



## The Haryana Industrial Estate (Development and Regulation) Act, 1974

Act 32 of 1974

**Keyword(s):**

**Factory Building, Industrial Estate, Industrial Plot, Occupier, Transfer, Transferee**

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THE HARYANA INDUSTRIAL ESTATES (DEVELOPMENT  
AND REGULATION) ACT, 1974

(HARYANA ACT NO. 32 OF 1974)

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**'THE HARYANA INDUSTRIAL ESTATES (DEVELOPMENT  
AND REGULATION) ACT, 1974**

(HARYANA ACT NO. 32 OF 1974)

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1	2	3	4
Year	No.	Short title	Whether repealed or otherwise affected by legislation
1974	32	The Haryana Industrial Estates (Development and Regulation) Act, 1974	

AN

ACT

**to enact the law in relation to the development and regulation of  
industrial estates in Haryana.**

Be it enacted by the Legislature of the State of Haryana in the  
Twenty-fifth Year of the Republic of India as follows :—

1. (1) This Act may be called the Haryana Industrial Estates (Development and Regulation) Act, 1974. Short title and extent.

(2) It extends to the whole of the State of Haryana.

2. In this Act, unless the context otherwise requires,— Definitions.

(a) "amenity" includes roads, water-supply, streetlighting, drainage, sewerage, public building and any other public utility service provided in an industrial estate ;

1. For Statement of Objects and Reasons, see *Haryana Government Gazette* (Extraordinary), dated the 2nd July, 1974, page 951.

- (b) "Chief Administrator" means an officer appointed as such by the State Government by notification to perform the functions of the Chief Administrator under this Act in relation to one or more than one industrial estate ;
- (c) "Estate Officer" means a person appointed by the State Government by notification to perform the functions of an Estate Officer under this Act in one or more than one industrial estate ;
- (d) "factory building" means any construction or part of a construction which is or has been transferred by the State Government and which is intended to be used for industrial purposes only, whether in actual use or not, and the area of land appurtenant to such building and also includes any building erected on any land transferred by the State Government under section 3 ;
- (e) "industrial estate" means any area comprising of land or factory building declared to be an industrial estate under sub-section (1) of section 3;
- (f) "industrial plot" means any land which is or has been transferred by the State Government ;
- (g) "occupier" means a person, including a firm or other body of individuals, whether incorporated or not, who occupies an industrial plot or a factory building transferred in any manner whatsoever and includes his successors and assignees ;
- (h) "prescribed" means prescribed by rules made under this Act ;
- (i) "transfer" includes a sale or lease of an industrial plot or factory building ;
- (j) "transferee" means a person, including a firm or other body of individuals, whether incorporated or not, to whom an industrial plot or a factory building is or has been transferred in any manner whatsoever and includes his successors and assignees.

3. (1) The State Government may, by notification, declare any area owned by the State Government, or transferred by it before the date of coming into force of this Act, to be an industrial estate for the purposes of this Act.

Power of State Government to declare areas as industrial estates and in respect of transfer of industrial plots or factory buildings in such estate.

(2) Subject to the provisions of sub-section (4), the State Government may transfer, whether by auction, allotment or otherwise, any industrial plot or factory building owned by the State Government in an industrial estate on such terms and conditions as may be prescribed.

(3) The consideration money for any transfer under sub-section (2) shall be paid to the State Government in such manner, in such instalments and at such rate of interest as may be prescribed.

(4) Notwithstanding anything contained in any other law for the time being in force, an industrial plot or a factory building shall continue to be owned by the State Government until the entire consideration money together with interest and other amount, if any, due to the State Government on account of the sale of such industrial plot or factory building under sub-section (2), is paid.

(5) Until the conditions prescribed are fulfilled, the transferee shall not transfer his rights in the industrial plot or factory building, except with the previous permission of the State Government, which may be granted on such terms and conditions as it may deem fit.

4. (1) For the purpose of proper planning or development of an industrial estate, the State Government may issue such directions, as may be considered necessary, either generally for the whole of the industrial estate or for any particular locality thereof, regarding any one or more of the following matters, namely :—

Power to issue directions in respect of erection of buildings.

(a) architectural features of the elevation or frontage of any factory building ;

(b) erection of detached or semi-detached factory building or both, and the area of the land appurtenant to such factory buildings ;

(c) prohibition regarding erection of buildings other than those deemed necessary for the persons working in the factory buildings ;

- (d) maintenance of height and position of walls, fences, hedges or any other structural or architectural construction ;
- (e) restrictions regarding the use of industrial plots for purposes other than erection of factory buildings.

(2) Every transferee shall comply with the directions issued under sub-section (1) and shall erect any factory building or take such other steps as may be necessary to comply with such directions.

5. (1) No person shall erect or occupy any factory building in an industrial estate in contravention of any factory building rules made under sub-section (2).

(2) The State Government may, by notification, make rules to regulate the erection of factory buildings and such rules may provide for all or any of the following matters, namely :—

- (a) the materials to be used for external and partition walls, roofs, floor, staircases, lifts, fire places, chimneys and other parts of a factory building and their position or location or the method of construction ;
- (b) the height and slope of the roofs and floors of any factory building ;
- (c) the ventilation in, or the space to be left about, any factory building or part thereof to secure free circulation of air or for the prevention of fire ;
- (d) the number and height of the storeys of any factory building ;
- (e) the minimum dimensions of rooms, sheds or chimneys ;
- (f) the means to be provided for the ingress or egress to and from any factory building ;
- (g) the ventilation of rooms and sheds, the position and dimensions of rooms and sheds or projections beyond the outer faces of external walls of a factory building and of doors or windows ;

Bar to erection of factory buildings in contravention of factory building rules.

- (h) any other matter in furtherance of the proper regulation of erection, completion and occupation of factory buildings ;
- (i) the certificates necessary and incidental to the submission of factory building plans, amended plans and completion reports ;
- (j) fees to be charged for submission of applications regarding erection, re-erection or occupation of factory buildings.

6. If it appears to the State Government that the conditions or use of any industrial plot or factory building is prejudicially affecting the proper planning of or the amenities in any part of an industrial estate or the interests of the general industrial concerns there, it may serve on the transferee or occupier of that industrial plot or factory building a notice requiring him to take such step and within such period as may be specified in the notice and thereafter to maintain it in such a manner as may be specified therein.

Power to require proper maintenance of industrial plot or factory building.

7. For the purpose of providing, maintaining or continuing any amenity in an industrial estate, the State Government may levy such fees or taxes as it may consider necessary (which shall be in addition to any fee or tax for the time being leviable under any other law) in respect of any industrial plot or factory building on the transferee or occupier thereof.

Levy of fee or tax for amenities.

8. (1) Where in the opinion of the State Government it is necessary that the amenities provided in an industrial estate should be extended to any industrial plot or factory building situated within such distance from the industrial estate as it may deem expedient, such amenities shall be extended to such industrial plot or factory building and the owner of such industrial plot or factory building shall be liable to pay, in the manner prescribed, such development charges therefor as may be fixed by the State Government having regard to the expenses to be incurred for providing such amenities and the benefits to be extended to the industrial plot or factory building :

Extension of amenities in neighbourhood of industrial estate.

Provided that the aforesaid charges shall be payable by the tenant of such industrial plot or factory building—

- (i) in case of lease granted after coming into force of this Act, the period of lease is twenty years or more; and
- (ii) in case of lease already granted the unexpired period of such lease is twenty years or more calculated from the date of coming into force of this Act.

(2) For the purpose of maintaining or continuing any such amenity, the State Government may charge such fees or taxes as are levied under section 7 from the person in possession of such industrial plots or factory buildings.

*Explanation.*— The definitions of the words "industrial plot" and "factory building" as given in this Act shall not apply for the purpose of this section.

Imposition of penalty and mode of recovery of arrears.

9. (1) Where any person makes any default in the payment of—

- (i) any rent due in respect of any lease of any industrial plot or factory building under section 3 ;
- (ii) any fee or tax under section 7 ;
- (iii) any charges, fee or tax under section 8, the Estate Officer may direct that in addition to the amount of arrears, a sum not exceeding that amount shall be recovered from the person by way of penalty ;

Provided that no such direction shall be made unless the person affected thereby has been given a reasonable opportunity of being heard in the matter.

(2) Where any person makes default in the payment of any amount, being the arrears or penalty or both directed to be paid under subsection (1), such amount may be recovered from him in the same manner as an arrear of land revenue.

Resumption and forfeiture for breach of conditions of transfer.

10. (1) Where any transferee makes default in the payment of any consideration money or any instalment on account of the sale of any industrial plot or factory building under section 3, the Estate Officer may, by notice in writing, call upon the transferee to show cause, within a period of thirty days why a penalty (which shall not exceed ten per cent of the amount due from the transferee) be not imposed upon him.



(2) After considering the cause, if any, shown by the transferee and after giving him a reasonable opportunity of being heard in the matter, the Estate Officer may, for reasons to be recorded in writing, make an order imposing the penalty and direct that the amount of money due along with the penalty shall be paid by the transferee within such period as may be specified in the order.

(3) If the transferee fails to pay the amount due together with the penalty in accordance with the order made under sub-section (2), or commits a breach of any other conditions of such sale, the Estate Officer may, by notice in writing, call upon the transferee to show cause, within a period of thirty days, why an order of resumption of the industrial plot or factory building of the whole or any part of the money, if any, paid in respect thereof (which in no case shall exceed ten percent of the total amount of the consideration money, interest and other dues payable in respect of the sale of the industrial plot or factory building) should not be made.

(4) After considering the cause, if any, shown by the transferee in pursuance of a notice under sub-section (3) and after giving him a reasonable opportunity of being heard in the matter, the Estate Officer, may, for reasons to be recorded in writing, make an order resuming the industrial plot or factory building so sold and directing the forfeiture as provided in sub-section (3) of the whole or any part of the money paid in respect of such sale.

11. (1) Any person aggrieved by an order of the Estate Officer made under section 9 or section 10 may, within a period of thirty days of the date of communication to him of such order, prefer an appeal to the Chief Administrator in such form and manner as may be prescribed :

Appeal and  
revision.

Provided that the Chief Administrator may entertain the appeal after the expiry of the said period of thirty days, if he is satisfied that the appellant was prevented by sufficient cause from filing the appeal in time.

(2) The Chief Administrator may, after hearing the appeal, confirm, vary or reverse the order appealed from and may pass such other order as he deems fit.

(3) The Chief Administrator may, either of his own motion or on an application received in this behalf, at any time call for the record of

any proceeding pending or in which the Estate Officer has passed an order for the purpose of satisfying himself as to the legality or propriety of such order and may pass such order in relation thereto as he thinks fit :

Provided that the Chief Administrator shall not pass an order under this section prejudicial to any person without giving him a reasonable opportunity of being heard.

(4) Where a person is aggrieved by any order of the Chief Administrator deciding a case under sub-section (2) or sub-section (3), he may, within a period of thirty days of the date of communication to him of such decision, make an application in writing to the State Government for revision against the said decision; and the State Government may confirm, vary or reverse the decision of the Chief Administrator and may pass such other order as it deems fit :

Provided that the State Government may entertain the application for revision after the expiry of the said period of thirty days, if it is satisfied that the applicant was prevented by sufficient cause from making the said application in time.

Penalty for  
contravention  
of directions,  
etc.

12. Any person who contravenes the provisions of sub-section (2) of section 4 or section 6, shall, on conviction, be punishable with fine which may extend to one thousand rupees and to a further fine which may extend to fifty rupees for each day during which the offence is proved to have continued after the first conviction.

Penalty for  
breach of rules.

13. Except as otherwise provided for in this Act, any contravention of any of the rules made thereunder shall be punishable with fine which may extend to one thousand rupees, and in the case of a continuing contravention, with an additional fine which may extend to fifty rupees for each day during which such contravention continues after the first conviction ; and the court while passing any sentence on conviction of any person for the contravention of any rule, may direct that any property or part thereof, in respect of which the rule has been contravened, shall be forfeited to the State Government.

*Illustration.*— Where an unauthorised structure has been constructed or any obnoxious material or substance is collected or heaped on an industrial plot or factory building in an unauthorised manner, such structure, material or substance shall be liable to forfeiture and not the industrial plot or factory building on which the same may be located :

Provided that if the erection or re-erection of a factory building is begun or a factory building is erected or re-erected in contravention of any of the factory building rules, the State Government shall be competent to require the factory building to be altered or demolished by a written notice delivered to the owner thereof within a period of six months of the erection or re-erection of its having begun or having been completed, as the case may be. Such notice shall also specify the period during which such alteration or demolition has to be completed and if the notice is not complied with, the State Government shall be competent to demolish the said building at the expense of the owner :

Provided further that the State Government may, instead of requiring the alteration or demolition of any such factory building, accept by way of composition, such sum as it may deem reasonable.

14. The State Government may authorised any person after giving twenty-four hours' notice to the occupier or if there be no occupier to the owner of any industrial plot or factory building, at any time between sunrise and sunset—

Power of entry  
on industrial  
plots or factory  
buildings.

- (a) to enter upon and to survey, and to take levels or measurements of any industrial plot or factory building ;
- (b) to enter into any factory building or on any industrial plot for the purpose of examining works under construction or of ascertaining the course of sewers or drains ; or
- (c) to enter into any factory building or on any land for the purpose of ascertaining whether any factory building is being or has been erected or re-erected without sanction or in contravention of any sanction given under this Act or the rules made thereunder and to take such measurements and do any other such acts as may be deemed necessary for such purposes.

15. No court shall take cognizance of any offence punishable under this Act or any rule made thereunder except on the complaint of, or upon information given by, any person authorised by the state Government in this behalf.

Procedure for  
prosecution.

Bar of  
jurisdiction.

**16.** No court shall have jurisdiction to entertain any suit in respect of any proceedings for the recovery of any arrears or penalty under section 9 or section 10 or in respect of the resumption of any industrial plot or factory building under section 10, or forfeiture of any money under section 10, or in respect of any proceeding arising out of breach or non-observance of the terms and conditions of the deed of transfer, or in respect of any order made by the State Government or any other authority in the exercise of any power conferred by or under this Act.

Protection of  
action taken in  
good faith.

**17. (1)** No suit, prosecution or other legal proceeding shall lie against the Chief Administrator, Estate Officer, or any other person acting under their direction in respect of anything which is in good faith done or intended to be done in pursuance of this Act or of any rules, directions or orders made thereunder.

**(2)** No suit or other legal proceeding shall lie against the State Government, Chief Administrator, Estate Officer or any other person in respect of any damage caused or likely to be caused by anything which is in good faith done or intended to be done in pursuance of this Act or any rules, directions or orders made thereunder.

Delegation.

**18. (1)** The State Government may, by notification, direct that any power exercisable by it under this Act except the power to make rules under sections 5 and 21 shall, in relation to such matters and subject to such conditions, if any, as may be specified in the notification, be exercisable also by such officer or authority subordinate to the State Government as may be specified in the notification.

**(2)** Save as otherwise provided in this Act, the Chief Administrator may, with the approval of the State Government, by an order in writing, delegate any of his powers and functions under this Act or the rules made thereunder to such other officer subordinate to him as may be specified in such order.

Partial  
exclusion of  
jurisdiction of  
municipal  
committees,  
Panchayats  
and Town  
improvement  
Trusts in  
industrial  
estates.

**19. (1)** If any industrial estate or part thereof lies within the limits of a municipality, notified area, Gram Panchayat area or local area under the Punjab Town Improvement Act, 1922, the State Government may, by notification, direct that any or all the powers under the Haryana Municipal Act, 1973, the Punjab Gram Panchayat Act, 1952, or the Punjab Town Improvement Act, 1922, as are relevant to the purposes of this Act, shall, subject to such conditions and restrictions as may be specified in the notification, not be exercised in such industrial estate or part thereof.

(2) The provisions of the Haryana Municipal Act, 1973, the Punjab Gram Panchayat Act, 1952, and the Punjab Town Improvement Act, 1922, in so far as they are inconsistent with the provisions of this Act shall not apply to an industrial estate or a part thereof.

20. (1) Nothing in this Act shall affect the operation of the Punjab Scheduled Roads and Controlled Areas Restriction of Unregulated Development Act, 1963. Effect of other laws.

(2) Save as aforesaid, the provisions of this Act and the rules made thereunder shall have effect notwithstanding any thing inconsistent therewith contained in any other law.

(3) Notwithstanding anything contained in any such other law—

- (a) when permission required under this Act for doing any act or taking any action in respect of any area has been obtained, such act or action shall not be deemed to be unlawfully done or taken by reason only of the fact that permission, approval or sanction required under such other law for doing such act or taking such action has not been obtained ;
- (b) when permission required under this Act for doing such act or taking such action has not been obtained, such act or action shall not be deemed to be lawfully done or taken by reason only of the fact that permission, approval or sanction required under such other law for the doing of such act or the taking of such action has been obtained.

21. (1) The State Government may, by notification, make rules for carrying out the purposes of this Act. Power to make rules.

(2) In particular and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely :—

- (a) the terms and conditions on which any industrial plot or factory building may be transferred by the State Government under this Act ;
- (b) the manner in which consideration money for any transfer may be paid ;

- (c) the rate of interest payable, and the procedure for payment of instalments, interest, fees, rents or other dues payable under this Act ;
- (d) the terms and conditions under which the transfer of any right, title or interest in any industrial plot or factory building may be permitted ;
- (e) erection of any factory building or the use of any industrial plot ;
- (f) levy of fees or taxes under section 7 or section 8 and payment of development charges under section 8 ;
- (g) the terms and conditions for the breach of which any industrial plot or factory building may be resumed ;
- (h) the conditions with regard to the factory buildings to be erected on industrial plots transferred under this Act ;
- (i) the form of notice and the manner in which notices may be served ;
- (j) the form and manner in which appeals and applications under this Act may be filed and the fees leviable on such appeals and applications ;
- (k) the matters referred to in sub-section (2) of section 5 ;
- (l) any other matter which has to be or may be prescribed.

(3) Every rule made under this section shall be laid as soon as may be after it is made before the House of the State Legislature while it is in session for a total period of ten days which may be comprised in one session or in two or more successive sessions, and if before the expiry of the session in which it is laid or the session immediately following, the House agrees in making any modification in the rule or the House agrees that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.