



STATE INDUSTRIES PROMOTION CORPORATION OF TAMILNADU LIMITED

19-A, Rukmani Lakshmipathy Road, Egmore, Chennai – 600008.

O.O.No. 21/2024

17-10-2024

OFFICE ORDER

Sub: Issuance of "Approval for Change in Management" to the allottees - Instructions issued- Reg.

Ref: SIPCOT Office Order No.19/2019 dt.31.07.2019
(copy enclosed)

In the reference cited, detailed procedure for issuance of "Approval for Change in Management" to the allottees were enumerated.

In order to expedite the issue of approval for Change in Management to the allottees it has been decided to process the applications through online.

IT Department may make suitable provisions in the software to apply online by the allottees for the approval of Change in Management. Further, viewing option of the application for Change in Management may be provided to the concerned Project Department at Head Office.

The applications received through online for approval of Change in Management shall be processed adopting the following procedure and the Project Officers shall intimate the same to their allottees in this regard.

1. List of Documents:

- 1.1 List of Directors and current shareholding pattern of the company including Holding Company if any, upto individual level duly certified by a Chartered Accountant / CPA. The CA/CPA certificate should have been obtained within 90 days prior to the submission of application for NOC.
- 1.2 Copy of renewal of Letter of Acceptance (LoA) from MEPZ in respect of SEZ units.
- 1.3 Commercial Invoice of Operation with the invoice atleast within 90 days before the date of application for those allottees which are functioning as per the



interpretation of the allotment orders, or / and based on the EOT granted by SIPCOT.

1.4 NoC earlier issued by SIPCOT (if any). If yes, No Due Certificate/ No Objection Certificate for take over Finance by existing bankers may be attached

1.5 Permission for sublease issued by SIPCOT (if any)

1.6 Proof of Documents for the period of functioning of the units from the date of commercial production (less than / more than 5 years) viz. atleast One copy of commercial invoices / TNEB payment / water charges paid to SIPCOT per quarter for the period of operation or six years if the period of operation exceeds 5 years.

2. Role of Project Officer:

2.1 On receipt of application for change in management, the Project Officer concerned shall scrutinize the same and ensure whether all the documents are attached as per the checklist enclosed.

2.2 In case, the allottee has not enclosed any of the documents and/or the allottee has any dues payable to SIPCOT, the same shall be communicated to the allottee (within 3 Days from the date of receipt of application) to furnish the missing documents and remit the dues within 7 days from the date of receipt of communication (with a copy to concerned Project Department at Head Office).

2.3 Simultaneously the Project Officer shall forward all the documents furnished by the Allottee as per Sl. No. 1 in the list of documents to Head office within 3 Days from the date of receipt of application by creating an E Office File in this regard.

2.4 The Project Officer has to follow up with the Allottee to furnish the details called for along with the additional details called for by Head Office on the expiry of 10 Days from the date of application and ensure the allottee adheres to the timelines.

2.5 If the allottee fails to furnish the documents/clear the dues even after



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follow up by the Project officer, the Project Officer shall forward the documents submitted along with their recommendation letter to close the application on the expiry of 15 days (from the date of application) along with the reasons for closure.

2.6 The Project Officer shall forward a "No Due Certificate" duly certified by the Project Officer stating that Allottee has remitted all the dues and as on the date of certificate No Dues is pending from the allottee along with the list of documents (as per Sl. No 1) obtained from the allottee to the concerned Project Department at Head Office (by atleast 15 days from the date of application) through the same E Office File (received from Head Office) for further processing and issue of approval for change in management. Further, the Project Officer has to forward a copy of the latest monthly status report relating to the allottee submitted earlier(i.e. monthly status report sent within 30 days prior to the date of application)

3. Role of Project Department at Head office:

3.1 On receipt of documents from the Project Officer w.r.t Sl. no. 1 in the list of documents, the concerned Project Department has to check whether there is any change in management or not.

3.2 If the details furnished is in adequate, the Project Department shall within 3 Days from the date of receipt of particulars from the Project Officer through E Office File, intimate the allottee to furnish the additional particulars within 7 Days from the date of receipt of communication (with a copy to concerned Project officer) and return back the E Office File to the Project Officer for follow up.

3.3 In case the allottee fails to provide the additional information within 7 days of 3.2, the application for change in management may be closed upon receipt of the recommendation letter for closure from the Project Officer and the same may be intimated to the allottee within 3 days by the concerned Head of the Project Department.

3.4 On receipt of details from the Project Officer as mentioned in Sl. No. 2.6,



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the Project Department has to process the application for change in management and the concerned Head of Project Department shall issue the approval for change in management within 5 Days.

3.5 The approval for change in management shall have a specific condition that the transfer fees (in case the change in shareholding pattern results in transfer of more than 50% of the shareholding of the existing allottee) has to be remitted within 30 days from the date of issue of approval for change in management, failing which the approval for change in management will stand automatically cancelled.

3.6 Upon receipt of transfer fees the concerned Project Officer shall be intimated to execute the Modified Lease Deed in respect of the allotted plot for which approval for change in management is accorded.

3.7 The E Office File created in this regard shall be merged with the Allottees main file at Head Office.

4. Timeline:

I. In case the allottee has furnished the application along with the list of documents in full:

Project Officer			
Sl.No	Particulars	Period	Cumulative Period
1	Furnishing of Details to Head office as per Sl. No. 2.6 of role of Project Officer along with Sl. No. 1 of the list of documents	3 Days	T+3 Days
Head Office			
1	Calling for Additional Particulars, if any, w.r.t change in management	3 Days	T+6 Days (In cases where no additional



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			particulars are required, the permission for approval in change in management can be issued within 5 days following the scrutiny of documents. i.e., T+8 Days)
2	Furnishing the documents/particulars by the allottee	7 Days	T+13 Days
3	Issuance of approval for change in management on receipt of all required Documents / particulars	5 Days	T+18 Days

II. In case the allottee has not furnished the application along with the list of documents in full and the Allottee requested to furnish the missing documents:

Project Officer			
Sl. No	Particulars	Period	Cumulative Period
1	Calling for Additional Particulars w.r.t missing documents	3 Days	T+3 Days
2	Forwarding the documents w.r.t Sl.No.1 in the list of documents to Head Office	3 Days	
3	Furnishing the documents / particulars by the allottee within 7 Days and follow up for the same for another 5 Days	12 Days	T+15 Days
4	Furnishing of Details to Head office as per Sl. No. 2.6 of role of Project Officer along with Sl. no. 1 of the list of documents / recommendation letter for closure of application in case the details are not furnished.	0 Days	T+15 Days



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Head Office			
1	Calling for Additional Particulars, if any.	3 Days	Period for Sl. No 1 & 2 at Head Office
2	Furnishing the documents/particulars by the allottee	7 Days	and Period for Sl. No 1 & 3 of Project Office are simultaneous
3	Calling for further additional particulars if the details furnished by P.O as sl. no. 2.6 is inadequate	3 Days	T+18Days
4	Issuance of approval for change in management on receipt of all required documents/particulars	5 Days	T + 20 Days (or) T + 23 Days

III. Closure of application in case the allottee fails to furnish the documents/additional details called for / clear the dues within the prescribed time limit:

Sl. No	Particulars	Period	Cumulative Period
1	Issuance of closure / Rejection of permission for approval in change in management by Head Office	3 Days	T+18 Days
T represents the Date of Application for approval in change in management, and the Days represents the Working Day.			
Hence the approval for change in management will be issued within 23 working Days from the Date of Application if the applications given in full shape. Beyond the stipulated period of 23 working Days, the file has to be put up to MD with reasons for delay for approval.			

The check list for the list of documents is enclosed at Annexure –I and the application for approval of Change in Management is enclosed at Annexure-II.



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The above procedure has to be adopted scrupulously and will be in force with effect from 01.11.2024.

Sd/--
MANAGING DIRECTOR

To
All GMs
All HoDs
All Projects Officers – To circulate the above office order to the allottees of their Industrial Parks.

Copy to:
PA to MD
PA to ED
IT Department

//Forwarded by Order//


12.10.2024
Manager(HRD)

ANNEXURE-I**Check list for Issue of approval for Change in Management**

1. Company Details
 - a. Application Reference No.
 - b. Application Date
 - c. Location of SIPCOT Industrial Park
 - d. Plot and Extent
 - e. Company Name
 - f. Contact Person
 - g. Contact Person Mobile No.
 - h. Contact Person Email
 - i. Address

2. List of Documents

S.N o.	List of Documents	Whether furnished	
		Yes	No
1	List of Directors and current shareholding pattern of the company including Holding Company if any, up to individual level duly certified by a Chartered Accountant / CPA. The CA/CPA certificate should have been obtained within 30 days prior to the submission of application for NOC.		
2	Copy of renewal of Letter of Acceptance (LoA) from MEPZ in respect of SEZ units		
3	Commercial Invoice of Operation with the invoice at least within 90 days before the date of application for those allottees which are functioning as per the interpretation of the allotment orders, or / and based on the EOT granted by SIPCOT.		
4	Proof of Documents for the period of functioning of the units from the date of commercial production (less than / more than 5 years) viz. atleast One copy of commercial invoices / TNEB payment / water charges paid to SIPCOT per quarter for the period of operation or six years if the period of operation exceeds 5 years.		

5	NoC earlier issued by SIPCOT (if any). If yes, No Due Certificate/ No Objection Certificate for take over Finance by existing bankers may be attached		
6	Permission for sublease issued by SIPCOT (if any)		

ANNEXURE-II

STATE INDUSTRIES PROMOTION CORPORATION OF TAMIL NADU
LIMITED 19-A, Rukmani Lakshmipathy Road, Egmore, Chennai - 600008

Application for approval of Change in Management

1. Company Details
 - a. Application Reference No.
 - b. Application Date
 - c. Location of SIPCOT Industrial Complex
 - d. Plot and Extent
 - e. Company Name
 - f. Contact Person
 - g. Contact Person Mobile No.
 - h. Contact Person Email
 - i. Address
2. Constitution Details (specify whether Sole Proprietorship / Partnership Firm / Public or Private Limited Company)
3. List of Directors/Share holding Pattern of the allottee at the time of Allotment and as on date duly certified by a CA/CPA—to be uploaded
4. Copy of renewal of Letter of Acceptance (LoA) from MEPZ in respect of SEZ units – to be uploaded
5. Commercial Invoice of Operation with the invoice atleast within 90 days before the date of application for those allottees which are functioning as per the interpretation of the allotment orders, or / and based on the EOT granted by SIPCOT – to be uploaded
6. Proof of Documents for the period of functioning of the units from the date of commercial production (less than / more than 5 years) viz. atleast One copy of commercial invoices / TNEB payment / water charges paid to SIPCOT per quarter for the period of operation or six years if the period of operation exceeds 5 years– to be uploaded
7. NoC earlier issued by SIPCOT (if any). If yes, No Due Certificate/No Objection Certificate for take over Finance by existing bankers may be attached.– to be uploaded
8. Permission for sublease issued by SIPCOT(if any)–to be uploaded
9. Payment Details – Processing Fee + GST

STATE INDUSTRIES PROMOTION CORPORATION OF TAMIL NADU LIMITED
19-A, Rukamani Lakshmipathy Road, Egmore, Chennai-600 008

O.O.No.19/2019

Date:31.7.2019

OFFICE ORDER

Sub: SIPCOT Industrial Complexes / Parks / Growth Centres - Change in
Management / Transfer of leasehold rights – Policy decision – Reg.

The Board of SIPCOT at its meeting held on 18.7.2019 approved the policy on Change in Management / Transfer of leasehold rights on the allotment of plots in the SIPCOT Industrial Complexes / Parks / Growth Centres.

If there is any change in the share holding pattern due to induction of new partners/ share holders and where more than 50% of the share holding is transferred to new persons resulting in total change or substantial change in ownership in the existing allottee unit or transfer to a unit where original promoters of the existing allottee hold less than 50% shares in the new transferee unit, the same will be construed as Change in Management / Transfer of Leasehold rights.

Accordingly, in supersession of earlier Office Orders, whenever there is a Change in Management / Transfer of Leasehold rights as described above, the transfer fee should be charged in the following manner:

Sl. No.	Classification	Applicable transfer fee
1.	Units not commenced commercial production	100% of differential plot cost
2	Units functioning more than 5 years from the date of commencement of commercial production.	10% of differential plot cost
3	Units functioning less than 5 years from the date of commencement of commercial production.	20% of differential plot cost
4.	Public Limited companies listed in Stock Exchange who have commenced commercial production.	Nil
5.	Revival of sick units by a scheme approved by Banks /FI/ BIFR/NCLT and other Legal Forums.	Nil
6.	Sales of assets by Official Liquidator / Court /NCLT.	Nil
7.	Sales of assets by the Banks/FI/Listed NBFC/ ARC, where NOC was issued for mortgaging the lease hold rights of allotted plots.	Nil
8.	Sales of assets by the Banks / FI/ Listed NBFC/ ARC, where NOC was not issued for mortgaging the lease hold rights of allotted plots.	10% of differential plot cost
9.	Joint venture companies of TIDCO/ ELCOT/ TIDEL/SIPCOT/ other Government Agencies and the change in share holding approved by the	Nil

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10.	Transfer of shares among the relatives of original promoter as defined under Income Tax Act, 1961. Relative means 1. Spouse , 2. Brother or sister of individual or of spouse, 3. Brother or sister of either parents, 4. Lineal ascendant/descendant of individual or of spouse & 5.Spouse of relatives mentioned in 2 to 4	Nil
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Transfer of leasehold rights of vacant land alone will not be permitted.

The land use pattern of the plot / plots allotted to the allottee remains unchanged in the event of any Change in Management / Transfer of Leasehold rights.

The above transfer fee will be made applicable for the Change in Management / Transfer of Leasehold rights where the effective date of transfer of share holding is on or after 18.7.2019.

J.KUMARAGURUBARAN
MANAGING DIRECTOR

To

All HODs

All Project Officers,
SIPCOT Industrial Complexes /
Parks / Growth Centres

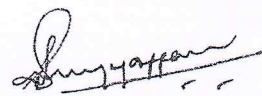
PS to MD

PA to ED

PA to GM(A&LA)

PA to GM(P&D)

/Forwarded by order/


General Manager(P&D)