

**GOVERNMENT OF THE PUNJAB
COLONIES DEPARTMENT**

NOTIFICATION

No. 1522-2003/1411 CLI: In exercise of the powers conferred by Sub Section (1) of Section 10 of the Colonization of Government Land (Punjab), Act 1912, the Government of the Punjab is pleased to issue the following statement of conditions for the grant of lease, in the Province of the Punjab for the three Livestock Farms i.e. Kheirewala situated in district Layyah, Ghulaman and Rakh Mahal situated in district Bhakkar to local or foreign companies that fulfil the conditions enumerated in the statement of conditions appearing hereinafter for development / reclamation of lands with the help of modern technologies in corporate sector to exploit culturable waste barren land aimed at increased production of exportable Agricultural commodities by local foreign investors.

1. General:

- a. All sales / leases under these conditions shall be subject to the provision of the Colonization of Government Lands (Punjab), Act 1912 and also to ;
 - (i) The General Colony Conditions of 1938 published vide Government notification No. 5792-C dated 29.06.1938 and Notification No. 2646-C, dated 22.09.1944 as amended from time to time;
 - (ii) The statement of conditions as appearing hereinafter and;
 - (iii) Such instructions as may be issued subsequently by the government for carrying out the purpose of this notification.
- b. It shall come into force with immediate effect.
- c. No person shall, as of right, be entitled to the grant of land under these conditions and the Board of Revenue retains its absolute power to grant lease of such lands.

2. Definitions:

In this statement of conditions, unless there is any thing repugnant in the subject or context:

- i. 'Act' means the Colonization of Government Lands (Punjab) Act 1912.
- ii. 'Lessee' means the person to whom land is leased out under these conditions.
- iii. 'Collector' means Collector of the District as defined in the Punjab Land Revenue, Act 1967 and includes any officer appointed by the Board of Revenue to perform all or any of functions and exercise all or any of the powers of the Collection under the Act.
- iv. 'Government' means the Government of the Punjab, in the Colonies Department.
- v. 'Board of Investment' means the Board of Investment set up by the Government of Pakistan.
- vi. 'Land' means the state land selected for lease under these conditions.
- vii. 'Company' means the local or foreign company that fulfils the requirements enumerated in the Investment Policy of Pakistan, 1997.

3. Exceptions and Reservations:

Unless, it is otherwise specifically provided, following categories of state land shall be deemed to have been expressly excluded from the purview of lease under these conditions.

- i) Lands reserved / earmarked for allotment under permanent scheme;
- ii) All mines, minerals and quarries including, all substances of mineral nature which may be excavated from the earth, whether on the surface of or under the land, with liberty to search for, work and remove the same, as full or any part thereof as if the tenancy had not been granted;
- iii) All rivers and streams with their beds and banks;
- iv) All water courses and drainage channels; and all public thoroughfares existing thereon and to be constructed in future, as shown in the plans which are open for inspection at the office of the Collector.

4. Restrictions and Prohibitions:

- i) Purchaser / lessee under these conditions shall be subject to all rights of way, water and easement, if any, subsisting thereon.

- ii) They shall neither sublet nor execute power of attorney whether revocable or irrevocable, special or general in favour of any person envisaging management, cultivation or alienation of land leased out to them under these conditions.
- iii) They shall not use the land or any part thereof leased out under these conditions for any purpose other than the one for which the lease has been given, provided that the lessee may erect farm building, construct wells or tanks or make any other improvement needed for better use of land required of modern technological practices for the purposes enumerated in the preamble.

5. Size of Land:

Preferred option would be out right lease / sale, if total land required by the Companies is below the Land Reforms ceiling. In case further land required is above the ceiling 50 years lease will be allowed by the Punjab Government with a further extension of 49 years on the basis that the present value of the land would be assessed by the District Price Assessment Committee and the same would be recovered in 10 six monthly installments spread over 5-years. Full market value of land would, therefore, be recovered but lease for 99 years rather than out right sale would not be undertaken.

6. Eligibility:

The companies fulfilling the following requirements will be eligible to apply for lease of state land under these conditions:

- i) Foreign companies which have fulfilled the conditions of registration under the Companies Ordinance 1984 and the requirements of registration with Board of Investment, Islamabad (BOI).
- ii) The amount of foreign equity investment to be the level of at least one million US dollars.
- iii) The amount of 40% of the equity is held by Pakistani Company / Individuals in the company / project.

7. Use of Land:

Lease of State Land will be granted for any of Land Development / Reclamation of barren, desert, hilly and other land to improve productivity of exportable commodities. Reclamation of Water Front Area / Creeks, Crops, fruits, vegetables, flowers Farming / Integrated Agriculture (Cultivation and Processing of Crops); Improvement & Development of Irrigation Facilities / Water Management, Plantation / Forestry and Horticulture by introduction of modern technologies.

8. Procedure of Lease:

- i) The applications / project proposals related to foreign investment in Agriculture Sector will be processed by the Board of Investment, Islamabad and referred to the Government of the Punjab.
- ii) The applications / project proposals referred to by the Board of Investment will be processed by the Board of Revenue, Punjab in consultation with such agencies / departments as may assist to meet the objectives of the lease.
- iii) The lease will be granted by the Government of the Punjab on the recommendations of the Board of Investment and Board of Revenue, Punjab.

9. Liabilities:

- a) The purchaser / leasee will ensure maintenance of pollution free environment and keep proper sanitation and hygienic conditions on the farm.
- b) The foreign / local company undertaking investment in agriculture sector / reclamation and cultivation of land will not be allowed to transfer the land to any other foreign / local company without prior permission of the Federal / Provincial Government.

10. Period of Lease:

The lease under these conditions will be for a period of 50 years extendable for a further period of 49 years at a time at the discretion of the Government of the Punjab.

- 11. Rent:**
The rent of the land will be at the discretion of the Government of the Punjab.
- 12. Payment of Lease Rent:**
- i) The lease of barren, sandy and hilly land will be rent free for a period of 5 years.
 - ii) During the term of lease for every subsequent year the tenant shall pay in advance yearly rent as prescribed and other charges in respect of water rate, ceases and other Government taxes within the first month of the calendar year or in such manner and at such place as the District Collection may specify.
 - iii) In case of default of payment of lease rent simple interest at the bank rate (to be recovered from the date when rent becomes due) will be charged in case of default of payment of rent for more than 6 months the Collector shall take action under section 24 of Colonization of Government Lands (Punjab) Act 1912.
- 13. Surrender of Land for Public Purpose:**
If at any time the land or any portion thereof is required for a public purpose, the lessee shall on issue of a notice, within such time as may be determined by the District Collector, surrender peacefully and without any demur the whole or as much of the land as is mentioned in the notice. The lessee, if so required by the Collector, shall pull down and remove any structures / plantation existing on the land or part thereof without claiming any damages or compensation for any improvement made on the land or on any other account.
- 14. Surrender of Land on Expiry of Lease:**
The lessee shall surrender the land after expiry of lease period and can remove the built structures, if any, but shall not be entitled to any compensation on this account.

FOR FURTHER INFORMATION PLEASE CONTACT:

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