

**GOVERNMENT OF PUNJAB**  
**DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**  
**(HOUSING-1 BRANCH)**

**NOTIFICATION**

**The\_4/12\_2013**

No. **5/13/2013-4hg1/132289/1** In pursuance of the decision of the State Council of Ministers in its meeting held on 30<sup>th</sup> November, 2013. The Governor of Punjab is pleased to notify the I.T. Policy-2013 regarding Allotment of Land/Plots for IT Services, ITES Bio-Technology (Non Polluting) and Technology based Non-Polluting/Research & Development Facilities in IT City, SAS Nagar.

The Governor of Punjab is further pleased to direct the publication of this policy for the information of the general public in Punjab Government Official Gazette(Extraordinary) as well as on Punjab Government/PUDA's Websites.

**Chapter 1**

**INTRODUCTION**

- 1.1 The Information Technology (IT) sector has made a remarkable progress in the last few decades. It has transformed the country and the world by enabling innovation, increasing productivity, connecting people and communities, improving standard of living and opportunities across the globe. While changing the way individuals live, interact, and work, IT has also proven to be a key precondition for enhanced competitiveness and economic and societal modernization, as well as an important instrument for bridging economic and social divides and reducing poverty.
- 1.2 India's success in the export of Information Technology (IT) Software and related Services over the past decade is well known. As per the FICCI report, India now accounts for about 65 percent of the global market in offshore IT and about 46 percent of the ITES market. The growth of the sector has led to tremendous pay-offs in terms of wealth creation and generation of high quality employment. The IT industry has played a significant role in transforming India's image from a slow moving economy to a land of innovative entrepreneurs and a global player in providing world class technology solutions and business services. The IT industry has also helped transformation of India from a rural and agriculture-based economy to a knowledge based economy.
- 1.3 After the economic reforms of 1991-92, the Government of India and the State Governments provided major fiscal incentives like liberalization of trade, rationalization of duties on imports of information technology products, relaxation of controls on both inward and outward investments

and currency exchange. Further direct measures like setting up of Export Oriented Units (EOU), Software Technology Parks (STP), and Special Economic Zones (SEZ) enabled India's IT Industry to flourish and acquire a dominant position in world's IT scenario.

- 1.4 Punjab has been in the forefront of the Green Revolution that helped liberate the nation from the threat of hunger and famine in the late 60s and 70s. Many State governments after 1990's geared up their administrative machinery to attract private investment in IT industry. Punjab was also able to establish some companies like Dell, Quark City etc during this period. Similarly, a good number of engineers turned entrepreneurs started many companies in the region. Hence, the state has its own IT sector which needs to be encouraged to new heights.
- 1.5 It is in this context that this policy envisages a strategic effort to make Punjab an IT destination. Punjab government has identified IT and ITES industry as an important thrust area in its Industrial Investment Promotion Policy of 2013. Further, the availability of skilled manpower, connectivity by rail, road and air, excellent urban infrastructure, improved power situation and world class communication facilities offer a conducive environment for the growth of IT Industry in Punjab's most upcoming township, Mohali. This policy document seeks to expand the existing IT Industry in Mohali to propel its growth as the best IT hub in the country.
- 1.6 Since the importance and relevance of IT Industry in Urban development and Industrial growth needs no further reiteration, the policy document offers land allotment and other concessions to facilitate the presence of IT Industry in Mohali. Accordingly, instead of auctioning of all plots which may result in higher revenue the policy seeks to allot majority of area/plots on the basis of clearly laid down eligibility criteria. This criteria shall ensure the presence of anchors of IT industry which would in turn make the area viable for medium and small scale IT units and ancillaries. This shall also result in a comprehensive development of IT Industry and would thus be the most appropriate utilization of available land. The Department of Industries, Government of Punjab has also notified a policy dated 29.10.2013 for allotment of land in various industrial focal points and other areas for other industrial units.

## **Chapter 2** **OBJECTIVES, STRATEGY & COURSE OF ACTION**

### **2.1 Objectives :**

The following key objectives are sought to be achieved through this policy :

- ❖ Promote private sector investment in the State in IT sector;

- ❖ Promote establishment of IT units in IT parks/IT investment areas, Bio Tech areas(Non Polluting) and Technology based Non-Polluting / Research & Development Facilities.
- ❖ Maximize direct and indirect employment generation opportunities for the youth in the state;
- ❖ Sustainable development by adopting environment friendly technologies
- ❖ Generation of entrepreneurial opportunities in IT services/ITES/Bio-Technology (Non Polluting) and Technology based Non-Polluting / Research & Development Facilities.
- ❖ Enhance employability of youth through skill development

## **2.2 Strategy :**

The State Government proposes to achieve the objectives set out in the policy by :

- a) Providing incentives for attracting investment and getting IT/ITES/Bio Technology (Non Polluting), Technology based Non-Polluting Research & Development Facilities/ firms to set up base in the state.
- b) Adopting a clear and transparent policy of allotment of Industrial plots for IT/ITES/Bio Technology (Non Polluting), Technology based Non-Polluting Research & Development Facilities and Electronic System Design Manufacturing Cluster(ESDM).
- c) Easing the process of doing business with Government Departments by ushering in reforms

## **2.3 Course of Action :**

The State Government is committed to overall development of IT Industry in the State. To attract IT Industry and development of IT parks following will be the course of action:

- a) GMADA shall offer about 400 acres of land which is strategically located for development of Information Technology City at Mohali.
- b) Most of the land area is proposed to be utilized for IT, IT enabled services and Bio Technology (Non Polluting), Technology based Non-Polluting / Research & Development Facilities
- c) 40 acres of the total land has been earmarked for Electronic Systems Design Manufacturing (ESDM) Industry. This land will be developed by GMADA. The Department of Information Technology, Govt of Punjab, will work out modalities for development and allotment of land in consultation with GMADA.
- d) Eligibility criteria for the allotment of plots for Technology based Non-Polluting / Research & Development Facilities will be framed by the department of Science and Technology, Government of Punjab but the development of land and process of allotment of plots shall be carried out by the GMADA/Developing Authority through the Committee as constituted in Chapter 6.

## Chapter 3

### Types of IT/ Knowledge Industry Plots

#### 3.1 Location:

IT City is located in 82(A) 83(A), and 101A sectors which are situated on 200 feet wide road. Location map is available at GMADA Website. These sectors are being developed and will have Infrastructure like sewerage, rain storm water pipes, electricity supply lines, water supply and wide roads by March, 2015. Distance from the IT City to the:

Mohali International Airport is	1.5 km
Railway Station, Mohali is	.75 km
Railway Station, Chandigarh is	10Km
Administrative cum Judicial Complex, Mohali is	8 km
Sector 62(City Centre), Mohali is	6 km
ISBT, Mohali is	12 Km
ISBT, Sector 43, Chandigarh is	9 Km

#### 3.2 Number and Sizes of Plots available:

Out of total area of 1685 acres, net area of about 400 acres will be used for allotment. The balance area will be used for residential, parks, green belts, institutional, commercial and road network. The Sites available for allotment along with the dimensions are as below:

Sr. No.	Nature of site	No. of sites	Total Area (in acres)
1.	ESDM Cluster site (40 acre)	1	40
2.	IT sites (50 acres)	2	100
3.	IT sites (25 acres)	1	25
4.	IT sites (20 acres)	1	20
5.	IT sites (10 acres)	5	50
6.	IT sites (5 acres)	14	70
7.	IT sites (2 acres)	13	26
8.	IT sites (1 acre)	26	26
9.	IT sites (0.5 acre)	82	41
	Total	145	398

**Note1:** Area and Number of plots are indicative and can be clubbed, divided or changed as per requirement and feasibility of the area.

**Note2:** One IT Mall to accommodate small Entrepreneurs and startup companies shall be constructed by GMADA at its own/PPP mode.

**Note3:** One International town ship will also be constructed by GMADA for the employees of Multinational companies.

### **3.3 Types of Industrial plots shall be carved out as under:-**

Sites will be carved and put to use for construction of an independent campus for the exclusive use of the allottee only. These sites will be allotted only to those enterprises in the Knowledge Industry which satisfy the relevant allotment criteria. These Campus Sites would be of five types:

- (a) Anchor Industry sites: (of an area of 25 Acres and above)
- (b) Main Campus Sites: (of an area of more than 5 acres and upto 25 acres)
- (c) Small Campus Sites: (of an area of more than 2 acres and up to 5 acres)
- (d) Built to Suit Sites to Developer for the use of IT / ITES Companies (minimum area of 5 acres). Such sites may consist of independent buildings which may be let out on lease or rent for use by eligible enterprises under the Main/Small campus Sites categories.
- (e) Small Sites (of an area of 0.5 acre and less than 2 acres)

### **3.4 These sites shall be used for the purposes of :**

- (a) Information Technology (IT) Services such as software architecture, design and development, software maintenance and implementation, operation of software systems, provision of software services (such as application service provider), management of databases / data centers, maintenance of computer networks and telecommunication networks, network services, network administration, business process outsourcing(BPO), Knowledge process outsourcing (KPO).
- (b) Information Technology Enabled Services (ITES) such as digital communication services (including digital printing of newspapers, books etc) , digital information content provision, digital database management and updation, remote digital office services, software operation, Including Film Animation and other information work that relies primarily and substantially on digital telecommunication including data centers, call centers, back offices operations, ICT distance education, online education/training tools under ITES definition, but not direct sales & marketing except that using Information Technology.

- (c) Bio-Technology (only non-polluting sectors of Bio Technology).
- (d) Electronic System Design Manufacturing Cluster (ESDM)

Electronic Hardware Industry for the purpose of application of this policy shall be as per the list of verticals of Electronics System Design Manufacturing provided in the guidelines for operation of the modified special incentive scheme for Electronics System Design Manufacturing sector issued by the Department of Electronics and Information Technology (DeitY), Government of India, as amended from time to time. (Setting up of Electronics Hardware industry which consist of electronic systems design and manufacturing comprising semiconductor design, high-tech manufacturing, electronic components and electronic system design for consumer electronic products, telecom products and equipments and IT systems and hardware.)

- (e) Technology based Non-Polluting Research & Development Facilities.

In case of clarification of any interpretation of para 3.4 with regard to usage of site, the decision of Secretary Housing & Urban Development Department, Govt. of Punjab shall be final.

## **Chapter 4**

### **Eligibility Criteria for Allotment of plots**

#### **4.1 ELIGIBILITY CRITERIA FOR ALLOTMENT OF ANCHOR INDUSTRY SITES (25 acres and above)**

The following enterprises will be eligible for consideration as applicants for the allotment of Anchor industry sites:

- i) A Limited Company with turnover in the Sector as defined in para 3.4 of a minimum Rs. 2000 Crore or its equivalent in US dollars per annum in each of the last two years.
- ii) Availability of funds for making investment in the campus to the tune of Rs. 400 Crores over the next 7 years.
- iii) Sufficient numbers of qualified professional staff employed by the Company itself, not counting staff on the rolls of affiliates or sub-contractors etc.
- iv) Plan of action for establishing the proposed Knowledge Services on the site and to make the required investment in a time-bound manner within three years.
- v) Preference will be given to Companies involved in value added activities of the Sector, as defined in para 3.4, in a time bound manner in the next 7 years.
- vi) In case of IT Company, International recognized certification of software development capability equivalent to CMM - SEI level 5 certification for a period of at least 3 years and ISO 9000 or higher certification.

#### **4.2 ELIGIBILITY CRITERIA FOR ALLOTMENT OF MAIN CAMPUS SITES (5 acres and upto 25 acres)**

The following enterprises will be eligible for consideration as applicants for the allotment of Main campus sites:

- i) A Limited Company with turnover in the Sector as defined in para 3.4 of a minimum Rs. 250 Crore or its equivalent in US dollars per annum in each of the last two years.
- ii) Availability of funds for making investment in the campus to the tune of Rs. 100 Crores over the next 7 years.
- iii) Sufficient numbers of qualified professional staff employed by the Company itself, not counting staff on the rolls of affiliates or sub-contractors etc.
- iv) Plan of action for establishing the proposed Knowledge Services on the site and to make the required investment in a time-bound manner within three years.
- v) Preference will be given to Companies involved in value added activities of the Sector, as defined in para 3.4, in a time bound manner in the next 7 years.
- vi) In case of IT Company, International recognized certification of software development capability equivalent to CMM - SEI level 5 certification for a period of at least 2 years and ISO 9000 or higher certification.

#### **4.3 ELIGIBILITY CRITERIA FOR ALLOTMENT OF SMALL CAMPUS SITES (2 acres and upto 5 acres)**

The following enterprises will be eligible for consideration as applicants for the allotment of campus sites:

- i) A Limited Company with turnover in the Sector as defined in para 3.4 of a minimum Rs. 50 Crores or its equivalent in US dollars per annum in each of the last two years.
- ii) Availability of funds for making investment in the campus to the tune of Rs. 20 Crores over the next 7 years.
- iii) Sufficient numbers of qualified professional staff employed by the Company itself, not counting staff on the rolls of affiliates or sub-contractors etc.
- iv) Plan of action for establishing the proposed Knowledge Services on the site and to make the required investment in a time-bound manner within three years.
- v) Preference will be given to Companies involved in value added activities of the Sector, as defined in para 3.4

#### **4.4 ELIGIBILITY CRITERIA FOR ALLOTMENT OF BUILT TO SUIT SITES TO DEVELOPERS (Minimum area of 5 acres)**

- i) Limited company which is a developer and which has given in writing an application and a letter or letters of intent in writing from a Knowledge Services Sector as defined in para 3.4 company eligible under these rules for a Main or Small Campus sites.
- ii) Such Letter of Intent issued by an eligible enterprise under the Campus Site category shall be for a long term i.e a minimum of 5 years and 100% of the built up capacity shall be for the exclusive use of such company issuing this Letter of Intent.
- iii) Such sites would not be used by the developer for its own use or for lease to any non IT Enterprise/Company.

In case, said developer is not able to construct and occupy the said building as per the terms & conditions of the allotment letter or the company issuing such letter of intent withdraws such letter of intent at any time before the expiry of the mandated period of not less than 5 years, penalties will be levied upon the said Developer along with resumption of site on as-is-where-is basis.

#### **4.5 ELIGIBILITY FOR ALLOTMENT OF SMALL SITES (0.5 acres and less than 2 acres):**

- i) Annual turn-over in Sector, as defined in para 3.4, of a minimum Rs. 2 crores or its equivalent in for US Dollars per annum in each of the last 2 years.
- ii) The enterprises should have been carrying out such operations in the Knowledge Services sector, as defined in para 3.4, for at least 2 years before the date of application.
- iii) The enterprises should have a minimum 25 employees (excluding the support secondary staff) on its rolls at the time of application.

### **Chapter 5 Price of IT/Knowledge Industry Plots**

#### **5.1 Introduction:**

IT City is being developed for development of IT, ITES and Bio Technology (Non Polluting Branches), Technology based Non-Polluting / Research & Development Facilities Industry. The developed plots are being offered on reasonable rates in comparison to other uses after considering the cost of land acquisition and providing services such as sewerage, water, electricity, rain storm water pipes, roads etc.

#### **5.2 Price of the site.**

The price of the plots shall be fixed as below (Rs in Crore Per Acre):

<b>Sr. No.</b>	<b>Category</b>	<b>Land Rate</b>	<b>Average rate</b>
1.	Upto 1 Acre	5.00	5.00
2	Next 1 Acre (Upto 2 acre)	4.50	4.75
3	Next 3 Acres (upto 5 acre)	4.00	4.30
4	Next 5 Acres(upto 10 acres)	3.25	3.78
5	Next 15 Acres(upto 25 acres)	2.75	3.15
6	Above 25 acre (in case of 40 Acres)	2.40	2.87
7	Above 25 acre(50 acres site)	2.25	2.75

Note1: Above rates are for 1:2 FAR. However FAR can be purchased upto 1:3 after making the payment in proportion to the 50% of the prevailing land rates fixed by GMADA at the time of purchase of additional FAR. Example: For utilization of 1:3 FAR, the price for 1 acre plot will be 6.25 crores i.e additional 1.25 crores as given in the policy(i.e as per the year 2013 rates) .

Note2: For the plots of lower sizes, large area for roads and open spaces has to be left and cost of development is also to be borne by authority whereas in the case of bigger plots, land is allotted as a chunk and lesser area for external roads and open spaces are to be left by the Authority, and internal development is to be carried out by the allottees. However External Services which are to be provided by the Authority would be less in the case of chunk or big sites. As such the rates of plots of bigger size are less than the plots of lesser size.



Total cost will work out to be as follows (Rs in Crore):\

Sr. No.	Category	Average rate/acre	Total Cost
1.	IT sites (50 acres)	2.75	137.50
2.	IT sites(40 acres)	2.87	115.00
3.	IT sites (25 acres)	3.15	79.00
4.	IT sites (10 acres)	3.78	37.75
5.	IT sites (5 acres)	4.30	21.50
6.	IT sites (2 acres)	4.75	9.50
7.	IT sites (1 acre)	5.00	5.00
8.	IT sites (0.5 acre)	5.00	2.50

Note : 1. These rates are inclusive of CLU and EDC charges.

2. An additional 1% of the value of plots will be charged as cancer cess which is to be deposited within sixty days from the date of issuance of allotment letter. This amount will be deposited in the State Govt.'s cancer fund separately.

3. An additional 1% of the value of plots will be charged as Cultural cess which is to be deposited within sixty days from the date of issuance of allotment letter. This amount will be deposited in the State Govt.'s cultural fund separately.

### 5.3 Lease cum sale:-

Initially all plots will be allotted on lease basis for a period as given in chapter 7 under head Mode of Payment. The applicants should complete the building construction as given in chapter 8 under head Construction period, Extension time, Transfer of Ownership and Other General conditions. Then only after the expiry of lease period and receipt of full cost of the plot as lease money as well as the fulfillment of norms, the plots can be converted to free hold after making the processing fee fixed by GMADA at the time of conversion of plot. The procedure for allotment of sites shall be as following:

1. On receipt of application, it will be scrutinized by the committee constituted under this policy. On the recommendations of this committee and after approval from the GMADA Authority, LOI for allotment of sites on lease hold basis shall be issued.
2. Lease money for the first year equivalent to the 15% cost of the plot shall be payable within 30 days from the date of issuance of LOI.

3. On receipt of lease money for the first year as given in para 2 above allotment letter for allotment of site on lease hold basis shall be issued and lease agreement shall be executed between the GMADA and lessee.
4. After the execution of agreement, possession of site shall be given within 30 days.

## **Chapter 6**

### **Procedure for Allotment of Plots**

- 6.1** The plots will be available under "The Ongoing Scheme for allotment of Plots". It will be a continuous scheme of allotment of sites on Lease cum Sale basis to the applicants.

The applicant shall be required to submit application form along with non-refundable processing fee as under:-

<b>Size of plot</b>	<b>Processing fee</b>
Less than 1 Acre	Rs. 25,000/-
Above 1Acre to 25 Acres	Rs. 50,,000/-
Above 25 Acres	Rs. 1,00,000/-

The Processing fee shall be payable in the form of a bank demand draft in the name of Estate Officer, GMADA , payable at Mohali.

**6.2 Procedure for inviting applications**

The plots will be available under "The On-Going Allotment" scheme. Applicants may apply for allotment of plots after checking availability of plots on the web-site of GMADA, Mohali i.e., <http://www.gmada.gov.in>. Press advertisements shall also be released for atleast 50% of available plots at a time in the leading newspapers of the region.

**6.3 Procedure for Allotment**

**(a) For Anchor Industry/ Main / Small Campus / Built to Suit Sites/ Small Sites:**

The applications for allotment of plots would be submitted to the Estate Officer (Plots), GMADA. The intending allottee shall make an application affirming all facts which make him eligible for allotment of a site, along with the relevant documents such as Copies of balance sheet,

documentary evidence of number and categories of staff employed, processing Fee. Thereafter, the Chief Administrator, GMADA will examine such applications within 30 days for placing them before the Scrutiny Committee, which shall comprise of the following members:

(a)	Chief Secretary, Govt. of Punjab.	Chairman
(b)	Principal Secretary to CM, Govt. of Punjab	Member
(c)	Principal Secretary (Finance) Govt. of Punjab.	Member
(d)	Principal Secretary, Industries, Govt. of Punjab.	Member
(e)	Principal Secretary, Information Technology, Govt.of Pb.	Member
(f)	Secretary, Housing and Urban Development	Member
(g)	Secretary, Science and Technology ( for allotment of plots to Biotech Companies and for R & D)	Member
(h)	Additional Director, Software Technology Parks of India (STPI), Mohali (GOI enterprise) (for IT/ITES Companies)	Special invitee for IT Projects
(i)	Chief Administrator, GMADA	Member Secretary

The Scrutiny Committee shall examine the applications, keeping in view the following parameters:-

- a) Viability of the project.
- b) Export earnings/Turnover
- c) Employment to be generated.
- d) Qualification and experience
- e) Foreign Direct Investment

In the case of Industries other than IT/ITES following parameters shall also be considered for allotment of plots:

- a) Impact on environment
- b) Technology involved

The Committee shall also make assessment of the land requirement of the applicant based on the project report to be submitted along with applications.

In the case of smaller plots upto 2 acres, If the applications for allotment of plots are more than the available plots then either sealed bids will be invited from the eligible applicants and the reserve price of the plot will remain same as is fixed for allotment of respective plot or through draw of lots as decided by the GMADA Authority.

Thereafter, the recommendations of the Scrutiny Committee shall be placed before the GMADA Authority for its consideration and approval.

The Committee will meet as and when required to consider the applications for allotment of plots under this scheme.

## **Chapter 7**

### **Mode of Payment**

These sites shall be allotted on Lease cum Free hold sale basis, for which payment shall be made as under:

#### **7.1 Anchor Industry Sites /Main / Small Campus / Built to Suit Sites/ Small Sites**

1. Lease money for the first year equivalent to the 15% cost of the plot shall be payable within 30 days from the date of issuance of LOI.
2. Lease money equivalent to the 10% cost of the plot alongwith interest on the balance amount @ 12% per annum shall be payable yearly from the date of issuance of allotment letter for the next 6 years.
3. Lease money equivalent to the balance 25% cost of the plot alongwith interest on the balance amount @ 12% per annum shall be payable in the 7<sup>th</sup> year from the date of issuance of allotment letter.
4. If the lessee makes the lump sum payment of entire lease money amount within 60 days from the date of issuance of allotment letter, a rebate of 5% on this amount shall be given.
5. If the lessee fails to make the payment of lease money as per schedule given in the allotment letter penal interest shall be charged @ 1% irrespective of the period of default of payment alongwith 12% normal rate of interest.
6. After making the lease money, equivalent to the cost of the site as well as fulfillment of the norms, lessee can apply alongwith the processing fee fixed by the GMADA for conversion of allotment of site from lease hold to free hold basis. No lease money shall be charged for the year in which lessee applies for conversion of plot into free hold basis if the application is received within 90 days from the expiry of lease of previous year.
7. In case the lessee does not get the site converted into free hold basis, lease money equivalent to 1% of the cost of the plot shall be payable beyond 7 years.

**Payment Schedule for balance 85% amount**

<b>Due date for payment of balance lease amount alongwith interest</b>	<b>Lease Amount</b>
Before the completion of one year from the date of issue of allotment letter	Equivalent to 10% of the cost of the plot + 12% interest on the remaining 85 % amount
Before the completion of two years from the date of issue of allotment letter	Equivalent to 10% of the cost of the plot + 12% interest on the remaining 75 % amount
Before the completion of three years from the date of issue of allotment letter	Equivalent to 10% of the cost of the plot + 12% interest on the remaining 65 % amount
Before the completion of four years from the date of issue of allotment letter	Equivalent to 10% of the cost of the plot + 12% interest on the remaining 55 % amount
Before the completion of five years from the date of issue of allotment letter	Equivalent to 10% of the cost of the plot + 12% interest on the remaining 45 % amount
Before the completion of six years from the date of issue of allotment letter	Equivalent to 10% of the cost of the plot + 12% interest on the remaining 35 % amount
Before the completion of seven years from the date of issue of allotment letter	Equivalent to 25% of the cost of the plot + 12% interest on the remaining 25 % amount

**Note:** Grace period of 10 days from due date is given for making payment of lease money. However if the lease money is not paid within the grace period interest for the whole month shall be charged.

**Example for payment of lease money in the case of allotment of site measuring 50 acres is as under:**

**Installment Schedule**

<b>Total saleable price in crores</b>				<b>137.50</b>
<b>No. of Installments -7</b>				
<b>15% lease/ Rental money amounting to Rs. 20.62 Crore shall be deposited with in 30 days from the issue of LOI</b>				
<b>Cancer Cess @ 1% of allotment price (Amounting to Rs. 1.375 Crore ) will have to be paid extra within sixty days from the date of issuance of allotment letter</b>				
<b>Cultural Cess @ 1% of allotment price (Amounting to Rs. 1.375 Crore ) will have to be paid extra within sixty days from the date of issuance of allotment letter</b>				
<b>Rate of interest</b>				<b>12%</b>
<b>Periodicity of lease/Rental from the date of issuance of allotment letter</b>	<b>% of Lease/ Rental money</b>	<b>Principal</b>	<b>Interest</b>	<b>Total amount</b>
Before 1 year	10	13.75	14.03	27.78
Before 2 year	10	13.75	12.38	26.13
Before 3 year	10	13.75	10.73	24.48
Before 4 year	10	13.75	9.08	22.83
Before 5 year	10	13.75	7.43	21.18
Before 6 year	10	13.75	5.78	19.53
Before 7 year	25	34.38	4.13	38.50
	<b>85</b>	<b>116.88</b>	<b>63.52</b>	<b>180.40</b>

8. After the completion of 7 years and full payment of the plot is made, the site can be converted on free hold basis and the lease paid shall be adjusted towards the cost of site. However Processing fee @ Rs. 5 Per Sq yd shall be charged for all sizes of plots.

**Note: The expenses on stamp duty, registration fee, taxes etc shall be born by the lessee/allottee.**

## Chapter 8

### **Construction period, Extension time, Transfer of Ownership and other General Conditions**

#### **8.1 Construction period for Main / Small Campus / Built to Suit Sites/ Small Sites**

The lessee shall be required to bring the unit into production within 3 years from the date of taking over of possession of site. Lessee shall have to take possession of the site within 30 days of the issuance of letter of Intent and after the receipt of 15% of the total price of the plot as lease money. In case the lessee fails to take possession, Letter of Intent shall be cancelled after giving 30 days notice. If the delay for taking possession is on some genuine ground, time period for taking possession can be extended maximum upto 60 days by the Chief Administrator, GMADA.

#### **8.2 Extension in Time & Fee for Anchor/ Main / Small Campus / Built to Suit Sites/ Small Sites**

- a) The period for implementation of the project shall be extendable for one year, **i.e. after 3 years (or as given in the lease agreement in the case of Anchor sites) from the date of issue of allotment letter**, on payment of **extension fee calculated @ 7.5% of the allotment price of plot**, subject to the lessee having completed the entire building structure including the roof, as per sanctioned plan.
- b) **Second extension** of implementation period for additional one year for commencement of production **i.e. after four years from the date of issue of allotment letter (or as given in the lease agreement in the case of Anchor sites)**, shall be allowable on payment of **extension fee calculated @ 10% of the allotment price of the plot** in case the lessee has completed the construction mentioned in clause (a) above.
- c) The lessee shall apply for the first and second extension, as the case may be, in the prescribed format, filling complete information on the eligibility criteria as well as various steps taken by the lessee along with Demand Draft for the applicable extension fee and submit the same to developing agency before the expiry of the stipulated period, the developing agency shall satisfy itself on the merits of the case and convey its decision with regard to extension with 30 days. In case no application/request is received in time from the lessee for extension for implementation of the project then the lease agreement shall automatically stand cancelled

/withdrawn. The payment deposited by the lessee towards the price of plot would be refunded (without interest) by the developing agency after deducting/forfeiting 30% of the price of the plot. The extension fee paid/payable shall be forfeited. Action shall be taken by the GMADA to resume the plot/site and take possession in terms of allotment letter/lease agreement.

### **8.3 Transfer of Ownership**

(a) i) Lease shall not be transferable except in cases of death or insolvency of an lessee duly declared. Transfer of lease will be governed by the provisions of this policy and the transferee will only step into the shoes of original lessee.

ii) Transfer of lease shall be permissible only after execution of lease deed.

#### **(b) Transfer of lease**

A lease executed under this policy shall be allowed to be transferred in the following circumstances:-

(i) In case of individual lessee/allottee, there is a change of ownership by way of sale/agreement to sell or otherwise;

(ii) In case of partnership firms and Limited Liability Partnerships (LLP), the share of original partner(s) falls below 51%, except in the case of death of a partner which shall be dealt under clause (e) hereunder;

(iii) In the case of Private Limited Companies, where the majority stake (51% or above) gets transferred through exit of the shareholders at the time of allotment and/ or induction of new shareholders and the share of the original remaining shareholder(s) is diluted below 51%;

(iv) In the case of a Government Company, the change in ownership through disinvestment of shareholding of 51% or more or by way of divestment;

#### **(c) Eligibility criteria for the Transfer**

(i) Transfer of plots allotted under this policy shall be allowed by the GMADA only after 3 years of Commencement of production by the original allottee and submission of valid proof thereof and after execution of lease deed.

#### **(d) Transfer Fee**

Transfer of plot shall be allowed only by the GMADA by charging transfer fee @ 5% of the current reserve price of the plot/land fixed by the GMADA at the time of transfer.

#### **(e) Transfer of Lease/Allotment without payment of transfer fee**

- (i) Transfer by way of inheritance or change in constitution within family or through a will testating the property within the family members of the lessee/allottee covering father, mother, wife husband, son, brother sister, daughter, grandson and granddaughter.
- (ii) Succession due to death of lessee/owner/allottee/partner/share holder;
- (iii) Transfer made in favour of group companies as defined in The Competition Commission Act, as the case may be. Such transfers shall be done by the Allotment Committee headed by the Chief Secretary, Punjab subject to the condition that the transferor and the transferee meet the requirement of being group companies.
- (iv) Transfer in favour of a subsidiary company in which original allottee owns more than 50% shares or change of legal status of a company as a result of merger/de-merger. Such transfers shall be decided by the Allotment Committee headed by Chief Secretary, Punjab.
- (f) **Consequences of unauthorized transfers.**

In case of any unauthorized transfer, the lease/allotment shall stand automatically cancelled / withdrawn and the developing agency shall take recourse to resumption proceedings.

### 8.3 Use of Sites:

The sites and the buildings along with structures thereon shall be used by the allottee, occupiers, tenants or any other users specifically and only for the purposes described in lease/allotment letter. In brief land can be used for the following purposes subject to the condition of letter of intent:-

Sr. No	Purpose	Upto Extent of FAR (1:2)
1.	IT, ITES, Bio Technology (Non Polluting Branches) and Technology based Non-Polluting / Research & Development Facilities	100 % (if facilities/services given at Sr. No. 2,3 and 4 are not availed).
2.	Residential, Hostel and Guest House	5% (inclusive of facilities/services given at Sr. No. 1,3 and 4 are not availed)
3.	Commercial such as Canteen/Bank/ATM/Laundry/Telephone Booth	2 shops per acre subject to maximum 10 shops. However in the case of sites below 1.5 acres maximum 3 shops are permissible. (This will be part of permissible FAR i.e. 1:2)
4.	Recreational Activities	These facilities shall be part of the main campus within permissible FAR i.e. 1:2

**Note: Above facilities are subject to the fulfillment of norms of the zoning of the site.**

The coverage, setbacks, floor area shall be in accordance with the schedule prescribed below:

Ground coverage shall be upto 50% and FAR is upto 1:2 which can be increased upto 1:3 after making the payment in proportion to the 50% of the prevailing rates fixed by GMADA at the time of purchase of additional FAR.



Set backs: Front.: As per Zoning Plan  
Rear and sides  
Parking norms: 2 ECS per 100 Sq. Mt. of covered area  
For other norms: They will follow the Building Bye Laws of Punjab Urban Planning and Development Authority (Building) Rules, 1996 and amended from time to time.

Building Plans can also be approved through authorized private architects under self attestation policy of GMADA or from the office of Estate Officer, GMADA after taking the Zoning of the plot from the office wherever required.  
No change of land use shall be permitted.

## 8.5 OTHER TERMS & CONDITIONS

### I. Issuance of Letter of Intent & Project Implementation:

- (a) Upon receipt of decision of competent authority for allotment of plot, the Estate officer shall initially issue a Letter of Intent and the applicant shall make the payment within 30 days as given in the LOI. On receipt of amount allotment letter for allotment of site on lease hold basis shall be issued. Lessee will complete the project as per schedule given below :

#### In case of Anchor Sites:

Phase No	For approval of building Plans	To commence civil works	To complete civil works & implement the project
Phase - I (Minimum area of 30% of the total permissible FAR)	6 months from the date of taking possession of schedule property	3 months from the date of approval of building plans.	36 months from the date of taking possession of schedule property
Phase - II ( Minimum area of 60% of the total permissible FAR)	Within 6 months after the expiry of initial 36 months.	3 months from the date of approval of building plans.	54 months from the date of taking possession of schedule property
Final Phase ( Minimum area of 75% of the total permissible FAR)	Within 6 months after the expiry of initial 54 months.	3 months from the date of approval of building plans.	72 months from the date of taking possession of schedule property

**In case of Main / Small Campus / Built to Suit Sites/ Small Sites**

<b>For approval of building Plans</b>	<b>To commence civil works</b>	<b>To complete civil works &amp; implement the project</b>
6 months from the date of taking possession of schedule property	3 months from the date of approval of building plans.	Minimum area of 50% of the total permissible FAR is to be completed and project should be functional within 36 months from the date of taking possession of schedule property.
-	-	Minimum 75% of the total permissible FAR is to be completed within 60 months from the date of taking possession of schedule property

- (b) The concerned developing agency shall however in cases where the lessee having taken partial effective steps and on production of valid/genuine reasons of delay may consider extension in time for completing effective steps for a period of additional six months on payment of extension fee @ 2% of price of plot in the first instance and on further payment of extension fee @ 3% of the price of plot for another six months. No further extension shall be allowed under any circumstances.
- (c) In the event of the applicant failing to take effective steps within stipulated/extended period, the lease shall automatically lapse, consequent upon which the lease money equivalent to the 10% of the price of the plot deposited by the lessee shall be forfeited. The balance amount paid by the lessee shall be refunded without any interest and the extension fee paid/payable shall also be forfeited.

**II. Project implementation**

The lessee shall be required to implement the project on the industrial plot/land within a period of three years (except anchor site) from the date of issue of allotment letter. In the case of anchor site, construction schedule shall be as given at **page 32**. Achievements of 30% of projected turnover and employment during the first year after the completion of the project, as given in the project report would mean commencement of commercial production. In the event of failure of the lessee to achieve commercial production within this period, the lease shall automatically stand cancelled/withdrawn and the lease deposited by the lessee towards the price of plot would be refunded (without interest) by the developing agency after deducting/forfeiting the amount equivalent to 25% of the price of plot. The extension fee paid/payable shall be forfeited. Action shall be taken by GMADA to resume the plot/site and take possession in terms of allotment letter/lease agreement.

**III. Completion of project**

The lessee shall produce the proof of having commenced production on the allotted plot.

**IV. Cancellation of LOI and Resumption of site/plot**

- (a) No extension in implementation period for commencement of production beyond the initial period of three years or as given in the allotment letter in the case of Anchor sites plus additional/extended two years counted from the date of issue of allotment letter, shall be allowed in cases where the lessee has failed to commence production on the plot within this period,
- (b) In cases, as mentioned at (a) above or unauthorized transfers or use, the lease/allotment letter shall automatically stand cancelled / withdrawn.
- (c) In the event of lease/allotment letter being cancelled / withdrawn, the lessee shall have to remove the structure at his own expense within 30 days of cancellation and restore the possession of plot to the allotting agency in the condition in which the possession was handed over. In the event of failure to do so, the GMADA shall take possession forthwith and the structure shall become the property of the developing agency. After the expiry of period of 30 days, lessee shall be required to pay the damages equivalent to market rent for the said plot/land till he vacates the premises and will be unauthorized occupant of land and shall not be entitled to claim himself to be the lessee.
- (d) The GMADA shall get the cost of construction of building assessed from approved Valuer / Chartered Engineer and pay the amount thus arrived to the erstwhile lessee. In such cases, the re-allotment price of the plot will be determined inclusive of the amount so paid by the allotting agency to the erstwhile lessee/allottee.

**V. ALLOTMENT OF PLOTS TO GOVERNMENT AND ITS FULLY-OWNED UNDERTAKINGS**

Notwithstanding anything contained in this scheme, the allotment of plots to Government Departments and its fully-owned Boards, Corporations, Companies, Societies, Agencies etc. shall be made at the reserve price fixed by the GMADA, with the approval of the allotment committee.

**VI. REVIEW OF RESERVE PRICE**

The GMADA reserve the right to review the reserve price of plots at any time.

**VII. INTERPRETATION AND APPEALS**

For the interpretation of the Policy, the Secretary, Housing and Urban Development will be the appropriate Authority, whose decision thereon shall be final. Any person aggrieved by the orders passed by the Estate Officer or an officer below estate officer in rank may file an appeal against that order within 30 days to the Chief Administrator, GMADA whose orders shall be final.

**Annexure A**

**Application Performa for Allotment of Plots/Land**  
**under the On-Going Scheme**  
**(GMADA, MOHALI)**

1. Name of the Unit
2. Full name of the applicant(s) and Status  
(Prop./Partner/Authorised Signatory)
3. Permanent address
4. Correspondence address
5. Telephone No. (M) (LL)
6. Email address
7. Size of the Plot/Land applied for
8. Processing Fee
  - a. Amount
  - b. Bank Draft No.
  - c. Draw on
9. Constitution of the Company
  - a. Proprietor-ship
  - b. Partnership
  - c. Ltd. Company
  - d. Stock Company
  - e. Cooperative associates
  - f. Other (If any)

Please attach copies of  
Partnership deed(Regd.)  
Memorandum and Articles  
of Association (Bye Laws)
10. Means of Finance with documentary evidence  
alongwith project report consisting of documents  
to prove the following parameters alongwith  
any other document deemed fit by the applicant:
  - a) Viability of the project.

- b) Impact on environment
- c) Technology involved
- d) Export earnings (if any).
- e) Employment to be generated.
- f) Qualification and experience of Promoters.
- g) Quantum of Foreign Direct Investment(if any)

11. Audited Balance Sheet (For the last three years).

Yours faithfully

(Signatures)

(Name in Capital letters)

Note:

- (1) Incomplete applications are liable to be rejected.
- (2) Applications are to be submitted in eight sets to the Estate Officer, GMADA, Mohali.

Place: Chandigarh

Dated: 30-11 -2013

**(A. Venu Prasad),**  
**Secretary to Government of Punjab,**  
**Department of Housing and Urban Development**

**Endst.No.5/13/13-4HG1/2013/**

**Dated:**

A copy with a spare copy is forwarded to the Controller, Printing & Stationary, Punjab, SAS Nagar with a request to publish this notification in the Punjab Govt. Gazette (Extra Ordinary) and 200 copies thereof may be supplied to this Department for official use.

Sd/-  
**Secretary**

Endst. No. 5/13/2013-4HGI/2013/

Dated, Chandigarh, the:

A copy is forwarded to the following for information and necessary action:-

1. Principal Secretary, Science and Technology, Punjab.
2. Principal Secretary, Industry and Commerce, Punjab.
3. Principal Secretary, Information and Technology, Punjab.
4. Principal Secretary, Finance, Punjab.
5. Principal Secretary to the Deputy Chief Minister, Punjab for kind information of the Hon'ble Deputy Chief Minister, Punjab - Cum- Minister Housing and Urban Development Department .
6. Director, Information and Technology, Punjab.
7. Chief Administrator, PUDA, Mohali.
8. Chief Administrator, GMADA, Mohali.
9. Chief Administrator, PDA, Patiala.
10. Chief Administrator, BDA, Bathinda.
11. Chief Administrator, GLADA, Ludhiana.
12. Chief Administrator, JDA, Jalandhar.
13. Chief Administrator, ADA, Amritsar.
14. Director, Town and Country Planning, Punjab, SAS Nagar.
15. Chief Town Planner, Punjab, Mohali.
16. Managing Director, Punjab Infotech, Chandigarh.
17. Incharge, IWDMs, Chandigarh.
18. Superintendent, Cabinet affair Branch, Main Sectt. Chandigarh.
19. Administrative Officer(Policy), GMADA, SAS Nagar.

Sd/-

**Superintendent**