

**PUNJAB URBAN PLANNING AND DEV.AUTHORITY  
SHAIBZADA AJIT SINGH NAGAR**

To

All. Addl. Chief Administrators,  
PUDA,  
All Estate Officers,  
PUDA,  
Chief Engineer,  
PUDA,  
All Superintending Engineers,  
PUDA,  
Chief Accounts Officer,  
PUDA,  
Chief Town Planner,  
PUDA, Chandigarh.  
Senior Town Planner,  
PUDA, Mohali.

No.PUDA-Policy-UE-2/03/7867-7890

Dated:- 4.12.2003

**SUB: Policy regarding Conversion of Trade of Commercial sites falling in Urban Estates of Punjab.**

PUDA has been following a policy of disposal of commercial sites by way of auction based on the trades specified for each site. However, it has been observed that once the sites are sold, large scale conversions in carrying out of trade / business takes place on account of the prevailing market forces.

2.0 The issue regarding permitting conversion of trade of commercial sites has been engaging the attention of the Punjab Urban Planning & Development Authority for a considerable time and a number of representations have been received in this regard.

3.0 The Finance & Accounts Committee of PUDA in its 39<sup>th</sup> meeting held on 22.10.03 considered the issue vide agenda item no. 39.03. After considering various issues involved, hardships caused and difficulties encountered by the allottees and necessity for providing flexibility and freedom to carry on trade, allowing market forces to operate freely and realizing full potential of commercial sites, the Committee has decided to permit change of trade subject to the following conditions:

- (a) Commercial activities shall henceforth be divided into three categories, namely, General Trades, Special Trades and Prohibited Trades. Details of these are given in statement attached as Annexure-A.
- (b) Change of trade would only be permitted to sites sold under categories of Special Trade to the General Trade on payment of such charges as specified in para-4.
- (c) No change of trade shall be permitted in case of sites sold under general trade to special trade and Prohibited trade.
- (d) In case of shops, which are multi-storeyed and are sold as shop-cum-flats or shop-cum-office or shop-cum-office-cum-flats, the conversion of upper floors from residential to office / shop or from office to shops would also be permitted on the payment of conversion charges. However, use of upper floors will be related to the trade permitted at ground floor subject to conditions (b) & (c) above.
- (e) Architectural controls pertaining to external façade / compulsory verandah / corridor / passage shall not be permitted to be altered in case of change of trade. However, the internal changes

required from functional point shall be permitted subject to the provision of building by-laws / zoning plans, architectural controls with prior approval of the competent authority. Revised plans should take due care for structural safety and fire hazards of structures. Further no additional coverage shall be permitted and FIR shall remain unchanged.

- (f) Conversion charges shall be levied on the basis of covered area including the area under the verandah / public passage / staircase except the area of basement, if any.
- (g) Change of trade shall be permitted on making an application in the prescribed form to Estate Officer concerned along with prescribed charges and subject to the prior approval of the Estate Officer.
- (h) Change of trade will not permit any sub-division or amalgamation of commercial properties.

However, amalgamation of two commercial properties shall be permitted subject to the condition that both sites have the same trade and are under same ownership with prior approval of the Estate Officer as per existing policy for amalgamation of sites in urban estates.

#### 4.0 Conversion charges

The rates to be charged for conversion of trade are linked to the potential of the city where the site is located. For this purpose the state has been divided into two distinct zones i.e. High Potential Zone and Low Potential Zone. Cities of Ludhiana, Jalandhar, SAS Nagar and Amritsar comprise the High Potential zone; whereas remaining towns and cities are treated as part of the Low Potential zone for the purpose of levying the conversion charges. The conversion rates to be charged for change of trade shall be as follows:

- (a) Rs. 100/- (Rs. One hundred only) per square feet for conversion of trade on ground floor for sites falling in the High Potential zone and Rs. 75/- (Rs. Seventy-five only) per sq. feet for sites falling in the Low Potential Zone.
- (b) Rs. 50/- (Rupees fifty only) per square feet for conversion of trade on upper floor premises, for sites falling in the High Potential Zone; and Rs. 35/- (Rs. Thirty-five only) per sq.feet for sites falling in the Low Potential Zone.
- (c) Conversions charges at the above rates shall be calculated for the entire built up area / area permitted under each use to be built on the said plot except the area under basement irrespective of the fact that building has been fully / partially constructed.
- (d) Payment may be made in lump sum or in 4 equated six monthly installments. In case payment is made in lump sum within sixty days of permission, then a rebate a 5% may be given. In case payment is made in installments then interest at the rate of 12% per annum shall be charged. For delayed payment additional penal interest as per approved policy should be charged.
- (e) Change of trade in case of rehries shall also be allowed by levying conversion charges of Rs. 75/- ( Rs. Seventy five only) per sq.feet for sites falling in the High Potential Zone and Rs. 55/- (Rs. Fifty five only) per sq.feet for sites falling in Low Potential Zone as defined in this para above, based on the area allotted to each rehri subject to payment schedule mentioned at (d) above. However, no Prohibited Trade i.e. trade involving fire hazard or public safety shall be allowed.

5.0 The above policy should be brought to the notice of all concerned and wide publicity should be given.

6.0 The above policy shall be applicable with immediate effect.

DA/ As above.

Administrative Officer (Policy)  
For Chief Administrator.

## **Annexure 'A'**

### **(New Commercial Trades)**

(I) GENERAL TRADE shall mean trade involving display / retail / sale of general merchandise and shall include any trade listed below or any other trade which may be added subsequently:

#### **(a) DISPLAY / SALE OF:**

1. Aerated water, non-alcoholic beverages, alcoholic beverages, wine, liquor.
2. Artwares.
3. Bakery products and confectionery goods.
4. Books & Stationery.
5. Computer software, hardware, I.T. enabled services.
6. Crockery and utensils.
7. Domestic appliances and gadgets, sewing machines.
8. Electrical and electronic goods and equipments.
9. Furniture.
10. Automobiles & automobile spare parts.
11. Hosiery goods and readymade garments, fabric & textile.
12. Ornaments and Jewelry.
13. Pan, biri, Cigarettes & Tobacco.
14. Photo and Mirror frame.
15. Photographic goods.
16. Packed Poultry, fish & meat products.
17. General Provisions including toiletries.
18. Sports goods/ Musical instruments.
19. Suit cases/ Boxes.
20. Seeds, flowers, plants.
21. Shoes and leather goods.
22. Audio-visuals Dairy products.
23. Medicine, surgical and hospital equipment.

#### **(b) PROFESSIONALS:**

1. Architects
2. Barbers, beauticians
3. Doctors
4. Photographers
5. Opticians
6. Pen repairs
7. Tailors
8. Watch makers/ repairers
9. Travel Agents, Tour operators
10. Computer based networking services, cyber-café
11. Financial consultants & share brokers
12. Legal advisors
13. Property dealers
14. Medical laboratories & diagnostic centres
15. Coaching centres
16. Entertainment centres including video game parlours
17. Fitness centres, Health centres.
18. Banks and Financial service

19. Telecom/ Mobile services

Miscellaneous

- (1) Restaurants
- (2) Lodging Houses, Guest houses, hotels

(2) SPECIAL TRADE shall mean trade involving manufacturing / repairing / servicing / processing and display / sale of goods so manufactured / repaired / serviced / processed and shall include any trade listed below or any other trade added subsequently:

1. Aerated water
2. Artificial teeth
3. Artwares
4. Bamboo and cane products
5. Baan, Cane and rope
6. Card Board and paper products
7. Cotton and silk cardigans
8. Dolls
9. Educational and Drawing instruments
10. Shoes and leather goods garments
11. Furniture
12. Gold and Silver foil zari work
13. Hats, Caps, Turbans including embroidery
14. Hosiery including knitted garments embroidery
15. Ink
16. Jewelry/ ornaments
17. Ice, Ice-cream& cream
18. Steel/ Iron household goods
19. Lacquer work and bangles
20. Musical instruments
21. Photo and Mirror frames
22. Photographic goods
23. Radio assembly
24. Small domestic appliances and gadgets
25. Steel wire products
26. Suit Case and Boxes
27. Sports goods

(a) PROCESSING:

1. Book binding and embossing
2. Cycle repair
3. Fruit preservation
4. Handloom
5. Oil expeller
6. Metal Polishing
7. Optical lens grinding
8. Painting including signboard painting
9. Stove repair.
10. Tin repairing.

(b) PROFESSIONS:

1. Bharhbunja
2. Iron Mongers
3. Laundry and Dry cleaning
4. Lock-smith
5. Atta Chakki
6. Rui Penja

7. Scooter/Car repair
8. Tents, Utensils, Here surface
9. Meat & Fish products
10. Halwai Shops &
11. Kabari

**Miscellaneous**

1. Bakery
2. Building Material
3. Coal Depot
4. Excise vends
5. Cranes (wholesale)
6. Iron and steel Merchant
7. Automobile services
8. Printing press, Photo copy & reprographics
9. Timber Transport sites
10. Fruits & Vegetables

**(3) PROHIBITED TRADE** shall mean the trade listed below or any other trade that may be added subsequently involving public nuisance, risk and hazard to health, safety, property, life and liberty of the individual, community, area etc, and includes trades involving:

- (i) Explosives
- (ii) Chemicals of hazardous nature
- (iii) Highly inflammable materials
- (iv) Slaughtering of animals / birds
- (v) Storage, processing of Skins & hides
- (vi) Petroleum and petroleum products including LPG