POLICY FOR ALLOTMENT OF LAND FOR SETTING UP REFRIGERATED OUTLETS FOR MARKETING OF FRESH AND PROCESSED FRUITS/VEGETABLES AND FOOD PRODUCTS TO PUNJAB AGRI AND EXPORTS CORPORATION LTD:

1. Punjab Agri and Exports Corporation Limited is a State Government undertaking engaged in the task of promoting production and export of fresh/processed fruits and vegetables from the state. In order to give a boost to the consumption of fresh and processed fruits/vegetables, Corporation is setting up an integrated facility of Food Park in the state with facilities of automated nursery to provide better quality seedlings with assured buy back under contract farming, modern grading and packing house and controlled atmosphere cold storage with refrigerated vans and food marts for export and domestic marketing. The Food Park would offer opportunities of better price to the producer and quality goods to consumer at most competitive price by eliminating middle man through the mechanism of a chain of Food Marts set by the Punjab. Agri Export Corporation. The Food Marts would market the fresh/processed fruits and vegetables to the urban and rural consumers.
2. Food Marts are like small shops on the pattern of outlets opened by National Dairy Development Board in Delhi, which would be set up in the appropriate urban and rural locations for selling these products. The Corporation proposes to facilitate the setting up of these food mart by the private entreprepeurs on a franchise basis to sell pre-packed fresh/frozen fruits and vegetables/processed foods and other food items like ice-cream, all kinds of bakery/poutlry/dairy products, cold drinks etc. to meet the daily requirements of household in the area. Each of these food mart is likely to cater to the daily requirements of 500 dwelling units.
3. Punjab Agri Corporation proposes to set up around 400-500 such food marts inthe state and has requested PUDA to make space available in the various urban estates developed by it. The projected area requirement for each food mart has been placed as 1200 square feet. Through this scheme Corporation not only intends to benefit both producers und consumers but also generate employment opportunities in the state besides assisting the State Government in its efforts of diversification of agriculture towards horticulture produce.
4. In order to make each Food Mart viable, Punjab Agri Export Corporation has suggested that allotment of 1200 sq. feet of land be made on a 99 years lease basis with a moratorium period of 5 years and thereafter the franchisee would pay *1-2% o*f the gross sales as lease charges.
5. The proposal of Punjab Agri Export Corporation with regard to setting up of food marts in urban estates, area required for each food mart and the terms and conditions of allotment of land has been examined, Views of the field ACA's have been obtained and the matter was also discussed with the M.D. I'unjab Agri Export Corporation. During the course of these discussions it has been felt that the setting up of such outlets, within residential preeinets developed by PUDA would help in making available both fresh and frozen food, fruit and vegetables to the residents at the most competitive prices. It is observed that area of 1200 sq. ft, for each mart suggested for allotment appears to be on the higher side and needs

to be scaled down keeping in view the requirements of sale and storage of food marts. With regard to pricing of the land to be made available for food marts it was felt that linking the same with the sale would require monitoring of sales on day to day basis. Keeping in view the operational and monitoring problems of such a system, it would be desirable to make the land available on monthly rental basis. However, in order to make the project viable in the initial stages, system of deferred payment could be adopted.. After careful consideration, it is proposed that food marts may be permitted to set up by Punjab Agri Export Corporation in various Urban Estates developed by PUDA on following terms and conditions:

(i) The land for food marts made available to Punjab Agri Export Corporation shall be on leasehold basis.

(ii) Lease shall be initially for a period of 33 years which could be renewed on such terms and conditions as may be mutually agreed.

(iii) PUDA shall enter into lease agreement with Punjab Agri Export Corporation only and not with any lessee/franchise of corporation.

(iv) The area of each food mart to be leased shall be kept between 600-800 sq. ft. excluding the circulation area.

(v) The land shall be made available on monthly rental basis and rent chargeable from the corporation shall be as under:-

Sr. No. ..... Name of U/E

Rent Proposed

1.	(a)	SAS Nagar, Ludhiana Jalandhar, Patiala (for Residential areas)	Rs. 1500/- p.m.
	(b)	(for Commercial areas)	Rs. 2000/- p.m.
2.	(a)	Bathinda, Batala, Phagwara Kapurthala (for Residential areas)	Rs. 1000/- p.m.
	(b)	(for Commercial areas)	Rs. 1350/- p.m.

However, intially a moratorium period of 3 years for the payment of the rent shall be provided to make venture viable. Rent for this period shall become payable in lump sum after the expiry of said period of 3 years. Rent chargeable shall be renewed after overy 3 years with an increase of 10% every 3 years.

(vi) The rent shall be paid before the 10th of the starting calendar year i.e. from January of every year, in advance. In case the rent is not paid before the 10th January for a period of one year in advance, 15% surcharge will be leviable with 18% interest shall be charged for the defaulting period. The defaulting period should not exceed 6 months thereafter, the Estate Officer will be empowered to get the site evicted under the provision of the lease.

(vii) In case of breach of any condition of the lease deed, the decision of the Chief Administration shall be binding on the Corporation.

(viii) All taxes will be borne by the Corporation and PUDA will not be responsible for any taxes/cess etc. Before handing over the possession of the site to

corporation, the corporation shall have to enter upon agreement with PUDA, but no agreement will be signed between lessee/franchise and PUDA.

(ix) Electricity, water charges payable will be the responsibility of the corporation and the franchisee.

(x) Construction of building shall be subject to the conditions that all construction shall be undertaken as per plan approved by PUDA.

(xi) Only fresh produce and processed food products should be sold and no permission will be given to prepare any item, at the outlet. Site shall be permitted to be used as restaurant/eating house.

(xii) In case of any breach of condition or the food mart closing down, PUDA will have the absolute right to resume the land alongwith structure after cancellation of the lease.

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