



# KARNATAKA INDUSTRIAL AREAS DEVELOPMENT BOARD

(A Government of Karnataka Undertaking)

# 49, 4th & 5th Floors, 'East Wing', Khanija Bhavan, Race Course Road, Bengaluru - 560 001

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IADB/COF/Allotment Price/7821/2015-16

31.08.2015

## CIRCULAR

Sub: Framing of guidelines for refund of amount remitted by the allottees towards the cost of land.

Ref: 1) This Official Memorandum dated 03.12.2001.  
2) 226<sup>th</sup> Continued Board Meeting dated 23.05.2005  
3) This Office Circular dated 15.07.2005.  
4) 335<sup>th</sup> Board Meeting dated 14.08.2015

The KIADB Board in its meeting held on 04.06.2015 desired to revise the existing refund guidelines in respect of allotments made in Industrial Areas and Single Unit Complexes. Accordingly, a committee was constituted under the Chairmanship of Commissioner for ID and Director of I&C to review the existing refund guidelines and to recommend revised guidelines in the changed circumstances. The committee in its meeting held on 24.07.2015 recommended revised guidelines for refund of deposits to the entrepreneurs on surrender / cancellation of allotments.

The recommendations of the Committee were placed in the KIADB Board Meeting held on 14.08.2015 and after detailed discussions, the Board has approved the following guidelines, in supersession of the earlier guidelines for refund of amount remitted by the allottees towards cost of land in respect of allotments made in Industrial Areas and in favour of Single Unit Complexes w.e.f. 14.08.2015.

### I. Allotments made in Industrial Areas

- To forfeit 20% of the amount paid towards initial deposit instead of 10% in cases of cancellation of allotments for non-payment of balance land cost within the stipulated period.
- To forfeit 5% of the amount remitted instead of 2% in cases where the allottees voluntarily surrender the land after issuance of the possession certificate due to inability to implement the project.
- If the allottee withdraws the application before issue of allotment letter, the entire amount remitted towards the cost of land is refunded after forfeiting the Earnest Money Deposit amount.
- To collect EMD of Rs.5,000/- instead of Rs.500/- per acre along with the application for allotment of land

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## **II. Acquisition & Allotment of lands in favour of Single Unit Complexes (SUCs)**

- a) If the acquisition proceedings are dropped in case of SUCs due to omissions and commissions of the Board / Govt., including delay in issue of notification u/s 28(1) or 28(4) of the KIAD Act, the entire amount of land cost deposited by the company is to be refunded.
- b) If the acquisition proceedings are dropped due to various reasons at the instance of the beneficiary company before issue of notification u/s 28(1), the forfeiture is limited to 10% of the amount paid towards the cost of acquisition.
- c) If the acquisition proceedings are dropped at the instance of beneficiary company after issue of preliminary Notification under Sec.28(1) and before issue of final Notification under Sec.28(4) of the KIAD Act, 20% of the amount shall be forfeited out of the amount remitted by the company towards 40% cost of acquisition.
- d) If the acquisition proceedings are dropped due to various reasons at the instance of the beneficiary company after issue of final notification u/s 28(4), the forfeiture is limited to 20% of the amount paid towards the cost of acquisition. But the balance 80% amount remitted by the company could be refunded only after allotment of the said land to any other industries and on realization of the cost of land.
- e) If any change is required in individual case, such proposals be examined based on the merits of each case and grounds of equity and such proposals shall be placed before the Board for consideration

The revised Refund Guidelines shall come in to force w.e.f. 14.08.2015.

Therefore, all the concerned officers are requested to take action as per the decision of the Board without fail.

Sd/-  
Chief Executive Officer  
& Executive Member

1) Sri. K I Gudagi,  
Secretary  
KIADB, Bengaluru.

2) Sri. S R Satish,  
Joint Director  
KIADB, Bengaluru.

3) Sri. N Suma  
JD (TP)  
KIADB, Bengaluru

4). Sri. V Jagannath  
DO-II, KIADB ZO,  
Bengaluru.

5) Sri. Iftekar Ahmed,  
DO-I, KIADB ZO,  
Bengaluru.

6) Sri. M Rama  
DO-III  
KIADB ZO,  
Bengaluru.

10) The Development  
Officer  
KIADB ZO,  
Mangalore.

11) Sri. K C Shivakumar,  
DO KIADB ZO,  
Hassan.

12) Sri. Praksh Kumar  
L.K  
DO, I/c KIADB ZO,  
Belgaum

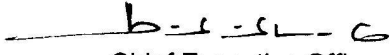
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|--|---|--|
| 13) Sri. Bilagiri<br>Rangaswamy,<br>DO, KIADB ZO,<br>Mysore.           | 14) Sri. M P Jaishankar<br>DO, KIADB ZO,<br>Bellary                     | 15) Sri. M P Jaishankar<br>DO, KIADB ZO,<br>Gulbarga                   |
| 16) Sri. H S Basavaraj,<br>DO<br>KIADB ZO,<br>Davanagere               | 17) Sri. G K Ramalingappa<br>Asst. Secretary<br>KIADB, HO,<br>Bengaluru | 18) Sri. V H Mahesh,<br>Asst. Secretary<br>KIADB, Bangalore            |
| 19) Sri. D C Srinivas<br>Asst. Secretary I/c<br>KIADB HO,<br>Bengaluru | 20) Sri. S G Ramachandra,<br>Asst. Secretary I/c<br>KIADB HO, Bengaluru | 21) J Ravindra,<br>Asst. Secretary I/c<br>KIADB HO, Bengaluru          |
| 22) The Asst. Secretary<br>KIADB ZO,<br>Dharwad                        | 23) The Deputy<br>Dev. Officer<br>KIADB ZO<br>Raichur                   | 24) The Deputy<br>Development<br>Officer,<br>KIADB ZO, Bidar.          |
| 25) Sri. Vasanthakumar,<br>Asst. Secretary<br>KIADB ZO, Mysore         | 26) K P Vijaya Kumar,<br>Asst. Secretary I/c<br>KIADB ZO,<br>Bengaluru. | 27) Sri. D Swaroop Kumar<br>Asst. Secretary I/c<br>KIADB ZO, Mangalore |
| 28) Sri. V Ananthasena<br>Asst. Secretary I/c<br>KIADB HO, Bengaluru   |   |  |

Copy to:

1. Spl. D C, KIADB.
2. GM, KIADB.
3. CE&CDO, KIADB
4. Controller of Finance
5. AO, KIADB
6. OSD to CEO&EM

} for information

  
Chief Executive Officer  
& Executive Member