

PUNJAB VIDHAN SABHA

Bill No. 8-PLA-2026

THE PUNJAB COMMON INFRASTRUCTURE (REGULATION AND
MAINTENANCE) AMENDMENT BILL, 2026

A
BILL

further to amend the Punjab Common Infrastructure (Regulation and Maintenance) Act, 2012.

BE it enacted by the Legislature of the State of Punjab in the Seventy-seventh Year of the Republic of India as follows:-

Short title and
commencement.

1. (1) This Act may be called the Punjab Common Infrastructure (Regulation and Maintenance) Amendment Act, 2026.

(2) It shall come into force on and with effect from the date of its publication in the Official Gazette.

Amendment in
section 1 of
Punjab Act 12
of 2012.

2. In the Punjab Common Infrastructure (Regulation and Maintenance) Act, 2012 (hereinafter referred to as the principal Act), in section 1, for sub-section (2), the following shall be substituted, namely:-

"(2) It shall come into force on such date, as the State Government may, by notification in the Official Gazette, specify.

(3) It shall apply to all the Industrial Areas which fall under the jurisdiction of the Department of Industries and Commerce, Department of Housing and Urban Development and all Industrial Areas transferred to the Department of Local Government. It shall also apply to all the Industrial clusters located outside the notified Industrial Areas or Parks or Estates, for which the Competent Authority may be notified by the State Government, in the Official Gazette, from time to time:

Provided that an Industrial unit within the Industrial cluster should have obtained all requisite approvals for running the Industrial unit."

Amendment in
section 2 of
Punjab Act 12 of
2012.

3. In the principal Act, in section 2, -

- (i) in clause (a), for the words "any other unit", the words "any residential, commercial, or industrial unit" shall be substituted;
- (ii) after clause (a), the following clause shall be inserted, namely:-

“(aa) ‘Base Rate’ means the minimum applicable rate of the service charge, as may be notified by the State Government from time to time, to be collected from the Allottee;”;

- (iii) for clause (b), the following clause shall be substituted, namely:-“(b) 'common infrastructure' shall include roads, parks, street lights, security, cleaning of sewerage system, collection of garbage, any common research and development centres, stream, drainage or any other such common facility, not being in exclusive possession of an Allottee, falling in an Industrial Area requiring upkeep and maintenance, but shall exclude the water supply facilities, sewerage treatment plant and sewerage infrastructure, from the maintenance purview of the Special Purpose Vehicle and shall continue to fall under the purview of the Competent Authority against the water and sewerage charges levied by them;”;

- (iv) for clause (c), the following clause shall be substituted, namely:-

"(c) ‘Competent Authority’ means the Punjab Small Industries and Export Corporation (PSIEC) for the Industrial Areas managed by it, the Punjab Municipal Infrastructure Development Company (PMIDC) for Industrial Areas managed by the Department of Local Government, the Punjab Urban Planning and Development Authority (PUDA) or the concerned Planning and Development Authority having jurisdiction over Industrial Areas managed by the Department of Housing and Urban Development, or any other concerned authority under whose jurisdiction the Industrial Parks, as notified by the State Government in the Official Gazette, fall;”;

- (v) for clause (e), the following clause shall be substituted, namely:-

"(e) 'Developer' means a Government organization, including the Punjab Small Industries and Export Corporation, the Punjab Information and Communication Technology Corporation, the Punjab Urban Planning and Development Authority or any other similar authority which constructs or creates Industrial Areas or Parks or Estates and provides common infrastructure like roads, sewerage, street lights etc.;”;

- (vi) after clause (e), the following clause shall be inserted, namely: -

"(ea) 'District Monitoring Authority' means the District Magistrate of the concerned district where the Industrial Area lies, and shall be assisted by the concerned General Manager, District Industries Centre;";

(vii) after clause (g), the following clause shall be inserted, namely:-

"(ga) 'prescribed' means prescribed by rules made under this Act;";

(viii) for clause (i), the following clause shall be substituted, namely:-

"(i) 'service charges' means the charges to be collected from the Allottees for meeting the expenses of the management, maintenance, repair or replacement of the common infrastructure or for any other purpose as may be specified by the State Government. Service charges shall be determined on the basis of the Base Rate and shall include additional amount, if any, as may be determined by the Special Purpose Vehicle by simple majority of its Governing Body;"; and

(ix) for clause (k), the following clause shall be substituted, namely:-

"(k) 'State Government' means the Government of the State of Punjab in the Department of Industries and Commerce."

Amendment in
section 3 of
Punjab Act 12 of
2012.

4. In the principal Act, in section 3,-

(i) in sub-section (1), at the end, for the sign ".", the sign ":" shall be substituted and thereafter, the following proviso shall be added, namely:-

"Provided that the Special Purpose Vehicle created under this sub-section shall be registered under the Societies Registration Act, 1860 (Central Act No. XXI of 1860).";

(ii) for sub-section (2), the following sub-section shall be substituted, namely:-

"(2) The objective of the Special Purpose Vehicle shall be to provide efficient maintenance of common infrastructure as defined under this Act, to the Allottees on the payment of service charges."; and

(iii) after sub-section (3), the following sub-sections shall be added, namely: -

"(4) The Special Purpose Vehicle shall be treated as a Bulk Waste Generator under the provisions of the Solid Waste Management Rules, 2026, notified by the Ministry of Environment, Forest and Climate Change, Government of India, and any subsequent amendments or rules framed from time to time. The Special Purpose Vehicle shall discharge all duties and responsibilities prescribed for Bulk Waste Generators therein.

(5) The Special Purpose Vehicle shall ensure the common infrastructure components comply with the standards prescribed by the Punjab Pollution Control Board, the State Government, or Central Pollution Control Board and shall obtain all necessary approvals or consents, wherever applicable, from the Punjab Pollution Control Board."

Substitution of
section 4 of
Punjab Act 12 of
2012.

5. In the principal Act, for section 4, the following section shall be substituted, namely:-

"4. (1) The Special Purpose Vehicle shall constitute an Executive
Executive Committee. Committee. in accordance with the provisions of this Act and its bye laws. The Executive Committee shall exercise the powers and perform the functions vested in it under this Act and the bylaws of the Special Purpose Vehicle.

(2) In addition to members elected from among the Allottees, the Executive Committee shall include the following ex-officio members, namely:-

- (i) The concerned General Manager of the District Industries Centre (GM-DIC);
- (ii) Concerned engineering staff not below the rank of Sub-Divisional Engineer, nominated by the Competent Authority;
- (iii) Any other member/members as nominated by the Competent Authority.

(3) The Executive Committee shall consist of seven members elected by simple majority from amongst the members of the Special Purpose Vehicle, in addition to the ex-officio members specified under sub-section (2)."

Amendment in
section 5 of
Punjab Act 12 of
2012.

6. In the principal Act, in section 5,

- (i) for clause (a), the following clause shall be substituted, namely:-

"(a) of access to the common infrastructure of the Industrial Area;"

- (ii) clause (c) shall be omitted; and
- (iii) for clause (d), the following clause shall be substituted, namely:-

"(d) to discontinue the provision of services of maintenance of common infrastructure as defined under this Act in the event of failure by an Allottee to pay the service charges, as per due process of law."

Amendment in
section 6 of
Punjab Act 12 of
2012.

7. In the principal Act, in section 6,-

(a) in sub-section (1),-

- (i) clauses (f) and (g) shall be omitted;
- (ii) for clauses (h) and (i), the following clauses shall be substituted, namely:-

"(h) the manner of election of the Executive Committee and its President, and the powers and functions of the Executive Committee and the President, so elected;

(i) the fixation of rates of service charges, in addition to the Base Rate, to be contributed by the Allottees as per parameters as may be specified or directed by the State Government;" and

- (iii) clause (l) shall be omitted; and

(b) in sub-section (2), for clause (e), the following clause shall be substituted, namely:-

"(e) the role of the Competent Authority and the State Government in smooth functioning of the Special Purpose Vehicle."

Amendment in
section 7 of
Punjab Act 12
of 2012.

8. In the principal Act, in section 7, for sub-section (1), the following sub-section shall be substituted, namely:-

"(1) The affairs of the Special Purpose Vehicle, and the management and maintenance of property in an Industrial Area and the common infrastructure, shall be governed by the provisions of this Act and the bye-laws made by the Special Purpose Vehicle."

Substitution of
sections 8, 9 and
10 of Punjab Act
12 of 2012.

9. In the principal Act, for sections 8, 9 and 10, the following sections shall be substituted, namely: —

"8. (1) Collection of funds in the form of service charges shall be as follows, namely:-

Provision
for funds.

(a) service charges shall be levied on a monthly basis and included in the electricity bills of the respective Industrial units;

(b) Punjab State Power Corporation Limited (hereinafter referred to as “PSPCL”) shall be the authorized agency to collect such service charges in pursuance of the provisions of this Act; and

(c) PSPCL shall be entitled to charge an administrative fee for the collection and processing of service charges. The administrative fee shall be fixed at three per cent of the total service charges collected.

(2) Distribution of funds shall be as follows, namely:-

(a) PSPCL shall transfer the service charges collected, after deducting the annual administrative fee referred to in clause (c) of sub-section (1), in the following manner, namely:-

(i) ninety percent of the net collected service charges shall be transferred to the concerned Special Purpose Vehicle into a designated account to be maintained as the Common Infrastructure Maintenance Fund; and

(ii) the remaining ten percent shall be transferred to the Competent Authority under whose jurisdiction the respective industrial area falls, to be utilized towards upgradation and maintenance of industrial areas.

(3) Utilization of funds by the Special Purpose Vehicle shall be as follows, namely:-

(a) the Special Purpose Vehicle shall utilize a maximum of ninety percent of the funds received under sub-clause (i) of clause (a) of sub-section (2) for the regular upkeep and maintenance of common infrastructure in the industrial area and administrative expenses;

(b) a minimum of ten percent of such funds shall be retained as a fixed deposit or corpus, to be utilized only for future development or upgradation works, with the prior approval of the Competent Authority;

(c) the administrative expenses incurred by the Special Purpose Vehicle for its operations and management, including hiring of

any manpower, shall not, in any case, exceed five percent of the total funds received under sub-clause (i) of clause (a) of subsection (2). Further, no separate financial or budgetary assistance shall be provided for hiring of manpower. Such manpower so hired shall not be construed as Government employees under any circumstances; and

- (d) any expenditure in excess of available funds shall be borne by the Special Purpose Vehicle, which may raise additional resources through contributions, grants, donations, or other permissible means, as may be approved by the State Government from time to time.

(4) For Industrial units located within municipal areas, the service charges levied under this section shall be used interchangeably with, and shall subsume, the property tax levied by any municipality on Industrial units within the Industrial Area under the jurisdiction of the concerned Special Purpose Vehicle. Such service charges shall be utilized in accordance with the provisions of this Act.

(5) Any other charges or processing fees for routine delivery of services to citizens, such as building plan fees, transfer fees, water and sewerage charges, etc. shall continue to be levied and collected as per the applicable Departmental rules/Acts and shall not be transferred to the Special Purpose Vehicles for maintenance of common infrastructure.

9. (1) The control and overall supervision of an Industrial Area shall vest in the Competent Authority.

(2) If, in the opinion of the Competent Authority, either suo-motu or on the recommendation of the District Monitoring Authority, the Executive Committee of a Special Purpose Vehicle has,-

- (a) failed to perform its functions under this Act; or
- (b) acted in a manner detrimental to the interests of the Allottees,

the Competent Authority shall issue a written notice to the Executive Committee requiring it to show cause within thirty days from the date of service as to why it should not be superseded.

- (3) If, in the opinion of the Competent Authority, the reply to the show cause notice served upon the Executive Committee under sub-section (2) is not satisfactory, it may, by order in writing, supersede the Executive Committee and appoint an Administrator to discharge the functions of the Executive Committee.
- (4) The Administrator appointed under sub-section (3) shall be a senior Officer of the State Government, not below the rank of Sub-Divisional Magistrate, as decided by the respective District Magistrate.
- (5) The Administrator shall exercise all powers and perform all duties of the Executive Committee under this Act until a new Executive Committee is constituted.
- (6) A new Executive Committee shall be constituted within six months from the date of supersession, and the General Manager of the District Industries Centre shall ensure the conduct of fresh elections of the Special Purpose Vehicle within that period:

Provided that if, for reasons recorded in writing, the new Executive Committee cannot be constituted within the aforesaid six months, the Competent Authority may extend the period of supersession for a further period not exceeding six months.

10. The Competent Authority shall have the following

Powers and
duties of
Competent
Authority.

powers and duties, namely:-

- (a) to facilitate formulation of the Special Purpose Vehicle;
- (b) to finalize and recommend the area of jurisdiction of each Special Purpose Vehicle to the State Government for notification in the Official Gazette and to facilitate its registration and formation in accordance with the provisions of this Act;
- (c) to facilitate the Special Purpose Vehicle in the discharge of its functions;

- (d) to mandate the Executive Committee of the Special Purpose Vehicle to file the annual accounts of the Special Purpose Vehicle, duly audited by a certified Chartered Accountant;
- (e) to supervise and coordinate the regular transfer of funds collected as service charges by PSPCL;
- (f) to ensure that the funds are transferred to the designated account of Special Purpose Vehicle in a timely and regular manner; and
- (g) to ensure that the common infrastructure components such as effluent or sewage treatment plants, solid waste management facilities or common disposal systems comply with the standards prescribed by the Punjab Pollution Control Board, the State Government, or Central Pollution Control Board and obtain all necessary approvals or consents, wherever applicable, from the Punjab Pollution Control Board and/or Central Pollution Control Board, as the case may be."

Insertion of section
10-A in Punjab
Act 12 of 2012.

10. In the principal Act, after section 10, the following section shall be inserted, namely:

“10-A. The District Monitoring Authority shall have the
Powers and
duties of the lowing powers and duties, namely:-
District
Monitoring
Authority.

- (a) to resolve any dispute between the Executive Committee of the Special Purpose Vehicle and the Allottees regarding service charges, the kind or quality of maintenance required, or any other related matters;
- (b) to inspect the accounts and other records of the Special Purpose Vehicle upon receiving a complaint, in order to determine whether it is working in accordance with the law;
- (c) to supervise the election of the office-bearers of the Executive Committee, through the General Manager, District Industries Centre;
- (d) to recommend appointment of an Administrator, if it finds that the Executive Committee has not discharged its duties as required under this Act; and
- (e) to supervise the maintenance activities of the Industrial Areas in the event that an Administrator has been appointed.”

Substitution of section 11 of Punjab Act 12 of 2012.	11. In the principal Act, for section 11, the following section shall be substituted, namely:- “11. All sums determined by the Executive Committee or specified by the Competent Authority as service charges under the provisions of this Act shall be levied and recovered along with the Electricity Bill, in accordance with the applicable rules, law, and prescribed procedures of PSPCL.”
Amendment in section 12 of Punjab Act 12 of 2012.	12. In the principal Act, in section 12, for the words “an Industrial Area”, the words “a unit in an Industrial Area” shall be substituted.
Substitution of section 13 of Punjab Act 12 of 2012.	13. In the principal Act, for section 13, the following section shall be substituted, namely: — "13. If an Allottee fails to pay the service charges, PSPCL shall be entitled to recover the same in accordance with the provision of the Electricity Act, 2003 (Central Act No. 36 of 2003) and the relevant rules or manuals made thereunder.”
Amendment in section 18 of Punjab Act 12 of 2012.	14. In the principal Act, in section 18, for the words “a Developer or an Allottee”, the words “an Allottee” shall be substituted.
Substitution of section 19 of Punjab Act 12 of 2012.	15. In the principal Act, for section 19, the following section shall be substituted, namely: "19. The provisions of this Act shall have overriding effect notwithstanding anything contained in the Punjab Municipal Act, 1911 (Punjab Act No. 3 of 1911), the Punjab Municipal Corporation Act, 1976 (Punjab Act No. 42 of 1976), the Punjab Regional and Town Planning and Development Act, 1995 (Punjab Act No. 11 of 1995), the Punjab Infrastructure (Development and Regulation) Act, 2002 (Punjab Act No. 8 of 2002), or any other State law, and the provisions of those Acts shall have no effect to the extent they are inconsistent with the provisions of this Act."
Insertion of section 20-A in Punjab Act 12 of 2012.	16. In the principal Act, after section 20, the following section shall be inserted, namely: - "20-A. The State Government shall have the power to dissolve the existing Special Purpose Vehicle and to get a

new Special Purpose Vehicle formed and registered as per the provisions of this Act."

Amendment in
section 22 of
Punjab Act 12
of 2012.

17. In the principal Act, in section 22, for the words and sign "remove the difficulty:", the words and sign "remove the difficulty." shall be substituted and the proviso thereunder shall be omitted.

Addition of
section 23 in
Punjab Act 12
of 2012.

18. In the principal Act, after section 22, the following section shall be added, namely:-

"23. (1) The State Government may, by notification in the Official Gazette, make rules for carrying out the purposes of this Act.

Power to make
rules.

(2) Every rule made under this section shall be laid as soon as may be, after it is made, before the House of the State Legislature, while it is in session for a total period thirty days, which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session in which it is so laid or the successive sessions aforesaid, the House agrees in making any modification in the rule or the House agrees, that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be, so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done or omitted to be done under that rule."

STATEMENT OF OBJECTS AND REASONS

The Punjab Common Infrastructure (Regulation and Maintenance) Amendment Bill, 2026 is aimed to amend the Punjab Common Infrastructure (Regulation and Maintenance) Act, 2012 which proposes to comprehensively reform the Punjab Common Infrastructure (Regulation and Maintenance) Act, 2012 to strengthen the effectiveness, transparency and financial sustainability of Special Purpose Vehicle (SPVs) for better management of industrial areas across Punjab. The amendment bill seeks to address administrative and operational challenges that have emerged over the years due to the expansion of industrial parks and the emergence of new industrial clusters outside notified industrial estates.

It creates a streamlined system for collection and utilization of service charges for the maintenance of common infrastructure such as roads, street lights, parks, security, drainage systems and other shared facilities in industrial areas.

Special Purpose Vehicles (SPVs) will be created in all industrial areas which will be registered under the Societies Registration Act, 1860 and will be responsible for the operation and maintenance of common infrastructure within industrial areas on a no-profit, no-loss basis. Also, a District Monitoring Authority will be established to oversee the functioning of SPVs and provide an institutional mechanism for monitoring and dispute resolution.

Aman Arora,
Industries & Commerce Minister, Punjab.

MEMORANDUM REGARDING DELEGATED LEGISLATION

Section 23 of the Punjab Common Infrastructure (Regulation and Maintenance) Amendment Bill, 2026 empowers the State Government to make rules to carry out the purposes of this Act. The powers sought are necessary for the proper implementation of the provisions of the Act and are normal in nature.

PUNJAB VIDHAN SABHA

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BILL

*further to amend the Punjab Common Infrastructure (Regulation and
Maintenance) Amendment Bill, 2026*

(SH. AMAN ARORA,
INDUSTRIES & COMMERCE MINISTER, PUNJAB)