

TERMS AND CONDITIONS OF AUCTION
(RESIDENTIAL / COMMERCIAL / INSTITUTIONAL AND CHUNK SITES)

These terms and conditions shall supersede all the terms and conditions and other instructions issued on the subject matter covered herein and they shall be applicable to all properties sold after _____(date of issuance) by auction. These shall apply to all the Authorities established under the PRTPD Act, 1995 and the sites sold under the Auction shall be exempted from PAPR Act, 1995.

1. MODE OF AUCTION

All Auctions in PUDA and Special Development Authorities including OUVGL properties shall be by way of e-auction only.

2. CLASSIFICATION OF PROPERTIES from Financial Angle

The properties to be put to auction shall be classified into following types:-

- **Chunk Sites-** Sites with Bid Price of Rs. 50.00 Crore or more in **GMADA/GLADA** will be treated as '**Chunk Sites**' and in the Case of other **Special Urban Development Authorities** such as PDA, BDA, JDA and ADA, sites with Bid Price of Rs. 25.00 Crore or more will be treated as Chunk Sites.
- **Other than Chunk Sites:** - Sites with Bid Price less than Rs. 50.00 Crore in **GMADA/GLADA** will be treated as '**Other than Chunk Sites**' and in the case of other **Special Urban Development Authorities** such as PDA, BDA, JDA and ADA sites with Bid Price of less than Rs. 25.00 Crore will be treated as other than Chunk Sites.

3. ELIGIBILITY FEE

The intending bidders are required to deposit refundable / adjustable eligibility fee mentioned in the advertisement, which shall be paid online in advance through e-auction portal and shall be fully refundable/adjustable. Eligibility fee shall be as follows:-

Sr.No	Type of Property	Eligibility Fee
i	For Multiplex Sites/Commercial Site/Hospital Sites /Hotel Sites/ Nursing Home Sites/ Group Housing Sites /School Sites/Others	Up to 1 Acres- Rs. 25.00 lacs From 1 Acre up to 5 Acre- Rs. 2.00 Crore 5 Acre and more than 5 Acre- Rs. 5.00 Crore
ii	For SCO/SCF, SSS, Booths, etc	Rs. 2,00,000.00
iii	Residential Plot	Rs. 1,00,000.00

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4. DEPOSIT AT FALL OF HAMMER AMOUNT

The successful bidder will be required to pay:-

Sr.No	Type of Property	Fall of Hammer
i	Chunk Sites and Other than Chunk Sites	10% (Ten percent) of Total Bid amount after adjusting eligibility fee paid online plus 2 per cent cancer cess extra of Total Bid amount within maximum of 5 working days from the date of bid acceptance conveyed on SMS/E-mail.

4.1 In case the bidder does not deposit the above mentioned amount within the stipulated period then the eligibility fee shall **stand** forfeited and the bidder shall have **no** claim for refund.

5. PAYMENT OF BALANCE AMOUNT:

The balance **90% amount** shall be payable alongwith applicable interest as under :-

Sr.No	Type of Property	Payment
i	Chunk Sites	<p>Allotment Letter of site will be issued on 30th day of the deposit of 10% of Bid amount plus 2% Cancer Cess.</p> <p>The successful bidder shall have to deposit further 15% of the total bid price (to complete 25%) within 05 working days from the date of issuance of Allotment Letter.</p> <p>Balance 75% of the amount to be paid in 8 Half yearly Installments with first installment payable at the end of moratorium period.</p> <p>Moratorium period will be of 1 year and 6 months in which interest on the balance 75% amount shall be payable by the bidder during this moratorium period in Half yearly equal installments in which first two installment shall include interest only and third installment shall include Principal along with Interest.</p>

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ii	Other than Chunk Sites	<p>Allotment Letter of site will be issued on 30th day of the deposit of 10% of Bid amount plus 2% Cancer Cess.</p> <p>The successful bidder shall have to deposit further 15% of the total bid price (to complete 25%) within 05 working days from the date of issuance of Allotment Letter.</p> <p>75% of the amount to be paid in 8 Half Yearly installments with first installment falling due after 6 months from date of Allotment.</p>
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5.1 In case successful bidder does not deposit 15% amount within 05 working days from the date of issuance of Allotment Letter to complete 25% of the bid amount, then **it shall be presumed that he has not accepted the Allotment and in that case** the amount already deposited by him including Cancer Cess shall be forfeited and the applicant shall have no claim of refund in this regard.

5.2 **At the time of** deposit of 15% amount with the Authority, the bidder/allottee shall be bound to deposit TDS separately with the Income Tax Department. The **bidder/allottee** can claim the credit of amount of TDS deposited with Income Tax Department by submitting a copy of challan and TDS return. The Authority will give credit to the **bidder/allottee** of the amount of TDS deposited in the next due installment.

5.3 Promoters/developers with the default of more than two installments from scheduled date will not be allowed to participate in the E-Auction. If a defaulter promoter/ developer of more than two installments participates and is successful in the E-Auction, he shall have to clear his installments first, else his bid shall be rejected and eligibility fees deposited by him shall be forfeited.

6. INTEREST RATES APPLICABLE ON BALANCE PAYMENTS AND DISCOUNT ON FULL PAYMENT

Sr.No	Type of Property	
i	Chunk Sites and commercial sites i.e. SCO/SCF,SSS/Booth	Interest rate applicable on balance payment shall be 9.5% p.a. compounded annually.

	etc	<p>In case of default, Penalty @ 5.5% pa shall be charged alongwith normal scheme interest of 9.5% p.a. compounded annually on the amount of Installment.</p> <p>Allottee can make lump sum payment of the balance 75% price within 60 days from the date of issuance of allotment letter in which case 7.5% discount on the balance Principal amount i.e. 75% shall be given.</p> <p>In case Lump Sum 75% payment towards total Bid amount is made beyond this period of 60 days, then this discount shall be given on Principal amount apart from that included in the next installment.</p>
ii	For Residential plot and Institutional Sites(Other than Chunk Sites)	<p>Interest rate applicable on balance payment shall be 9.5% p.a. compounded annually.</p> <p>In case of default, Penalty @ 5.5% pa shall be charged along with normal scheme Interest of 9.5% % p.a. compounded annually on the amount of Installment.</p> <p>Allottee can make lump sum payment of the balance 75% price within 60 days from date of issuance of allotment letter in which case 5% discount on the balance Principal amount i.e. 75% amount shall be given.</p> <p>In case Lump Sum 75% payment towards total Bid amount is made beyond this period of 60 days, then this discount shall be given on Principal amount apart from that included in the next installment.</p>

6.1 Interest on the principal amount shall be payable half yearly during the moratorium period in case of sites mentioned at Sr. No 6(i). In case interest is not paid within 30 days from the due date, resumption proceedings will be initiated as per the provisions of the **Punjab Regional and Town Planning and Development Act, 1995**.

6.2 In case any installment or a part thereof is not paid by due date, the same can be paid within a Grace Period of 1 month in which Normal Scheme Interest at the rate of 9.5% p.a shall be charged and further the installment or a part thereof can be paid in 5 months in which penalty @ 5.5% pa shall be charged

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along with normal scheme Interest of 9.5% % p.a. compounded annually on the amount of Installment for the entire period of 6 months. In case any installment or a part thereof is not paid even after this said period of 6 months ,the process for the resumption of the site shall be initiated as per the provisions of PRTPD Act, 1995. This provision shall also be applicable in the case of Sites/plots sold through Draw of lots and the earlier policies issued in this regard are hereby rescinded.

- 6.3 Allottee of chunk sites, eligible for the benefit of moratorium period, can deposit dues towards their sites ahead of scheduled date upon payment of which, levy of interest on the amount deposited shall stop as practiced earlier. However, if the allottee also chooses not to get his installments rescheduled, then, upon payment of last part of the full & final payment, he shall be eligible for 7.5% discount but only on the principal amount of installments not fallen due yet, as per the original schedule of payment given at allotment. However, it is clarified that this discount shall be given only on the principal amount apart from that included in the next installment as per original schedule of payment.

7. POSSESSION OF SITE

- 7.1 **The possession of the site shall be offered to the successful bidder in the Allotment Letter itself. The successful bidder shall be bound to take possession of the site within 07 working days of the deposit of 15% amount, otherwise it shall be deemed to have been handed over to him on the due date. However, possession of site shall not be delivered unless and until 25% amount of the price plus 2% Cancer Cess has been deposited by the successful bidder/allottee with the Authority.**

8. GENERAL TERMS AND CONDITIONS

- 8.1 The bid shall be given in Rs. per. sq.mtr
- 8.2 No one can bid on behalf of another person.
- 8.3 Once the bid is placed, the Bidder shall not be permitted to withdraw or surrender his bid on any ground, and in case he does so, the eligibility fee deposited by him/her shall stand forfeited in full.
- 8.4 Chief Administrator, or any other officer authorized by him reserves the right to accept or reject the highest bid or withdraw the site from the auction without assigning any reason even if the bid is higher than the reserve price.

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The acceptance of the final bid by the Authorized Officer shall be subject to the approval by the Chief Administrator, of the Authority.

- 8.5 In case the highest bid is not accepted by the Authorized Officer **of the Authority** due to any reason whatsoever, the eligibility fee shall be refunded in full within 7 days from the date of decision.
- 8.6 The **ownership of site** shall continue to vest in the name of Concerned Authority until the entire consideration money together with interest and other dues, is paid in full **by the bidder/allottee to the Authority**.
- 8.7 On payment of the entire consideration money together with interest due to the Authority on account of the sale of the Site, the allottee shall have to execute the deed of conveyance in the prescribed form and in such manner as may be directed by the Concerned Estate Officer within 90 days of the payment of entire consideration money.
- 8.8 The allottee shall have right to transfer by way of sale, or gift, or otherwise, the site or any other rights, title or interest in the said site before the last installment becomes due with prior permission of the Concerned Estate Officer and on payment of **such** transfer fee as applicable. The entire area of the site shall be transferrable and the site shall not be transferrable in Parts. If the last installment become due then the allottee has no right to transfer by way of sale, or gift, or otherwise, the site or any other rights, title or interest in the said site before execution of conveyance deed on making full payment. Mortgage of the site may be permitted with the prior permission of officer authorized by the Authority, if the allottee takes permission to mortgage the site for making entire payment of the site to the Authority or for any other purpose if the entire payment of the site has already been received by the Authority.

9. FINANCIAL CONDITIONS

- 9.1 In no case a bid less than the reserve price shall be accepted.
- 9.2 The exact size of the site and its dimensions are subject to variation as per actual measurement at the time of delivery of possession of the Site. In case of actual area exceeds the area offered, the allottee would be required to deposit the additional price for the excess area proportionately as per bid price. The payment schedule for the payment of actual/allotted area shall be applicable on the payment of excess area. In case of reduction in area, the

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allotment price will be proportionately reduced as per the bid price and excess amount received from the bidder shall be adjusted or refunded.

- 9.3 Cancer Cess at the rate of 2 per cent shall be applicable extra on total bid price.
- 9.4 All other applicable charges/fees promulgated by the Government or any Statutory Authority or **Local Authority** shall be over and above the bid price
- 9.5 No interest will be **payable by the Authority** for any amount, whatsoever, deposited **in advance by the allottee** with the Authority.
- 9.6 All interest rates are on Compounded Annually basis.
- 9.7 The successful bidder/allottee shall be bound to abide by the provisions of Real Estate (Regulation and Development), Act, 2016 and rules/regulations framed there-under as amended from time to time.

10. APPLICABLE BUILDING BYE LAWS

10.1 **Punjab Urban Planning and Development Building Rules, 2021** as amended from time to time will be applicable on the properties **sold by Authority**. The allottee shall be allowed to undertake construction **of the building only** after getting the Building Plans approved from the **Competent Authority**.

10.2 FAR shall be permitted as specified in the advertisement in case of Chunk Sites including Group Housing /Commercial Chunk Sites /Hotel Sites / etc. Further, in case the allottee is desirous of purchasing additional FAR then it shall be calculated as follows:

$$\frac{\text{Bid Price} \times 50 \% \times \text{Additional FAR}}{\text{Basic FAR as specified in advertisement}}$$

10.3 The additional FAR in the case of Educational/Health/Office Buildings allotted as per the provisions of Policy for the fixation of reserve price for institutional sites issued by PUDA vide letter no. 5274-81 dated 04.10.2017 shall be charged proportionately as follows:-

$$\frac{\text{Bid Price} \times 100 \% \times \text{Additional FAR}}{\text{Basic FAR as specified in advertisement}}$$

10.4 In case successful bidder opts for having FAR in excess of permitted FAR, charges for such increase in FAR would be determined proportionate to the bid amount and date for determination for payment shall be the date of sanction of building plan. Rebate on depositing full payment of ^{cost of} additional FAR

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- 11.6 The display of advertisement on the walls of the site or at site or on the structures erected thereon in whatsoever manner shall be subject to orders and other instructions as may be issued by the competent authority from time to time.
- 11.7 Authority shall have the full rights, powers and authority at all times to do through its officers and representatives all acts and things which may be necessary and expedient for the purpose of enforcing compliance with all or any of the terms, conditions and reservations imposed and to recover from the allottee as first charge upon the said site, the cost of doing all or any such act and things and all costs incurred in connection therewith or in any way relating therewith.
- 11.8 In case of breach of any condition (s) of allotment or of Rules, or of Regulations or non-payment of any amount due together with the penalty, the site or building, as the case may be, shall be liable to be resumed **as per provisions of the Punjab Regional and Town Planning and Development Act, 1995** and in that case 10% of the total price plus interest **and other** dues till that date, shall be forfeited.
- 11.9 All disputes and/or differences, which may arise in any manner touching or concerning this allotment shall be referred to an independent Arbitrator to be appointed by the Chief Administrator of Concerned Urban Development Authority. Arbitration shall be governed by the Arbitration and Conciliation (Amendment) Act, 2015 and the allottee shall be liable to share the fee of the Arbitrator.

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