

Government of Punjab
Department of Industries & Commerce
(Policy Implementation Unit)

To

All Deputy Commissioners in the State of Punjab

Dated 9351

Memo No. 13-08-2021

Subject: Processing of Fiscal Incentive cases under Industrial & Business Development Policy, 2017.

The incentive cases under Industrial & Business Development Policy, 2017 are approved by DLC/SLC and these committees have members from different departments. It has been informed by GM, DICs that in 13 cases (List attached), the department of Housing & Urban Development has raised certain observations w.r.t. Building Plan Approval while considering the fiscal incentive case by the DLC/SLC.

In this regard, it is submitted that in the FIIP(R)-2013, the requirement of all Regulatory Approvals is a pre-condition for sanction of Incentive case however, no such conditions has been prescribed under Industrial & Business Development Policy, 2017.

This matter was also discussed in the 13th State Level Committee held under the chairmanship of PSIC on 16.12.2020 and following decision was taken:

Committee was apprised that the minutes of 12th State Level Committee held on 12.10.2020 were circulated to all the members. The comments received from HUD were discussed in the meeting and it was decided that as the IBDP-2017 does not place any pre-condition to fulfill regulatory clearances prior to Fiscal Incentives. Therefore, the minutes of 12th SLC meeting were confirmed by the Committee. In future, the Deptt. of Housing & Urban Development may also take note of the above observations of the SLC while making comments on the Agenda and the proceedings of SLC.

It is further submitted that under the Industrial & Business Development Policy, 2017, as per Detailed Schemes & Operational Guidelines, 2018, Regulatory Departments are free to take any action against the defaulting units as per their statutory laws/rules applicable on the unit before or after sanction/disbursement of the incentive. As per clause 6.4 (vii) of chapter – 6, the

unit should be in regular production at the time of disbursement of incentive except those incentives which are in pre-production stage such as Stamp Duty. So, in case a unit is closed down due to any violations of Regulatory Clearance, then it will not be disbursed incentive in view of the aforesaid clause 6.4(vii).

You are therefore requested to consider the fiscal incentive cases under IBDP-2017 in view of the aforesaid decision.



Secretary-cum-Director
Department of Industries & Commerce,
Punjab

Endst. No. 9352-9355

Dated: 13-08-2021

A copy of above is forwarded to the following:

1. PS/PSIC for the kind information of Principal Secretary Industries & Commerce, Punjab.
2. PS/CEO for the kind information of Chief Executive Officer, Punjab Bureau of investment promotion, Chandigarh.
3. Joint Director (Incentive), Department of Industries & Commerce, Punjab.
4. All GM, DICs in the state of Punjab.



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