Jawaharlal Nehru Port Authority Special Economic Zone

Request all stake holders to give their inputs to jnpsez@jnport.gov.in; legalsection@jnport.gov.in before 3/11/2025

JNPA SEZ POLICY FOR TRANSFER OF SHAREHOLDING BY ALLOTTEE/LESSEE

1. APPLICABILITY-

This Policy shall apply to all en es/person who has been allo ed plot in JNPA SEZ area and undergoes any change in its shareholding.

2. CHANGE IN SHAREHOLDING BY ALLOTTEE/LESSEE PRE- AND POSTOPERATIONALIZATION, INCLUDING TRANSFER FEE-

An Allo ee/Lessee in JNPA SEZ area shall file an applica on seeking permission for allowing change/transfer in shareholding pa ern of an Allo ee/Lessee (before or a er opera onaliza on) along with the following documents-

(a) Self-declara on by allo ee / lessee to seek approval of UAC / DC Office for the proposed change of shareholding.

(b) Self-Declara on that the Allo ee/Lessee is not in default of any of the terms and condi ons of the allotment/lease.

(c) Declara on that the new incoming shareholder meets the minimum qualifying criteria as s pulated under the Tender for qualifica on as a Allo ee/ Lessee along with suppor ng documents.

(d) Demand Dra / RTGS/ NEFT for transfer fee and processing charges as are applicable depending on the nature of the transfer as detailed in para 4 below.

*(if the transfer of shareholding is not approved by Unit Approval Commi ee (UAC) / Development Commissioner (DC) then JNPA will refund the shareholding transfer fee paid by allo ee / lessee a er deduc on Rs 20,000/- as administra ve charges).

3. APPLICATION PROCESS – JNPA SEZ concerned department shall verify the documents so submi ed and if found in order, upon payment of requisite Shareholding Transfer Fee / processing fee, will issue permission to the Allo

ee/Lessee to make changes/ transfer in shareholding of an Allo ee/Lessee of the JNPA SEZ plot. Grant of such permission/NOC shall be at sole discre on of JNPA SEZ and JNPA SEZ shall have the right to reject the applica on for transfer /change in shareholding of the Allo ee/Lessee without assigning any reason thereof.

3.1. JNPA SEZ shall have the right to call for further documents or informa on as it may deem fit for disposal of the applica on as aforesaid.

3.2. The applica on so submi ed shall be disposed of by JNPA SEZ maximum within three months of receipt thereof along with all suppor ng documents as are required.

3.3. The applica on so received, a er verifica on of all requisite documents by the recipient SEZ department, shall be placed before the “JNPA SEZ Working Commi ee” along with its recommenda on. The Commi ee shall have at least one mee ng every month depending upon the requirement, the recommenda on of the working commi ee shall be placed before the Competent Authority/ Chairman JNPA for the final decision in the ma er.

4. <u>SHAREHOLDING TRANSFER FEE AND PROCESSING FEE –</u>

The following Shareholding Transfer Fee / processing fee, as per applicability men oned herein below, needs to be paid by the Allo ee/Lessee to JNPA SEZ along with their applica on for effec ng any change/transfer in its shareholding during the tenure of the lease.

4.1. Formal Transfer–

The following circumstances/cases shall be termed as “Formal Transfer”, and the applicant has to pay only processing fee at the rate of Rs. 25 per square meter.

(i) Transfer because of death i.e. by bequeath/will/heirship, pursuant to a Succession Cer ficate or Heirship Cer ficate or in case of Will by a probate or le ers of administra on issued by a court of competent jurisdic on or

(ii) change in name of Allo ee/Lessee without any change in shareholding or

(iii) involuntary statutory restructuring or

(iv) Forma on of SPV or change in cons tu on of the Allo ee en ty/Lessee into another form where the stakeholder/ shareholders of the original Allo ee en ty/Lessee holds stake/ shareholding in same propor on as to its/ their exis ng shareholding in original Allo ee en ty/Lessee (e.g. Change of partnership into private/ public limited company and cons tu on of wholly owned subsidiary) or

(v) Change from proprietor/partnership firm to company, if the share of the original proprietor /partner(s) in the new company con nues to remain more than 50% then the transfer shall be treated as Formal Transfer or

(vi) Transfer/change in shareholding of the original Allo ee en ty/Lessee upto 50% then the transfer shall be treated as Formal Transfer.

4.2 Non-Formal Transfer-

Any other transfer which is not covered under Formal Transfer as referred above will be treated as Non-Formal Transfer including the following instances-

i) Transfer arising out of induc ng individual not being legal heirs, as men oned in Clause 4.1 (i).

ii) Changes in partners of the firm not being legal heirs.

iii) Change from proprietor/partnership firm to company. However, at the me of such transfer if the share of the original partners in the new company con nues to remain 51% or more then the transfer shall be treated as Formal Transfer.

iv) One limited company to other company.

v) From private limited company to individual or partner of the partnership firm.

vi) All voluntary transfers with sanc on of the competent courts/tribunals/appropriate Government etc. Any involuntary transfer pursuant to order of competent Courts/Tribunals/Appropriate Government etc. as a penalty for non-compliance with any statutory rule, regula on, order etc. will be treated as Non-formal Transfer and will not be covered under clause 4.1 (iii).

vii) In case any scheme of amalgama on, takeover, merger or demerger etc. are framed between two or more en es in the ordinary course of business as part of their Corporate/business strategy with sanc on of the scheme by the Competent Authority/Tribunal or Court, as the case may be.

Explana on (1) Mere change in the name of the proprietary concern/partnership firm/ Company without any change in cons tu on will be noted by the Authority without recovery of the Processing Fee or Shareholding Transfer Fee. Provided that if consequent upon name change there is also change in shareholding, then applicable processing fee/ shareholding transfer fee shall be applicable as per this policy.

5. <u>RATE OF PROCESSING FEE AND SHAREHOLDING TRANSFER FEE</u>-

5.1. Subject to the condi ons s pulated in Clause 4.1, all the Formal Transfers shall be permi ed by recovery of Processing Fee.

5.2. Subject to the condi ons s pulated in Clause 4.2, all Non-Formal Transfers shall be permi ed on recovery of Shareholding Transfer Fee.

5.3. The transfer of plot/unit shall be permi ed a er recovery of Processing Fee or Shareholding Transfer Fee depending upon the mode of transfer. The rates of Processing Fee or Shareholding Transfer Fee are summarized in the table given below:

Processing Fee	Shareholding Transfer Fee		
The processing fee shall be charged at the rate of Rs. 25 per square meter subject to minimum of Rs. 100000/-. (The processing fee shall be levied on the allo ed plot area.)	<u>Developed Plots:</u> 10% of the differen al premium (unearned increase) per square meter subject to a minimum amount of Rs. 100000/-. (The shareholding transfer fee shall be levied on the allo ed plot area.)	<u>Open Plots:</u> 30 % of differen al premium (unearned increase) per square meter subject to a minimum amount of Rs. 100000/-. (The shareholding transfer fee shall be levied on the allo ed plot area.)	<u>Under development plots:</u> 20 % of differen al premium (unearned increase) per square meter subject to minimum amount of Rs. 100000/-. (The shareholding transfer fee shall be levied on the allo ed plot area.)

Note: 1) ‘Differen al Premium (unearned increase)’ shall mean the difference between the land premium rate at which land has been leased to the lessee through auc on and the es mated current price /Land Premium/allotment rate for allotment of similar Plot as on date of the applica on.

2) 'Developed Plots' means the plot in which 50% or more investment in terms of the minimum investment requirement under the tender has been done by the Allo ee /Lessee irrespec ve of whether unit is opera onal (with part / full OC) / non-opera onal.

3) 'Open Plots' means a plot in which the Allo ee/Lessee has not made any construc on and investment or has made investment below 25% of the minimum investment requirement under the tender irrespec ve of whether unit is opera onal / non-opera onal (with no / limited construc on ac vity).

4) 'Under development Plots' means the plot in which investment in terms of the minimum investment requirement under the tender has been done by the Allo ee /Lessee at least 25% and below 50%, and in case it has not been done, then it will be treated as an open plot irrespec ve of whether unit is opera onal with part / full OC) / non-opera onal. (with no / limited construc on ac vity).

5) The applicant shall submit CA cer ficate cer fying the quantum of minimum investment made by the Allo ee/Lessee in terms of the Tender commitment and business plan submi ed along with the bid. Also Engineer cer ficate as applicable in cases of part / full OC or cases where full /par al construc on. In case the same is found to be false, JNPA SEZ reserves the right to levy Shareholding Transfer Fee at the rate of maximum charge (30%) for the transac on irrespec ve of quantum of investment as penalty / deny the same.

6) the es mated current market price /Land Premium/allotment rate for allotment of similar Plot as on date of the applica on shall be calculated considering the following -

i) State Government's ready reckoner of land values in the area, if available for similar classifica on/ ac vi es.

ii) Highest rate of actual relevant transac ons registered in last three years in the Port's vicinity (the vicinity of the Port is to be decided by the JNPA Board), with an appropriate annual escala on rate to be approved by the JNPA Board.

iii) Highest accepted tender-cum-auc on rate of Port land for similar transac ons, updated on the basis of the annual escala on rate approved by the JNPA Board.

iv) Rate arrived at by an approved valuer appointed for the purpose by the JNPA.

v) Any other relevant factor as may be iden fied by the JNPA.

6. <u>MISCELLANEOUS PROVISIONS</u>-

(i) In case the calculated transfer fee is less than the minimum, the minimum fee grade of Rs 1,00,000 will be charged.

(ii) If the transac on of share transfer involves transfer of lease also in favour of new / different en ty a rac ng provisions of transfer of lease under PGLM 2014 (as amended), lease transfer charges for transfer of lease as per PGLM 2014 (as amended) will also apply separately.

(iii) These provisions of this Policy shall be subject to change as per decision of JNPA and direc ons issued by MOPS&W from me to me.

(iv) The Shareholding transfer fee and processing fee as s pulated in this Policy shall apply to all cases where applica on for change in shareholding is made by the Allo ee/ Lessee any me during the existence of the Lease Agreement.

(v) Shareholding shall mean and include equity shareholding, preference shareholding and all other category of shareholding issued by the Allo ee/Lessee.

(vi) In case of any dispute, the Par es shall first a empt to resolve the ma er amicably through nego a ons or discussions between them. If the dispute is not resolved amicably, it shall be referred to arbitra on before the Society for Affordable Redressal of Disputes – Ports (SAROD Port). The dispute shall be dealt with in terms of Rules of SAROD - Ports. The detailed procedure for conduc ng Arbitra on shall be governed by the Rules of SAROD - Ports and provisions of Arbitra on & Concilia on Act, 1996, as amended from me to me.

The par es may also with consent with other party refer the dispute for resolu on through Concilia on.