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GOVERNMENT OF PUNJAB

DEPARTMENT OF INDUSTRIES AND COMMERCE

(INDUSTRIES BRANCH)

Notification

The 9th April, 2008

No. 17/13/02-61B/446.—With a view to accelerate the pace of Growth of Industry in the State and provide quick availability of land to the entrepreneurs, the Governor of Punjab is pleased to notify a new policy for allotment of land in various industrial focal points as well as allotment of semi-developed/developed land under "Off-the-Shelf" Scheme, in supersession of the notification issued on 2nd September, 2005.

The allotment policy would be applicable to all the existing and new areas either fully developed/semi-developed for industrial purposes as Focal Points, Growth Centres, Industrial Areas, Industrial Estates etc., by any agency of the Government.

For the purpose of this policy, semi-developed areas shall mean such areas which have been identified exclusively for large and medium scale industries and in which only external skeleton development covering provision of outer roads with street lights, truck sewer, storm water, drainage and sewerage disposal works have been undertaken by any agency of the State Government.

I. RESERVATION FOR VARIOUS CATEGORIES :

"Off-the-Shelf" Scheme.

- (a) All pieces of land measuring above 2 acres.
- (b) 30% of plots of 2500 sq. yards and above up to 2 acres.
- (c) 15% of plots measuring 500 sq. yards and above but less than 2500 sq. yards.
- (d) All plots/sheds in Urban Industrial Estates/Industrial Development Colonies.
- (e) Allotment of land to Industrial Focal Point Associations/Chamber of Commerce and Industry up to the size of 250 sq. yds. for setting up their office.

The remaining plots shall be allotted under general scheme having the reservations as follows :—

Allotment to Non Resident Indians and Export Oriented Units	.. 10%
Scheduled Castes	.. 5%
Backward Classes	.. 2%
Ex-Servicemen/War Widows	.. 2%
Sikh Migrants/Riot Affected Victims	.. 1%

Provided further that in case sufficient eligible candidates are not available in the specified reserve category, the un-allotted plots shall be treated as un-reserved and allotted in the General Category.

I-A. Where more than 50% of the plots in an industrial focal points/industrial estate which was developed more than five years back have remained unsold, PSIEC, may as its discretion, carve out chunk of land of 5 acre or more by clubbing unsold plots along with non-saleable area subject to the following terms and conditions, for allotment under "Off-the-Shelf" Scheme.

(a) Once the plots and non-saleable area are clubbed together, the existing zoning will lapse and a new zoning plan in accordance with the new size of the chunk will be prepared as per applicable bye laws.

(b) The price of the chunk shall be worked out after adding the current price of saleable plots included in the chunk depending on the land use. The non-saleable area included in the chunk will also be priced at the same rate which works out for the total saleable area in the chunk.

(c) A discount of 10% will be offered on the price worked out in accordance with (b) above in view of clubbing of plots.

II. ALLOTMENT UNDER "OFF-THE-SHELF SCHEME"

(a) Procedure for inviting applications :

The application for allotment of plots under Off-the-Shelf Scheme would be received in Udyog Sahayak, Department of Industries. Entire Secretarial works such as scrutiny of applications, placing the proposals before the Sub-Committee and the Allotment Committee shall be done by the Udyog Sahayak.

After scrutiny, Udyog Sahayak shall place the applications before a Sub-Committee comprising of the following members :—

(i) Director of Industries and Commerce	.. Chairman
(ii) Chief Town Planner	.. Member
(iii) Chief Architect	.. Member
(iv) M.D., P.S.I.E.C.	.. Member
(v) M.D., P.S.I.D.C.	.. Member
(vi) Member Secretary, P.P.C.B.	.. Member
(vii) Chief Co-ordinator, Udyog Sahayak	.. Convener

(b) Criteria :

The Sub-committee shall examine the applications, keeping in view the following parameters :—

- (a) Viability of the project
- (b) Impact on environment
- (c) Technology involved
- (d) Export earnings
- (e) Employment generated
- (f) Qualification and experience
- (g) Foreign Direct Investment.

The Sub-Committee shall also make assessment of the land requirement of the applicant based on the project report and building plans to be submitted alongwith applications.

The recommendations of the Sub-Committee in cases of plots less than 2 acres will be placed before Principal Secretary, Industries and Commerce for allotment, while in cases of plots of 2 acres and above, the recommendations will be placed before the Allotment Committee under the Chairmanship of Chief Secretary to Government, Punjab with the following members :—

- (i) Principal Secretary to Chief Minister, Punjab
- (ii) Principal Secretary, Industries and Commerce

- (iii) Principal Secretary, Environment
- (iv) Principal Secretary, Power
- (v) Principal Secretary, Housing and Urban Development
- (vi) Principal Secretary, Labour
- (vii) Managing Director, P.S.I.E.C./Concerned Developing Agency
- (viii) Director of Industries and Commerce

The Allotment Committee may co-opt other Administrative Secretaries/State Government Officials as and when required.

(c) Mode of Payment :

Earnest money	20% of the cost of plot/land or Rs. 10 lacs whichever is less alongwith application
Payment of balance cost of plots/land above 2 acres	Entire balance cost payable within 60 days of Allotment letter
Payment of balance cost of plots/land up to 2 acres	30% payable within 30 days of Allotment letter. Balance 50% in two half yearly equated instalments alongwith interest as applicable or lump sum payment within 60 days without interest

For issuance of Allotment letter, Project Implementation, Extension in Time period and transfer of Land/Plots, the provisions made under clause III(d), III(e) and III(f) shall also apply to plots allotted under "Off-the-Shelf Scheme".

III. GENERAL SCHEME :

(a) Procedure for inviting Applications :

Applications shall be invited by P.S.I.E.C./Concerned Developing Agency through press advertisement. The Developing Agency shall undertake scrutiny of the applications, placing proposals before following Sub-Committee, which shall be headed by Industrial Advisor-cum-Additional Director of Industries :

- (i) Joint Managing Director, P.S.I.E.C.
- (ii) Representative of M.D., P.F.C.
- (iii) Representative of M.D., P.S.I.D.C.
- (iv) Representative of P.P.C.B.
- (v) G.M., D.I.C., Concerned
- (vi) Representative of M.D., E.L.T.O.P.
- (vii) Representative of M.D., P.A.I.C.
- (viii) Officer Incharge of the concerned Developing Agency Convener.

The Sub-Committee shall undertake the preliminary scrutiny and make its recommendations to the Allotment Committee having regard to requirement of land and eligibility of applicants keeping in view the parameters given under II(b) above.

(b) Allotment Committee :

Allotment of plots up to 2 acres, excepting under "Off-the-Shelf Scheme" shall be made by the Allotment Committee consisting of the following :—

- (i) Director of Industries and Commerce, Punjab .. Chairman
- (ii) M.D., P.S.I.E.C.
- (iii) M.D., P.S.I.D.C.
- (iv) M.D., P.F.C.
- (v) Chairman/Member Secretary, P.P.C.B.
- (vi) Industrial Advisor-cum-Additional
Director of Industries
- (vii) Nominee of the Developing Agency .. Member-Secretary

The Allotment Committee shall make allotment of plots after considering the recommendation of Sub-Committee

The decision of the Allotment Committee on applications for allotment of plots shall be final and no appeal shall lie against it. The Allotment Committee would meet as and when required and devise its own procedure for conducting the business.

(c) Mode of Payment :

Earnest Money	10% cost of plot payable alongwith application
Down Payment	30% cost of plot payable within 30 days of a llotment
Balance cost	60% cost of plot payable in 6 half yearly equated installments alongwith applicable interest

OR

In Lump sum (without interest) within 60 days of allotment.
10% rebate on balance 60% cost sha ermissible
in case of lump sum payment.

(d) Issuance of Allotment Letter and Project Implementation :

After the decision to allot by the Competent Allotment Committee, the Concerned Developing Agency shall issue a regular allotment letter with detailed terms and conditions. The allottee shall be required to bring the unit into production within 3 years from the date of allotment:

Provided that this clause shall also be applicable to all Letter of Intents made under the polices notified on 10th December, 1998 and 24th December, 2002. All the LOIs shall be converted into regular allotment letter by the concerned Developing Agency in consonance with provisions III (d) and III (e) of this policy.

III (e) EXTENSION IN TIME AND FEE :

In case allottee fails to bring up the industrial unit into production on the industrial land allotted under this policy within 3 years, he/they will have to seek extension in time period for bringing up unit into production, failing which allotment made shall be deemed to have been cancelled. However, extension in time period for another 2 years on request from allottee giving valid reasons for inability to bring up the unit into production shall be granted on payment of extension fee @ 1% per year of current reserve price of the land fixed by the Developing Agency in the concerned focal point/industrial estate operative at the time of making payment.

In case of allotments made under previous policies, the additional time period of one year shall be allowed from the expiry of last permissible/extended time period or 5 years whichever is later, on payment of extension fee as above, for bringing up the unit into production.

In the event of an applicant failing to bring the unit into production within prescribed/extended period, the allotment of plot shall be liable to be cancelled consequent upon which amount equivalent to the earnest money deposited and extension fee, if any, paid/payable shall stand forfeited. The remaining amount shall be refunded to the allottee on which no interest shall be payable by the developing agency.

III (f) TRANSFER OF LAND/PLOTS :

Transfer of land/plots shall be allowed by the developing agency by charging transfer fee equivalent to 3% of the current price of the plot fixed by the developing agency in the concerned focal point/area, operative at the time of allowing transfer. However, transfer fee will not be chargeable in the following categories :—

- (i) Sale of developed plots from an Industrial Estate/Park developed in accordance with the policy of Government of Punjab after obtaining a license under the Punjab Apartment and

Property (Regulation) Act or on being exempted from such license. For such sales permission of the developing/allotting authority shall not be necessary.

- (ii) Transfer made in favour of group companies as defined in the Monopolies and Restrictive Trade Practices Act (MRTPA), 1969. Such transfers would be allowed by the Allotment Committee after it is satisfied that the transferor and the transferee meet the requirement of being group companies.
- (iii) Transfer in favour of a subsidiary company in which original allottee owns 51% or more shares or change of legal status of a company as a result of merger/demerger. Such cases would be submitted to the Allotment Committee headed by the Chief Secretary for approval :

Provided that this transfer policy shall be applicable to all the industrial plots allotted by any developing agency under all the previous policies as well:

S. S. CHANNY,

Principal Secretary to Government of Punjab,
Department of Industries and Commerce.

Chandigarh :
The 8th April 2008.