

## **1(b) Allotment Policy dated 01.06.1996**

### **GOVERNMENT OF PUNJAB DEPARTMENT OF INDUSTRIES & COMMERCE NOTIFICATION**

Dated the 1st June 1996

No. 15/43/96-51B/ 4170

Whereas with a view to promoting the growth of industry in the State Government of Punjab have notified 'Industrial Policy, 1996' vide Notification No.15/43/96-5-1B/2230, dated the 20th March, 1996, which aims at Increasing the annual Industrial growth rate from 8% to 12% by the year 1998 Increase the present shares of Industry in Gross Domestic Product from 17% to 25% by the year 2001 and divert 15% of the present rural population to manufacturing and related occupations through rapid industrialisation by the year 2011.

The development and making available of good Industrial Infrastructure Including land to genuine entrepreneurs, is essential to achieve the above objectives. Now, therefore, the Government have formulated a new Land Allotment Policy for a allotment of land in various industrial Focal Points as well as allotment of Semi-developed/developed land under the 'off-the-shelf Scheme', as under:-

1. The allotment policy would be applicable to all the existing areas either fully developed/semi-developed and new areas to be fully developed/semi-developed for Industrial purposes in the form of 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 Skelton development covering provision of outer roads with street lights, trunk sewer, storm water, drainage and sewerage disposal works have been undertaken by any agency of the State Government.

## 2. Reservation of plots for a various categories:-

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|------|---|--|
| i)   | Discretionary allotment by Chief Minister Punjab.                 | 5%   |
| ii)  | Allotment under 'Off-the-shelf Scheme'                            | a) All semi-developed areas 10,000 sq.yds. or more.<br>b) 30% of plots above the size of 2500 sq.yds. in all fully developed areas |
| iii) | Allotment to Non-resident Indians & for Export Oriented Industry. | 10%  |
| iv)  | General Category allotment  | 55% of plots of 2500 sq.yds.<br>85% of other plots.  |

Provided that reservation to the extent of 20% for SCs, 5% for backward classes and 5% for Ex-servicemen or War Widows shall be made in each of the above categories.

Provided further that in case sufficient eligible candidates are not available in any of the reserved categories, the un-allotted plots falling in the concerned reserved categories shall be treated as un-reserved and shall be allotted in the General Category

## 3. Procedure for inviting Applications:

- 3.1 Applications except for allotment under 'off-the-Shelf Scheme' and discretionary allotment by the Chief Minister will be invited by the Director of Industries, Punjab through advertisements in the press.
- 3.2 The applications would be received directly by the respective Department/Agencies which developed the Industrial Focal Points, Industrial Areas and Growth Centres etc.
- 3.3 These Departments/Agencies would do the entire secretarial work such as scrutiny of applications, placing proposals before the Sub Group Committees, Issuance of allotment letters etc.

## 4 Earnest Money-

Earnest money will be submitted along with application @20 per cent of the cost of the plot for Ludhiana, Mohali, Derabassi, Jalandhar, Patiala and Rajpura and 10 per cent for other focal points/ industrial areas.

5. Allotment Committee:-

5.1 Allotment of plots except under 'Off-the-Shelf' category and discretionary category by C.M. shall be made by an Allotment Committee consisting of the following officers:

- i) Director of Industries, Punjab Chairman
- ii) M.D., P.S.I..E.C.
- iii) D.C. & M.D., P.S.I.D.C.
- iv) M.D., P. F.C.
- v) Industrial Adviser-cum-Additional Director of Industries
- vi) Nominee of the Department/Agency responsible for development of Industrial Area/Industrial Focal Point etc, : Member Secretary

5.2 The decision of the Allotment Committee on applications for allotment of plots shall be final and no appeal shall be against it.

5.3 The Allotment Committee would meet as and when required but at least once in two months.

5.4 It would devise its own procedure for conducting its business.

6. Scrutiny of applications:

6.1 There will be four separate sub groups to scrutinise the applications on behalf of the Allotment Committee.

6.2 The four sub-groups shall be one each for the light Engineering and other Industries: for the electronic industries; for the Textile and Hosiery Industries and for the Chemical and Pharmaceutical Industries. These sub-groups will be headed by Industrial Adviser-cum-Additional Director of Industries, Managing Director Punjab State Electronic Development Corporation, Additional Director (Rural Industries) and Additional Director (Administration) in the Directorate of Industries' and will comprise of the following members:

- 1) Representative of MD/PFC.
- 2) Representative of DC & MD/PSIDC.
- 3) GM/DIC concerned or his nominee.
- 4) Estate Officer of the concerned agency of the State Government as the convener.

6.3 The sub-group will examine the applications keeping in view the following:

- a) Whether the project is in thrust areas,
- b) Impact of environment,
- c) Technology Involved,
- d) Export obligation undertaken,
- e) Value addition,
- f) Scope of employment,
- g) Import Substitution,
- h) Qualification, experience, resourcefulness and general suitability.

6.4 The Sub Group will make its recommendations to the Allotment Committee having regard to the requirement of land and eligibility of applicant.

7. Allotment of Plots under 'off-the-Shelf Scheme':

7.1 The applications under 'Off-the-Shelf Scheme' would be received and scrutinized by Udyog Sahayak.

7.2 Applications will be placed before the Committee under the Chairmanship of Chief Secretary to Government Punjab with the following members :

- a) Principal Secretary to Chief Minister, Punjab
- b) Principal Secretary Industries & Commerce
- c) Secretary Environment
- d) Secretary, Irrigation & Power
- e) Secretary, Housing & Urban Development.
- f) Secretary Labour
- g) Director of Industries, Punjab :: Convenor

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

7.3 The allotment of plots under the 'Off-the-Shelf Scheme' shall be subject to the following conditions:

- I) The applicant shall be required to deposit the earnest money equivalent to 20% of the cost of plot along with the application.
- II) After the approval of the Committee a letter of allotment shall be issued by the developing agency in favour of the applicant and he/she shall be required to deposit 80 per cent of the remaining cost of the plot in lump sum within 60 days.
- III) After the applicant has made full payment, allotment shall be made in his/her favour.
- IV) The applicant shall be required to take the following steps within one year from the date of allotment of plots:
  - a) Start the construction of the factory building.
  - b) Place firm order for the purchase of plant and machinery.
  - c) Have loan application appraised from the Financial Institution.
  - d) Make arrangements for power connection.

7.4 In the event of an applicant failing to take the effective steps indicated in the preceding Para within one year of the allotment of the plot, Allotment shall be liable to be cancelled consequent upon which, the earnest money deposited shall stand forfeited and the remaining cost of the plot shall be refunded to the applicant. The Committee, However, In deserving cases may consider allowing extension in time for taking the above effective steps for a maximum period of additional one year.

8. Extension Fees :

8.1 All allottees of plots allotted under this policy shall ensure that the units set up by them commence commercial production within three years after allotment.

8.2 In case the unit does not go into production within three years from the date of allotment, they will be liable to pay extension fee of 5 per cent of the cost of plots in the 4th year and 7.5 per cent in the 5th year.

8.3. In no case extension shall be allowed beyond 5 years from the date of allotment, on the expiry of which plot shall stand automatically resumed without any notice and the earnest money deposit by applicant shall be forfeited.

9. Transfer of Plots:

9.1 Plots allotted under the present policy except those allotted under 'Off-the-Shelf Scheme' will be allowed to be transferred subject to the payment of transfer fee of Rs 20 per Square yard in lump sum plus Rs. Three per square yard per annum from the date of original allotment/Last Transfer in respect of plots allotted in or around Ludhiana, Mohali, Derabassi, Jalandhar, Patiala and Rajpura.

9.2 In respect of plots allotted at the places other than those specified in 9.1, transfer fee will be Rs. 10 per square yard in lump sum plus Rs. three per square yard per annum from the date of original allotment / last transfer.

9.3 Permission to transfer the plot will be subject to the condition that the transferee shall use the plot only for Industrial purpose.

The notifications Issued, vide no SI/Allotment Policy/12095-E dated 24th November, 1992 and amended vide No SI/Allotment Policy/1865 dated 8th March, 1996, stand superseded with Immediate effect.

**SK Tuteja**  
**Principal Secretary to Govt., Punjab,**  
**Department of Industries & Commerce.**

Endst.No.15/43/96-51B/4171

Dated, Chandigarh, the 1st June 1996

A copy is forwarded to the Controller, Printing & Stationary, Punjab, Chandigarh with the request that the above notification may be got published In the Punjab Government Gazette (Extra-ordinary) and 500 copies of the same may be supplied to this department for record.

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**UNDER SECRETARY INDUSTRIES**