

Notifications and Orders

(52) Direction regarding Conversion of Trade (Fixation of Fees and Application for Permission etc. Under Rules, 1973 - In supersession of Chandigarh Administration, Finance Department's Order dated 3rd May, 2002, bearing endorsement No. 28/8/3-UTFI(3)-2002/4256-57, dated 14th May, 2002 and in exercise of the powers conferred by the second proviso to sub-rule (3) of Rule 9 of the Chandigarh (Sale of Sites and Buildings) Rules, 1960 and sub rule (11) of Rule 17 of the Chandigarh Lease Hold of Sites and Buildings Rules, 1973 read with Sections 3 and 22 of the Capital of Punjab (Development and Regulation) Act, 1952, the Administration, Union Territory, Chandigarh hereby issues the following directions allowing conversion of trade for commercial sites and buildings and the payment of conversion of trade fee which may be revised from time to time;

1. Definitions :

- (a) Schedule-I refers to Schedule-I appended to the Chandigarh (Sale of Sites and Buildings) Rules, 1960.
 - (b) Schedule-11 refers to Schedule-II appended to the Chandigarh (Sale of Sites and Buildings) Rules, 1960 or to Schedule [Rules 17(H)] appended to the Chandigarh Lease Hold of Sites and Buildings Rules, 1973 as applicable.
2. A conversion of trade from the Central Trade Category in Schedule-I to the New General Trade Category in Schedule-II may be allowed free of charge.
 3. In case of particular site or building has been allotted for a specified trade from among the entries in of Scheduled (the General Trade Category) an application for conversion to the New General Trade Category of Scheduled may be allowed upon payment of conversion of trade fee, in view of the fact that the earlier use of the business premises was confined only to a specified activity.
 4. A conversion of trade from any semi-industrial trade mentioned in Schedule- I to the New General Trade Category in Schedule-11 may be allowed upon payment of conversion of trade fee; provided that no manufacturing activity will be allowed on such site/building.
 5. A change of trade from the entries numbered at Sr. No. 1,2, II and 13 in the Special Trade Category of Scheduled to the New General Trade Category of Schedule-II may be allowed on payment of conversion of trade fee. As regards Sr. No. 3 in the Special Trade Category, a change of trade may be allowed to certain other trades as determined by the Administration from time to time.
 6. Any permission for conversion of trade shall be valid subject to the terms and conditions as specified by the Chief Administrator, including the building byelaws and zoning plans applicable.
 7. Where any conversion of trade is allowed, the transferee/lessee and the occupier of the premises shall, in addition to paying the prescribed fee, be liable to comply with all the terms and conditions prescribed in relation to such change of trade, failing which the permission for conversion of trade shall be cancelled and the fee forfeited, after issue of notice to the transferee/lessee/occupier and affording him/them an opportunity of being heard.

8. If the occupier of a building, not being the transferee/lessee (but being a bona fide tenant of such transferee/lessee with a valid lease deed or other similar contract that expires at least one year after the date of application) applies for conversion of trade, the Estate Officer shall issue notice to the landlord (transferee/ lessee) to appear or to state if he has any objection for permitting conversion of trade unless the application is accompanied by a consent letter (affidavit) of the landlord. All such applications shall be accompanied by certified copy of the lease deed, rent note or agreement which, prima facie, shows that the intended use of the premises has either expressly or implicitly been consented to by the landlord (transferee/lessee).

9. All applications for conversion of traders shall be accompanied with a deposit equal to 10% of the conversion of trade fees. The balance shall be payable within 30 days of the issue of letter of permission, unless within this period the transferee/ lessee/occupier opts to pay the balance in nine annual equated instalments with interest @ 10% per annum, compounded annually -The first instalment will be due one year from the date of issue of permission. In case of delay in payment of the fee or any instalment, interest @ 13% per annum (compounded annually) shall be levied. In case of a delay in payment of the fee or any instalment beyond 60 days from the due date, the Estate Officer may cancel the permission after giving notice to the transferee/lessee/occupier the case may be.

10. The conversion of trade fee shall be as follows :—

- (a) Rs. 200 (Rupees Two Hundred) per square foot for conversion of trade on ground floor premises.
- (b) Rs. 100 (Rupees One Hundred) per square foot for conversion of trade on upper floor premises,
- (c) Rs. 600 (Rupees Six Hundred) per square yard for conversion of trade for open spaces.

Note; Corridors, passages and stairways shall be treated as covered space on the relevant floor,

11. "Commercial premises may be put to an equivalent or tower intensity of use within the same trade category without payment of fees. For example:—

(a) The ground floor of a New General Trade S.C.O. meant for a shop may be used for lower intensity activity such as bank, office, clinic or an equivalent intensity use such as restaurant or lodging house or entertainment centre

(b) Upper floor of New General S.C.O. meant for offices may be. used for equivalent intensity activities such as bank or clinic

APPLICATION REGARDING CHANGE OF TRADE

To

The Estate Officer,
Chandigarh Administration,
Chandigarh.

Sir,

I/We _____, the allottee(s)/tenant(s) of commercial premises bearing S.C.O./S .C.F./Booth No. _____, Sector _____, Chandigarh (Floor/ Portion _____) do hereby apply for a conversion of trade for the said site/building (hereafter premises).

2., That the existing trade allowed in the premises _____, is as per the terms and conditions of allotment.

3. Now I/We request that the trade be converted to _____ to in Schedule I/Schedule II of the Chandigarh Sale of Sites and Buildings Rules, 1960.

4. A The conversion of trade fee calculated for a covered area of_____ sq. ft of _____ floor and open area of _____sq. yds, is Rs. 10% of the conversion of trade fee is enclosed

herewith by way of a Demand Draf/Bankers, Cheque/ Treasury' Challan No. _____
dated.....issued by Bank _____ Branch _____ in favour
of the Estate Officer, Chandigarh Administration.

5. That I am a tenant of the premises holding a valid lease deed/rent agreement- (copy enclosed)
executed by the landlord Shri/Shrimati _____, who is the allottee of the
premises. That the consent letter (affidavit) of the landlord is enclosed/not enclosed. My indemnity bond
indemnifying the Estate Officer, in case the landlord has any objection to the conversion of trade, at any
stage is enclosed. ,..

Dated :

Yours faithfully,
()

(Published in Chandigarh Administration Gazette (Extra) dated July 17, 2002, at Pages 1848-51)