s dues if any.

8.2 The GM shall recommend the case to Director, Industries and
Commerce for transfer of leasehold rights and subsequent de-
registration of the unit.

8.3 The applicant shall make a payment of transfer fees of 20% of
prevalent land premium. The Managing Director of IDC(s) shall
issue orders of Transfer of Lease Hold Rights within 30 days of
receipt of such cases after completion of requisite formalities.

9. Cancellation of Lease Deed and Retrieval

9.1 In case of failure on the part of allottee to make total payment
towards premium within stipulated time from the date of allotment
letter, violation of any condition of the lease deed, failure to take
effective steps within the stipulated time, failure to come into
production within stipulated time, failure to adhere to any other
condition(s) stipulated in the Industrial Policy and/or these
guidelines, the concerned Estates Officer notified under the Jammu
& Kashmir Public Premises (Eviction of Unauthorized Occupants)
Act, 1988 shall immediately take necessary action for determination
of the lease deed and eviction of the allottee under the said Act and
rules made there under.
9.2 The allotments where no effective steps have been taken and the premises is vacant, the land will be taken over by the concerned IDC.

9.3 The allotments where effective steps have been taken or with complete constructions but is liable for cancellation of lease deed and retrieval as per clause 14 of the Jammu & Kashmir Industrial Land Allotment Policy 2021-30, the land will be dealt as per Government Order issued in this regard.

9.4 The abovementioned clauses shall apply mutatis mutandis in respect of land allotments done prior to notification of this policy.

10. Removal of Difficulties

10.1 In the event of any discrepancy between the Jammu & Kashmir Industrial Land Allotment Policy 2021-30 and Procedural Guidelines to Jammu & Kashmir Industrial Land Allotment Policy 2021-30, the policy shall prevail in determining the spirit, intent, and meaning.

10.2 If any difficulty arises during implementation of these guidelines, the same shall be clarified by Government of Jammu & Kashmir.
ANNEXURES

Annexure I- Format of DPR

Project report:
The Applicant must submit a Detailed Project Report (DPR) online along with the application. The detailed project report shall comprise of the following points:

a) Promoter's background including qualification and experience
b) Details of items to be manufactured/services rendered and its marketing potential
c) Land area applied for and tentative break-up of possible areas
d) Plan Layout
e) Implementation schedule
f) Product process flowchart
g) Projected Cash flow statements
h) Total investment detail including investment in Technical & Non-Technical Civil work, Plant & Machinery (in case of Manufacturing Sector), Building & Other Physical Durable Assets (in case of service sector), Requirement of Working Capital
i) Sources of Finance for the Project
j) Projected Employment Details
k) Power requirement
l) Water requirement
m) Balance Sheets for the last three years of the applicant company/promoters with necessary resolutions, IT returns and documents concerning financial/technical support, if applicable.

n) The Registration documents depending on types of organization viz. Proprietorship, Partnership, Trust, Private/Public Limited Company, etc. along with certified copy of the Partnership Deed, Memorandum and Article of Association and relevant documents, as applicable
Annexure II- Format of Lease Deed

Lease Deed.

This Deed of lease is made on this the ______________ day of ______________ 20__, at ______________ by and between:

THE J & K INDUSTRIAL DEVELOPMENT CORPORATION (s)_ for and on behalf of the UT of Jammu and Kashmir, hereinafter to be called "THE LESSOR" (which expression shall unless repugnant to the context or meaning hereof be deemed to include its successors and the assignees ) of the One part.

AND

M/S _______________ hereinafter to be called "THE LESSEE" (which expression shall unless repugnant to the context or meaning hereof be deemed to include his all legal heirs, administrators, representatives, executors' successors and assignees) of the Other part.

WHEREAS the UT of Jammu and Kashmir in order to encourage the development and establishment of the Industrial Units in J&K has developed many Industrial Complexes in the UT and is providing the required land /premises on lease-hold basis to the genuine and interested persons/entrepreneurs through the above named Corporation for the said purpose in its Industrial complexes.

WHEREAS above named lessee being interested and desirous to establish and install An Industrial Unit for manufacturing/ service of ___________ approached the above named lessor for allotting and leasing land situated at ______________ for setting up the said Industrial Unit;

WHEREAS the Lessor after considering and appreciating the said request of the lessee has agreed and consented to allot /lease out _________ kanals of land in favour of the lessee in the said Industrial complex for a period of 40 (forty) years initially, renewable at the option of Lessor for a further period of 40 years at a time provided that maximum period of lease shall in no circumstances exceed 99 years to which effect allotment order came to have been issued vide No. ______________ dt.____________ accordingly. The said land has been allotted /leased out by the lessor in favour of the lessee on the terms and conditions as are laid down in the under reference allotment order and also on the terms, condition and covenants as are envisaged and laid down here-in–these presents

WHEREAS the parties accordingly in pursuance of said arrangement hereby execute this lease deed envisaging the terms and conditions governing them in respect of the said lease in addition to terms and condition as envisaged in the
Allotment order as mentioned hereinafter. However, in case of any variation/ contradiction between the terms and conditions of Allotment Order and this lease deed, the terms and conditions as laid down in this Deed shall always prevail.

HENCE THE PARTIES HEREBY AGREE AND DECLARE
AND THE LEASE DEED WITNESSES AS UNDER.

1. That the Lessor hereby allots and leases out............ kanals of land situated in IDC(s), ............. (UT of J&K) and fully described and delineated in the site plan annexed with this deed in favour of the above named lessee for a initial period of 40 years commencing from the date of execution of this lease deed or from the 30th day of the date of issuance of the allotment order, whichever is earlier, the renewal of lease period at the option of lessor for a further period of 40 years at a time provided that maximum period of lease shall in no circumstance exceed 99 years on mutually agreed terms & conditions. The lease rental shall be also payable by the Lessee accordingly from the said date.

2. That the above mentioned land and hereinafter to be referred to as "the Leased Premises", has been allotted and leased out to the lessee exclusively for establishing and setting up of an industrial unit for manufacturing/

3. That for the use and occupation of the leased premises the lessee shall pay an amount @ Rs............./- per kanal as premium which is non-refundable and also annual ground rent of Rs. _________________/- per kanal per annum to the above-named lessor. It is further agreed that three year's annual ground rent for the leased premises shall be paid in advance by the lessee to the lessor. The rent shall be always paid by the lessee to lessor in future in the first week of every commencing/financial year in advance in the office of concerned Estate Manager or at any other place/office, as may be directed from time to time by the lessor. In case the lessee fails to pay the rent punctually and regularly, the lessee shall be liable to pay the interest on the defaulted sum at the rate of 20% per annum from the date of default till its full and final realization. In that eventuality the lessor shall be further authorized and entitled to initiate also any other legal remedy against the lessee including eviction from the leased premises.

4. That it is hereby declared by the lessee that in part performance of the terms and conditions of the allotment/lease arrangement the lessee has paid an amount of Rs. _________________ as premium for the leased premises and Rs. _________________ also, as advance ground rent for Three years for the leased premises to the lessor and the receipt thereof is hereby admitted and acknowledged by lessor.

5. That it is further agreed, consented and declared that the annual rent as fixed herein-above shall be subject to increase of 20% on the basic rent after every five years and also subject to any further revision / increase as may conveyed by the lessor to the lessee from time to time. It is hereby admitted, consented and declared by the above-named lessee that the rent shall be paid at the said

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enhanced rates after every five years as stipulated herein by the lessee to the lessor without any fail or demur.

6. That it is further agreed and consented that the premium fixed hereunder for the leased land and paid by the lessee shall be the initial premium only.

7. That the lessee hereby further declares and undertakes that the lessee shall not at any time carry on or permit or cause to be carried on any trade or business other than the one permitted by lessor and mentioned hereinabove in the said leased land or permit or cause the same to be occupied by any other person or persons whomsoever. In the event of any default wilful or otherwise on this account by the lessee and coming to the notice of the lessor, the allotment sanctioned in respect of the land shall be liable to be cancelled and the lease terminated after giving a notice of 30 days upon the lessee besides any other action to which the lessee is liable under any other provisions of this deed or any law for the time being in force. The eviction of the lessee from the land in such a situation shall be secured at the risk and expenses of lessee where lessee fails to vacate the land by the end of notice period aforesaid.

8. That the notice referred to under Para “7” above shall also be issued against the lessee with the same consequences and with the same procedure in the event of the land remaining unused for an aggregate period of three (03) years after handing over the possession, the land shall be retrieved and resumed by the Lessor. The effective steps include the construction of building and placement of orders for procurement of machinery and shall not mean mere construction of Chowkidar Shed, Boundary Wall and effective steps are required to be taken shall be 03 (three) years which will start from the date of building plan approval which, in turn, should necessarily be obtained within seventy five (75) days of land allotment order. In case the building plan approval is not obtained within 75 days, the time for taking effective steps shall be reckoned from the date of allotment of the land. No refund shall be allowed after a period of three years from the date of handing over of the possession of the land except in circumstances beyond the control of the allottee/ promoter.

9. That the lessor shall have always access to the leased out land as set out in this agreement whether for the purpose of the inspection or to the use of the land or for the examination of the UT and condition of the leased land, the buildings and any other structures

10. That the lessee shall have the right and authorization to raise the necessary constructions (factory building etc.) on the leased land which are required and necessary to be constructed in connection with the purpose of establishing/installing the said industrial unit. However, before erecting such constructions the lessee shall get the same duly approved from the competent authority and shall erect and construct the same strictly in accordance with the said permission as approved and granted by the competent authority for the purpose. The said constructions shall be also made and erected in accordance with the norms and specifications as laid down in the project Report and the

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byelaws of the IDC(s) and also other directions and the instructions issued by
lessor from time to time in this behalf. If any deviation is committed by lessee in
erection of the said constructions as per the approved or project Report or Byelaw
of IDC(s) or other directions/instructions of the lessor, the lessor shall be
within its rights to demolish and raise down the said deviations or the whole
construction as it deems expedient and necessary and the lessee shall neither be
eligible nor possess any right to claim any sort of compensation from lessor for the
loss occasioned to the lessee on this account.

11. That the timber of the trees, fruit giving or otherwise, falling in the leased land
which need to be cut by the lessee while raising the said constructions shall be the
property of the lessor, and the lessee shall claim no rights, title, interest
whatsoever on them or their produce. The trees which will be grown in the leased
land by either of the parties shall also and always be the property of the lessor
and the lessee shall have no right or claim or any interest upon them or their
produce during the subsistence of the present lease or thereafter and the same
shall be always deemed to be the property of the lessor. The lessor shall have the
right of going on the leased land for looking after the trees auctioning their
produce and for other related thing and purposes. However, if the lessee so
chooses, agrees and decides, the lessor shall charge for the trees coming under
the construction or for all the trees in the leased land on the basis of their fruit
giving /bearing life and the timber, and after payment of the Said sum of money
by the lessee to the lessor, the said trees shall become the property of the lessee.
Nevertheless, the trees planted hereafter by either of the parties shall be always
the property of lessor and the lessee shall have no right or claim, whatsoever,
over them. In case the lessee commits any breach of the stipulations as contained
here-under, the allotment and the present lease shall be liable to be cancelled and
determined before its due term followed by the eviction of the lessee from the
leased land and further the lessee shall be liable and responsible to pay the
damages incurred by the lessor in this behalf.

12. That it shall be the responsibility of lessee to maintain the leased land and any
other structures and wall fencing around the land, and should the lessee fail to
maintain and execute the said repairs at any time, the lessor shall have the repairs
and maintenance effected at the cost of lessee and the advance rent, if any, will
be adjusted towards the maintenance costs; and if the lessee does not within
fifteen days thereafter repay such costs as incurred by the lessor for the said
purpose, the same shall be treated as breach of the agreement in respect of
maintenance of the land etc. and for which the lessee shall be liable to pay the
same to the lessor with a penalty twice the sum involved besides cancellation of
the order of allotment of land and the determination of the present lease.

13. That the lessee shall abide by the directions and instructions of the lessor as may
be issued from time to time in connection with the use of electric power, roads,
drains, water supply, street light, or use of any facilities created by the lessor for
the promotion of the industry in the said industrial complex. The lessor may set

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out separately the terms and conditions for the use of one or all such facilities which will be provided to the lessee and the same shall be binding on the lessee.

14. That the lessee shall abide by all the tariff rates as may be fixed for the supply of electricity, water supply, use of extension of telephone facility and all other services available within the Industrial Complex as may be offered by the lessor to the lessee, the lessee shall not substitute the same by any own arrangement save with the previous written permission of lessor.

15. That the land leased out under the agreement shall be put to the actual use by the lessee in accordance with the approved scheme/project Report and the constructions civil or mechanical and manufacturing/assembly processes shall be strictly in accordance with the project report or the project proposals as may have been cleared by the DIC/lessor and any departure there-from shall render the lessee liable to the cancellation of the lease besides demolition of constructions or structures at the risk and cost of the lessee to be preceded by a notice of 30 days. It is further agreed, consented and undertaken hereby that the lessee shall take necessary and effective steps for establishing and setting up of the said project within three (03) years from the date of execution of the lease deed. In case the lessee fails to do so thereby keeping the land unutilized, the allotment of the leased land shall be liable to be cancelled and the lease determined before its due time and the premium and/ or lease rent paid by the entrepreneur in such cases shall be forfeited.

16. That the maximum period for coming into production shall also be three years from the date of building plan approval which should necessarily be obtained within seventy-five (75) days of the land allotment order. And, in case the building plan approval is not obtained within 75 days, the timeline for coming into production shall also be reckoned from the date of allotment of land. Therefore, the entrepreneur will have to plan effective steps in a manner that the proposed unit comes into production within three years of building plan approval/ allotment of land and the progress of implementation shall be constantly monitored.

17. That the lessor shall have right to eject the lessee on committing breach of any of the terms, conditions and covenants here-in-contained without prejudice to the right of the lessor to realize any sum of money as may have become due under the agreement in respect of any arrears of advance rent or other defaulted rentals or any penalties, where the same have not been remitted to the lessor within the period laid down or where the period has not been laid down within 30 days from the date of the demand notice to be served on lessee.

18. That on expiry of the lease period fixed hereby or extended period or earlier termination of the lease, the lessee shall hand over the leased land hereby demised to the lessor in as good condition as the lessee has received it, subject, however, to the condition that the lessee shall only be entitled to remove such fixtures and structures as the lessee might have put up at his own costs and no compensation or expenses incurred in making or removing these additions and alterations and construction/ structures shall be payable by the lessor to lessee;
provided further that the same had been executed by the lessee in accordance with the approved project Report and Bye-laws of the lessor (IDC(s)). In case the lessee fails to remove the said factory buildings and other structures and fixtures existing on the leased land within the stipulated time fixed by the lessor in this behalf, the lessee shall lose all the right, title and interest thereto which will get then permanently and perpetually ceased and extinguished and the same shall devolve upon lessor/UT of Jammu Kashmir who shall become the exclusive owner thereof. It is further declared and clarified here that in the said eventuality the lessee shall have no right, title or authorization to claim any cost or compensation for the said buildings, structures, fixtures etc. existing on the leased land from lessor/UT of Jammu and Kashmir.

19. That the lessee paying the rent regularly and punctually as hereby reserved and observing and performing the covenants, the terms and the conditions herein contained and on the part of the lessee to be observed and performed, the lessee shall and may peacefully retain the possession and enjoy the land hereby demised without any let or hindrance from lessor or any person rightfully claiming from or under the lessor during the period of lease or its earlier termination on any ground.

20. That the lessee shall abide by all pollution control Measures as stipulated, enacted and enforced by the Government of J&K from time to time.

21. That the Lessee shall be required, bound and obliged to comply with and observe all the Labour Laws and all other concerned laws as in vogue and as may be stipulated, enacted and enforced in future, strictly and effectively in respect of the employees employed in the unit of the Lessee. The Lessor shall be authorized and empowered to enter the leased land/factory land of Lessee at all reasonable times to ensure that the said laws are observed, followed and complied with by the Lessee effectively and absolutely without any fail. In case of any default/breach on this account by the Lessee and failure to rectify the same within such time as may be given by the Lessor to the Lessee, the allotment sanctioned in respect of the leased land shall be cancelled and the lease determined before its due term and the lessor shall have the absolute right to eject the Lessee from the leased land immediately without any demur or objection on part of the lessee. More-over, the Lessee shall be liable to be proceeded against also under the relevant provision/s of the concerned law/s governing the matter for such breach /default.

22. That the Lessee shall not sublet, under-let, sell or mortgage or otherwise deal with or part away with full or any part of the leased land or transfer any right or the interest thereon to anybody except as expressly provided hereinafter. In case of any breach by the Lessee thereto, the Lease shall be liable for the cancellation and earlier termination/determination forthwith.

23. That the Lessee shall be entitled, with prior written permission sought and obtained from the Lessor, to mortgage the lease-hold rights in respect of the leased land under the agreement of any Bank or any Financial institution or the

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[Signature]
State Financial Corporation or the Industrial Development Corporation (s) as security for the loan intended to be raised/secured by the lessee for meeting a part of expenses for the construction of building, purchase of machinery or raw materials, with the further power to said Financial institution /Banks/ S.F.C/ IDC(s) to transfer the same to a third party in case of foreclosure; Provided further that incoming Lessee shall be bound by all the terms, conditions and covenants as envisaged hereunder this Lease Deed with the Lessor above named if directed to execute the same.

24. It is, however, further clarified and declared here that the Lessor shall always be authorized and entitled to initiate any action against the present Lessee or the incoming Lessee, including the eviction process from the leased land, in case of breach of any of the terms, conditions or covenants by the present Lessee or any new incoming Lessee and in that eventuality the said financial Institution, Bank, SFC shall have nor shall raise any objection in the exercise of the said right and initiation of any such action by the Lessor against the present lessee or incoming Lessee because of any finance/loan advanced by them or their charge upon the lease-hold rights over the Leased land. More-over, the Lessor shall have priority and precedence over the claims of the said financial institution/Bank/SFC for recovering its due rentals or damages etc. and their claims shall be secondary to the claims of lessor always which shall have to be satisfied and liquidated first.

25. That in the event of default on part of the Lessee to deposit the due rentals as stipulated hereunder, the Mortgagee shall be also liable and required to deposit the same for and on behalf of the Lessee as are required to be deposited by the Lessee (Mortgagor) so as to maintain and keep the lease-hold rights and the present lease arrangement in force and effect, which otherwise shall come to an immediate end. In order to maintain lease arrangement with lessee and continuance of the charge by way of mortgage upon the lease-hold rights, the Mortgagee shall be bound, obliged and require to ensure the punctual and regular payment of due rentals by the lessee (Mortgagor) and /or pay the same for and on behalf of the Lessee and more- ensure the observance of the covenants of this lease deed and in case of breach thereof the Lessor shall have every authority and right to cancel the present lease and the charge of the Mortgagee upon the leasehold rights of the leased land and Lessee shall be liable for eviction from the leased land.

26. That the Premium already paid by the Lessee to the Lessor at the initial allotment of the leased land along-with the advance rent as mentioned above shall not be refundable but in the event of any change of land within the said Industrial Complex, with the prior permission of the Lessor, the Lessor may allow at its discretion the adjustment of the advance One Year's rent already paid

27. That if the Lessee utilizes the leased land but leaves the project halfway and it becomes necessary to dispose of the assets, the concerned financial institutions will proceed in consultation with the Lessor. A Condition to the effect shall be got incorporated by the Lessee with the financial institutions in Mortgage deed, which
is executed or will be executed by the Lessee with the said financial institution /Bank/SFC.

28. That the ownership of the leased land allotted/leased out to the lessee hereunder shall always remain with the UT of Jammu and Kashmir even during the period of lease.

29. That the Lessee shall, during the currency of the lease, pay all the taxes, the rates, duties, assessments and all the other charges now payable or which may hereinafter become payable in respect of the leased land or in relation to the business/activity of the Lessee or in consequence of development and Regulation of the said Industrial/Electronics Complex in which leased land are located.

30. That the Lessee shall not carry on in the allotted/ Leased out land any illegal or offensive trade or business or any activity other than that required in connection with establishment of the unit and purpose aforesaid. The decision of the Lessor whether such trade, business or activity is illegal or offensive to the provisions of this lease agreement shall be final and binding on the lessee.

31. That if the Lessee commits breach of any of the covenants and conditions herein contained, it shall be lawful for the Lessor to terminate the lease in respect of the leased land under this agreement by giving a notice to the Lessee in writing of 30 days, the commencement of the notice period being reckoned from the date of delivery of notice to the Lessee. The decision of the Lessor whether the Lessee has committed any breach or not shall be final and binding on the lessee provided that:

a) If Lessee in response to the notice for termination of the lease undertakes to rectify the breach to the full satisfaction of the lessor within such period as may be agreed to by the lessor and on payment of such cost by the Lessee and as have been actually incurred by the Lessor, the notice shall be treated to have been held in abeyance till the date of removal of such breach and in case the breach continues to subsist even after the period of removal of the breach, no fresh notice should be needed for termination of lease and notice held in abeyance for removal of such breach shall in that event by treated to have remained alive.

b) In the event of termination of the lease having materialized on account of any breach aforesaid, it shall be lawful for the lessor to enter upon the leased land leased out under this agreement.

c) That the action contemplated under this clause shall be without any prejudice to the other remedies available to Lessor under any law for the time being in force.
32. That the provisions of clause 31 shall be liable to be invoked in the event of default on account of payment due to the Lessor under the agreement in respect of rentals, past or future, or any other costs payable for any breach.

33. That it is further agreed and consented by the Lessee that any arrears of rent shall be recoverable as arrears of land revenue and in case the said proceedings are initiated by Lessor against the lessee for making such recoveries, if any, as arrears of land revenue, the lessee shall not object to the said proceedings initiated by the lessor against the lessee but the lessor shall be within its rights to initiate the said proceedings against the lessee who shall have no legal right or authority to challenge the same.

34. That the Lessee shall be liable to indemnify the lessor and all other person/s and lawful bodies against all damages that may result from any act or omission of the lessee or any of their agents or servants.

35. That the lessor reserves the right to resume any part or full of the leased land at any time if it is found that the land has been obtained in excess of the actual requirement or fraud or mis-representation has been exercised by the lessee while taking the land and in that eventuality no compensation, whatsoever, shall be claimed by the lessee from the Lessor. Further it is consented and agreed that the Lessor shall be fully competent and authorized to resume any part of the leased land irrespective of the fact that the lease -hold rights may be under charge to any Bank/SFC/IDC(s) or to any other Financial Institution.

36. That irrespective of any law for the time being in force in J&K, the Lessor shall be authorized and empowered to take and initiate eviction proceeding against Lessee under J&K Public Land (Eviction of Unauthorized Occupants) Act 1959 through the Estate Officer in case the same are chosen to be initiated against the lessee in case of breach of any of the terms, conditions and covenants of this deed. The lessee shall not object or challenge in any way or manner the said proceedings if initiated against the lessee by the Lessor at any time.

37. That the Lessee shall be also bound by the terms and conditions as are laid down in the Allotment order mentioned above and which forms a part of this lease deed. The Lessee (Mortgagor) and lending financial institution (Mortgagee) shall be also bound by the instructions/orders as have been issued by the government vide government Order NO:10 Ind. of 1995 dated 19-01-1995, Government Order No:295-Ind of 1995 dated 21-09-1995, Government Order No: 202 Ind of 1998 dated 27-05-1998, Government Order No: 369 Ind. Of 1998 dated 14-10-1998 and the Government Order No.90-Ind of 2001 dated 04-04-2001 and the further the Lessee shall also be further bound by all the direction, instructions and orders issued by the Government of the Jammu and Kashmir/IDC(s) earlier from time to time and to be issued in future in respect of industrial estates /complexes/leased land.

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38. That the Lessee shall not change the constitution of the concern/Company as stands shown in opening paras of this Lease deed, without the prior written consent of the Lessor, and any breach thereof shall be treated to be in violation of this Lease deed and in that eventuality the lease as granted hereunder shall be liable to be terminated and determined before its due term and the lessee shall be liable for eviction from the leased land forthwith.

39. That the Lessee shall obtain required respective IS/ISO/AG/FPO Mark Certificate or any other certificate as may be required under law for the product to be manufactured by him within a period of One Year from the date of production otherwise the allotment shall be liable to be cancelled and the lease determined before its due term followed by the eviction of the Lessee from the leased land.

40. That any notice required under this agreement to be given by the Lessor to lessee or vice versa shall be by registered post or by personal delivery addressed to the Lessee, proprietor at his home address or allotted land or through the registered post provided that no such notice addressed to Lessee shall be deemed to have been delivered unless the notice period is for not less than 30 days. The delivery of the notice upon the lessee shall be presumed to have been effective even if the same is refused to be taken by the Lessee or is returned back to the Lessor otherwise or any other ground whatsoever. The Lessor shall be authorized and empowered to initiate any action as warranted and the notice shall be treated to have been served upon the Lessee. More-over, notwithstanding any law for the time being in force in the UT of J&K, the notice period of 30 days provided hereunder for issuance of any sort of notice by the lessor upon the Lessee shall be legally valid and effective, and the Lessee hereby consents for the same and shall not raise any objection for the said time period of only thirty days but it shall be binding upon the Lessee and the Lessee shall be stopped to challenge it before any Court of law at any time.

41. That if any doubt, dispute, question or difference shall at any time hereinafter arises, concerning construction, effect or meaning of these presents or any matter herein contained or other respective rights and the liabilities hereunder, every such doubt, dispute, question, difference shall be referred to the sole arbitration of the Managing Director/Chairman Industrial Development Corporation (s) for Arbitration under the Jammu and Kashmir Arbitration and Reconciliation Act. The decision of the said Arbitrator shall be conclusive and binding on the parties.

42. That the cost and expenses incidental to the preparation, execution and registration of this lease deed shall be borne and paid by the lessee. The Lease deed shall be got duly registered also before the concerned Sub-Registrar or Registrar after its completion and the original thereof after its registration shall be retained by the Lessor and lessee shall be provided with a copy of the same.

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In witness whereof the parties hereto have signed this deed in token of acceptance of its contents and the execution thereof out of their free will, consent and influence or misrepresentation on the date and place herein-above written:

**WITNESSES:**

**EXECUTANTS**

LESSOR: ______________________

(Manager Estates, DC (s))


For and on behalf of J&K IDC(s),

**LESSEE:**

M/s

(though its Directors)

Sign: ______________________
Name: ______________________
S/o, W/o, D/o: ______________________
R/o: ______________________

Sign: ______________________
Name: ______________________
S/o, W/o, D/o: ______________________
R/o: ______________________

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