

TELANGANA STATE INDUSTRIAL INFRASTRUCTURE CORPORATION LIMITED

(A Government of Telangana State Undertaking)

Circular.no.9/AMW/Non-implementationof Projects/2017 Dt:13/03/2017

Sub: Non – implementation of projects by the Industrial units –
Cancellation of allotment and resumption of land – Guidelines –
Issued – Reg.

Ref: 1. Allotment Regulations 2012.

2.Minutes of the 11th Board meeting of TSIIC held on 02/02/2017.

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In the Allotment Regulations 2012, a provision was made for execution and registration of Sale Deeds before implementation of the project for availing term loan from the financial institutions for the implementation of projects. The original Sale agreement and Sale deeds are to be forwarded to the financial institutions along with No Objection Certificate stipulating an obligation on the part of the financial institution to keep TSIIC informed periodically about the release of loan and repayments and implementation status of the project regularly.

It was also made clear to the financial institutions that in the event of cancellation / withdrawal of sanctioned loan against which the original sale deed is deposited with them or the allottee has not availed the loan from the financial institution, the registered sale deed and sale agreement shall be returned to TSIIC and TSIIC shall consider to initiate appropriate legal action for cancellation of Sale deed and for resumption of the allotted land for non compliance. However, the financial institutions are not keeping the TSIIC informed about the release of term loan, stage of project implementation, dues payable to the Bank & action proposed to be taken in case of default etc which has been causing vacuum in taking timely action by the Corporation against the allottee in case of violation of terms & conditions in implementation of project.

After careful examination of this issue, it has been decided to initiate action for withdrawal of NoC, for cancellation of allotment and for resumption of Plot/land/Shed in the following cases:

1. Where the NoC is already given to the financial institutions for sanction of term loan by creating mortgage of the property for implementation of project and where the projects are remaining unimplemented or partially implemented utilizing smaller portion of lands allotted within the stipulated period of 2 years as per the

terms & conditions of Sale agreement or within the extended period of time as per the terms & conditions of EoT.

2. Where the plots/land is remaining vacant without implementing the project as per the terms & conditions of Sale agreement and no EoT proposal is received from the allottee within the valid period of EoT Scheme.
3. Where the plots/sheds/land stands registered in favour of the allottee entrepreneurs before implementation of projects as per the earlier decisions of the Corporation or where Sale deeds have been registered on the request of APSFC/Financial institutions for sanction of term loan for implementation of project and where the allottee did not implement the project and kept the land unutilized till date.
4. Where the loan is not availed by the allottee after executing and registering Sale deeds in their favour or where the loan amount is not disbursed by the financial institution due to non-compliance of terms & conditions of their Sanction order and the allottee failed to implement the project within the stipulated time as per the terms & conditions of Sale agreement /EoT.

All Zonal Manager are requested to take immediate necessary action as per the instructions issued following the due procedure in consultation with financial institutions including obtaining orders of the Courts and shall submit quarterly compliance reports to the Head office regularly.


Vice Chairman & Managing Director

To

1. The Chief Engineer, Head office.
2. The Chief General Manager (AM), Head office.
3. The Consultant (AM), Head office.
4. The Consultant (Projects), Head office.
5. The General Manager (LAC), Head office.
6. The General Manager (law), Head office.
7. The Manager (Finance), Head office.
8. All Zonal Managers.

Copy to Chairman Peshi/ VC&MD Peshi