The Governor of Haryana is pleased to notify the Integrated Industrial Licensing Policy (IILP) for Development of Integrated Industrial Colonies in Industrial/Agriculture Zone in accordance with the powers conferred under Section 9A of the Haryana Development and Regulation of Urban Areas Act, 1975 & Rules thereof.

2. The policy has been approved by the Council of Ministers in its meeting held on 27.09.2017. The policy shall come into effect from the date of its notification. The Director General, Town and Country Planning, Haryana is hereby directed to effectively implement this policy to facilitate industrial development in the State.

POLICY

1.0 Inception:- Economic growth results from better factors of production. This process is clearly demonstrated when an economy undergoes industrialization or other technological revolutions. Real economic growth only comes from increasing quality and quantity of the factors of production, which consist of four broad types: land, labour, capital and entrepreneurship. The industrial growth of the State depends on optimal and efficient use of these components by way of policy formulation.

1.1 Existing Policy Framework:- There is an existing policy framework in the State of Haryana for grant of licences for development of Industrial Colonies issued vide memo no. Misc-388/PA(RB)/2015/7/16/2006-2TCP Dated 01.10.2015 under the provisions of Haryana Development and Regulation of Urban Areas Act, 1975. Under the prevailing policy, only plotted development is permitted. In contrast, several modes of development are presently available in case of residential and commercial colonies namely Plotted Colonies, Group Housing Colonies, NILP (allowing a mix of Plotted & Group Housing); Mixed Land Use development etc. Allowing only plotted development in case of industrial colonies results in several constraints in the industrial development, viz,
(i) Non-transfer of FAR from one site to other within a given colony;
(ii) Integrated Infrastructure management of the industrial colony by the Association of Industries is not possible;
(iii) Lack of managed common facilities within an industrial colony;
(iv) Lack of flexibility in internal design and development leading to discouragement of modern day concepts regarding plug-and-play facility, cluster development, incubation of start-ups, etc.

To eliminate these limiting factors, there is an immediate need to create a new policy framework that removes these bottlenecks and enables greater efficiency in the eco-system.

2.0 **Policy Objectives:** The policy framework needs to be in sync with the global realities and should be able to accommodate concepts that are shaping the new manufacturing/enterprise. To reduce the focus as well as investment in land, various options need to be created and offered to the prospective investors.

2.1 **Encourage Plug-and-Play Model:** One of the options that need to be available under the new policy framework is ‘plug-and-play model’, which is to be operated on lease hold basis on a part of such colony. The plug-and-play model is expected to boost manufacturing as the built in spaces already have basic facilities such as electricity, water, etc. and eliminates the need for complicated processes like land acquisition, infrastructure development, building construction etc. Even a business leader like Harley Davidson, when they entered Haryana, preferred a lease model than ownership model. The plug-and-play model will help the small and medium enterprises who do not want to go through the whole process of land acquisition, building factories, etc. In a new start-up eco-system where much of the investment is needed for land, the innovator is left with hardly any surplus to invest in technological innovation. These industrial "Plug and Play" zones will considerably reduce the start up investment costs and risks for Small & Medium Enterprises (SMEs). Such policy framework is likely to provide a further boost to the flagship initiative of 'Start-up India' of the Govt of India.

2.2 **Encourage Cluster Development:** A cluster is defined as a group of enterprises located within an identifiable and as far as practicable, contiguous area, producing same/similar product/services. Owing to common challenges and opportunities, such clusters derive huge benefits of economics of scale on account of:
   i. Similarity or complementarities in the methods of production, technology, quality control and testing, energy consumption, pollution control etc.
   ii. Enhancement of collective economic efficiency;
   iii. Developing a culture of co-operation and team work;
   iv. Creation of competitive market.

2.3 **‘Integrated Industrial Licencing Policy’:** In order to enable the developments as indicated above, there is a need for a policy framework which allows development of ‘Integrated Industrial Colony’, i.e., development of flatted factories (either horizontal or vertical developments) under the Act no. 8 of 1975, wherein, ownership registration and regulation is entirely governed under Haryana Apartment Ownership Act (HAOA), 1983. Key features of such project shall be as follows:
   i. Licences for development of such colony can be granted under the Haryana Development and Regulation of Urban Areas Act, 1975;
   ii. The sale/purchase of all industrial properties shall be under the Haryana Apartment Ownership Act (HAOA), 1983;
   iii. No freehold land/industrial plots shall be available in such colony;
   iv. A Global FAR (against industrial component of the project) shall be prescribed with flexibility for redistribution of FAR among different industrial blocks.
   v. The entire complex shall be a gated industrial colony with no internal boundary walls separating different industrial establishments.

3.0 **Conforming Land Use Zones; Approach Norms and Types of Industries permitted:** The conforming land-use zones, approach norms and the types of industries permitted as per the policy dated 01.10.2015 (as amended from time to time), shall continue to be applicable for the projects that are considered for grant of licences under this policy.
4.0 Area Norms and Planning Parameters:

i. **Minimum area**: The minimum area for setting up of a colony under the present policy, shall be as follows:-
   a. Hyper/ High Potential Zone: 50 acres
   b. Medium Potential Zone: 25 acres
   c. Low Potential Zone: 15 acres

   There shall be no maximum area limits for the purpose of grant of licence for such colony.

ii. **Permitted Uses and Applicable Planning parameters**: The following uses subject to the prescribed planning parameters shall be allowed:-

<table>
<thead>
<tr>
<th>Uses</th>
<th>Min/Max Component</th>
<th>Global FAR</th>
<th>Ground Coverage</th>
</tr>
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<tbody>
<tr>
<td>a Industrial</td>
<td>At least 85% of licenced area</td>
<td>1.0</td>
<td>60%</td>
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</tbody>
</table>
| b Residential| Upto 10% of licenced area | (i) In Hyper/High Potential Zone: As per the Affordable Housing Policy (AHP), 2013, as amended from time-to-time.  
(ii) In Medium & Low Potential Zone: As per Deen Dayal Jan Awas Yojna (DDJAY) policy norms, as amended from time to time—and with relaxation in min. & max. area norms (being ancillary projects and not standalone projects).  
(iii) However, the exemption of fees and charges as applicable to normal AHP 2013 and DDJAY cases shall not be available and normal fees and charges as prescribed for Group Housing colony/ Plotted colony, as applicable, shall be recovered. | 1.75        | 40%             |
| c Commercial | Upto 5% of licenced area |            |                 |

**NOTE:**

(1) Minimum 20% of the FAR achieved for industrial use shall be allocated/used for cluster based manufacturing activity.

(2) The occupation certificate for commercial and residential components shall be granted commensurate to the grant of occupation certificate of industrial component.

(3) At least 15% of the total site area under industrial use shall be earmarked by the developer for organized open parking in the shape of different pockets. This area shall be free of FAR.

(4) A minimum 5% of the total site area under industrial use shall be earmarked by the developer for organized open space in the shape of different pockets.

(5) All constructions shall conform to the Haryana Building Code-2017 as amended from time to time.

(6) Warehouse/ godowns shall be considered as a component of Industrial use.

iii. **Social Infrastructure/ Community/ Common Facilities**: The following facilities in this regard shall be mandatory, for every 50 acres of such project, and shall be counted against the FAR applicable for Industrial Use:

   a. Health Centre/ Dispensary: 500 sqm
   b. Community Centre: 200 sqm
   c. Anganwari-cum-Creche: 200 sqm
   d. Skill Development Centre and Common Facilities Centre: 2000 sqm

iv. **Internal Circulation roads**: The internal circulation roads shall be of width not less than 12 meters.
5.0 Development and Disposal of Industrial component:- Being an integrated colony, it is envisaged that a substantial component of the development and construction of industrial sheds as well as concomitant infrastructure for setting up of an industrial enterprise shall be carried out by the developer itself. Nevertheless, depending upon the nature and complexity of the industrial enterprise, it is possible that in several cases the entrepreneur is interested in getting the construction works done on its own, thus the option of allotment/sale of ‘building shell’ with an agreement for customised internal construction as approved by the competent authority within a prescribed FAR limit, shall also be allowed to a limited extent. The development and disposal in such colonies shall be governed by the following norms:

i. The development/ construction of at-least 50% of the industrial FAR component shall be undertaken by the developer itself.

ii. The disposal of at-least 50% of the industrial FAR component, that is already developed/constructed, shall be on lease basis.

iii. The balance area (not disposed off on lease basis) may be disposed off on out-right sale basis under the provisions of the Haryana Apartment Ownership Act, 1983,

a. either, as a built-up unit (apartment);

b. or, as a ‘building shell’ with an agreement for customised internal construction (as approved by the competent authority) within a prescribed FAR limit.

Nevertheless, the responsibility for obtaining building plan approval and occupation certificate as per the provisions of Haryana Building Code 2017, as amended from time to time, shall continue to lie with the developer.

iv. Irrespective of the disposal of units whether on lease basis, or, on out-right sale basis, the provisions of Haryana Apartment Ownership Act (HAOA), 1983 shall continue to remain applicable, in letter and spirit, on each such industrial unit located in the colony.

6.0 Fee and Charges:- Being essentially an industrial colony where the overall built-up area would be comparable to a normal industrial colony, the fees and charges shall be governed by the following parameters:

i. The statutory fee and charges, including EDC, shall be applicable and payable for the corresponding land use actually achieved in the colony in accordance with the Rules framed under Act 8 of 1975/Act 41 of 1963 and the policies followed in the Town & Country Planning Department.

ii. To further clarify, the fee, charges & EDC applicable for the residential land use will be those as prescribed for a residential/group housing colony and commercial rates for the commercial land use and Industrial rates for Industrial land use.

iii. Further, EDC for industrial use will be charged at the rates applicable for industrial use (FAR of 1.50 on industrial plots) in urbanizable zone as well as in 500 metre of urbanisable zone in agriculture zone. However, full EDC on the proportionate residential/commercial component shall be applicable.

7.0 Applicability of the Haryana Apartment Ownership Act, 1983 and Rules thereof:- The provisions of Haryana Apartment Ownership Act, 1983 and Rules shall be applicable on the projects which are licenced under this policy.

8.0 Miscellaneous

i. The project proponent will ensure to obtain all necessary approvals/consent from various Department like Pollution Controlled Board, Environment and Forest Department, District Industries Centre etc. as per the prevalent policy. He shall also be responsible for compliance of any other Act/Policy instruction of any other Department as applicable.

ii. The layout plan indicating various phases of development of the colony shall be submitted along with licence application to enable its scrutiny and approval along with grant of licence. In case the site falls in an urbanisable zone, such layout plan of the colony shall have to conform to the sectoral plans of the sector/sectors concerned and no sectoral plan shall be amended to accommodate the colony under any circumstances.

iii. The building plans for each phase may be submitted for approval subsequent to grant of licence.
iv. For allotment of residential flats, preference shall be given to the industry owners/ executives/ workers. The colonizer may also plan dormitories/ hostels/rental housing for the industrial workers/labour.

v. The colonizer/ project proponent shall make sufficient arrangement for rain water harvesting and re-charging of the ground water table to minimize water run-off.

vi. The colonizer shall also take necessary measures for setting up of an effluent treatment plant of appropriate size and its appropriate use and also for safe disposal of effluents after proper treatment.

vii. The colonizer shall also undertake solid/municipal waste management measures as may be directed by the Haryana State Pollution Control Board/Local Authorities.

viii. The Director may impose any other condition, to ensure proper implementation of this policy in letter and spirit, as deemed appropriate from time to time.

ARUN KUMAR GUPTA,
Principal Secretary to Government Haryana,
Town and Country Planning Department.