Annexure-1

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 01-09-2017 by auction. These shall apply to all the Authorities established under the PRTPD Act.

1. MODE OF AUCTION

All Auctions in PUDA and Special Development Authorities shall be by way of e-auction only from 01.09.2017 including OUVGL properties.

2. CLASSIFICATION OF PROPERTIES

The properties to be put to auction shall be classified into following types for the purpose of this policy:-

- Chunk sites including Multiplex/ Multi Specialty Hospital/ Other Hospital Site /Hotel Site/ Nursing Home Sites/ Group Housing Sites /School Sites (Reserve Price above Rs. 50 Crore else to be treated as SCO/SCF site)
- SCO/SCF
- Single Storey Shops(SSS)/ Booth
- Residential plot

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 the e-auction portal and shall be fully refundable/adjustable. Eligibility fee shall be as follows:

Sr.No	Type of Property	Eligibility Fee
i	Multiplex/ Multi Specialty Hospital/ Other Hospital Site /Hotel Site/ Nursing Home Sites/ Group Housing Sites /School Sites and other Chunk Sites	2% (two percent) of the total reserve price.
ii	SCO/SCF	2% (two percent) of the total reserve price or Rs. 3 lakh which ever is more.
iii	SSS/ Booth	Rs1,00,000/- for Mohali, Ludhiana, Amritsar, Jallandhar, Patiala and Bhatinda Rs. 50,000 for all other cities of Punjab
iv	Residential plot	Rs 2,00,000/- for Mohali, Ludhiana, Amritsar, Jallandhar, Patiala and Bhatinda Rs. 1,00,000/- for all other cities of Punjab

4. DEPOSIT AT FALL OF HAMMER AMOUNT

The successful bidder will be required to pay:-

Sr.No	Type of Property	Fall of Hammer
i	Hospital Site/Hotel Site/ Nursing Home Sites/ Group Housing Sites /School Sites and other Chunk Sites	5% (Five) of Total Bid amount after adjusting eligibility fee paid as mentioned above at Sr. no. 3(i) payable online plus 2 per cent cancer cess extra of Total Bid amount within maximum of 3 days of bid acceptance conveyed on SMS/E-mail.
ii	SCO/SCF	10% (Ten) of Total Bid amount after adjusting eligibility fee paid as mentioned above at Sr. no. 3(ii)/(iii)/(iv) payable online plus 2 per cent cancer cess extra of Total Bid amount within maximum of 3 days of bid acceptance conveyed on SMS/E-mail.
iii	SSS/ Booth	
iv	Residential plot	

4.1 In case the final bid price accepted by the Authority is less than the collector rate prevailing then the bidder shall be liable to pay Income Tax at the rate applicable to Authority on the difference between collector rate and bid price.

4.2 In case the bidder does not deposit the fall of hammer amount within stipulated period then the eligibility fee shall be forfeited and the bidder shall not have any claim to it whatsoever.

5. PAYMENT OF BALANCE AMOUNT:

The balance payments shall be payable as follows along with applicable interest as explained in different section :-

Sr.No	Type of Property	
i	Hospital Site/Hotel Site/ Nursing Home Sites/ Group Housing Sites /School Sites and other Chunk Sites	10% within 60 days from the date of auction. Allotment letter will be issued within 30 days after the receipt of 15% of Bid amount. Moratorium period of 2 years from the date of allotment shall be allowed during which the interest on Principal amount shall be payable Half Yearly. Balance 85% of the amount to be paid in 12 Half yearly Installments with first installment payable at the end of Two years moratorium period.

ii	SCO/SCF	15% of the bid amount in 30 days from the date of auction. Allotment letter will be issued within 30 days after the receipt of 25% of Bid amount. 75% of the amount to be paid in 8 Half Yearly installments with first installment falling due after 6 months from date of Allotment.
iii	SSS/ Booth	
iv	Residential plot	15% of the bid amount in 30 days from the date of auction. Allotment letter will be issued within 30 days after the receipt of 25% of Bid amount. Balance 75% of the amount to be paid in 7 Half Yearly installments with first installment falling due after 6 months from date of Allotment.

5.1 In case successful bidder does not deposit the 10/15% amount within 60/30 days to complete 15/25% of the bid amount from the date of auction, then the amount already deposited by him including cancer cess shall be forfeited and the applicant shall have no claim in this regard.

5.2. This period of 60/30 days can be extended in case of extreme hardship up to a maximum of 90 days i.e. (30/60 days more) subject to receipt of a written request from the applicant to Estate Officer within a period of 60/30 day from the date of auction on a payment of 1.5% surcharge on the due amount and 14% penal interest compounded annually for the delayed period. Allotment letter will be issued only after the receipt of the 15%/25% amount of the Bid.

6. Interest rates Applicable on balance payments and Discount on Lump Sum Payments

Sr.No	Type of Property	
i	Hospital Site/Hotel Site/ Nursing Home Sites/ Group Housing Sites /School Sites and other Chunk Sites	Interest rate applicable on balance payment shall be 9% p.a. compounded annually. Penal Interest in case of default shall be 14% p.a. compounded annually. Allottee can make lump sum payment of the balance 85/75% within 60 days in case of Sr No. (i) & (ii) and 30 days in case of Sr No. (iii) from date of allotment in which case 7.50% discount on the balance Principal amount i.e. 85/75% shall
ii	SCO/SCF	
iii	SSS/ Booth	

		be given. In case of Lump Sum payment towards total Bid amount is made beyond this period of 60/30 days then this discount shall be given on Principal amount apart from that included in next installment.
iv	Residential plot	Interest rate applicable on balance payment shall be 9% p.a. compounded annually. Penal Interest in case of default shall be 14% p.a. compounded annually. Allottee can make lump sum payment of the balance 75% within 60 days from date of allotment in which case 5% discount on the balance Principal amount i.e. 75% amount shall be given. In case of Lump Sum 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 next installment.

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 the given time penal interest @14% p.a. compounded annually will be levied for the delayed period. The delay in the payment of interest shall be condoned up to a maximum period of 3 years from the due date.

6.2 In case any installment or a part thereof is not paid by due date, then without prejudice to any action under section 45 of the Punjab Regional and Town Planning and Development Act, 1995, 14% p.a. compounded annually penal interest will be levied for the period of delay up to 18 months, beyond which delay shall not be condoned under any circumstances and the Site shall be resumed.

7. POSSESSION OF SITE

The sites put to auction shall be ready for possession in terms of development of basic amenities and the possession of these shall be handed over to the successful bidders within a period of 90 days from issue of allotment letter. In case the allottee fails to take possession of the site within the stipulated period, it shall be deemed to have been handed over on the due date.

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 In case the highest bid is not accepted by the Authorized Officer due to any reason whatsoever, the eligibility fee shall be refunded in full.

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

8.6 The land 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 to 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 three months 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 due last installment and with prior permission of the concerned Estate Officer and on payment of transfer fee as applicable. If the last installment become due then the allotee 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 will also be permitted with the prior permission of officer authorized 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. In case of reduction in area, the allotment price will be proportionately reduced from the day of allotment and money received 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 promulgated by Government or any Statutory Authority or Local Government shall be over and above the bid price

9.5 No interest will be paid for any amount, whatsoever, deposited with the Authority in advance of the due date.

9.6 All interest rates are on Compounded Annually basis.

10. APPLICABLE BUILDING BYE LAWS

10.1 PUDA Building Bye Laws as amended from time to time will be applicable on the properties disposed. The allottee shall be allowed to undertake construction after getting the Building Plans approved from the relevant Authority. For permissible ground coverage, Set Backs, Height of Buildings, Parking norms etc. also PUDA Building Bye laws shall be applicable.

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

$$\frac{\text{Bid Price x 35 \% x Additional FAR}}{\text{FAR as specified in advertisement}}$$

10.3 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 shall be the date of sanction of building plan. Such charges would be payable either in lump sum within 60 days and a discount of 7.50 % shall be given to the allottee or the allottee may choose to pay 25% of such amount at the time of sanction of building plan and balance 75% in four equated yearly installments with 9% interest p.a. Compounded Annually. In case of default, 14% p.a. compounded Annually penal interest will be levied for the period of delay. Further, in case of Lump Sum payment towards total this amount is made beyond this period of 60 days then this discount shall be given on Principal amount apart from that included in next installment.

10.4 No fragmentation/Sub division of the site and change of land use shall be permitted in case of residential plots/SCOs/SCFs/Booths/Shops. Sub division of chunk sites will be allowed after approval of the plans from Authority, however license under PAP RA for the same will not be required.

10.5 It will be the responsibility of the allottee to obtain No objection certificate from the Fire Department under the provisions of various Acts as are applicable.

11. USAGE AND PERIOD FOR CONSTRUCTION :

11.1 Sites except those indicated as " Mixed Use Sites" shall be used only for the purpose of which they are allotted and not for any other purpose whatsoever, and no change of land use shall be permitted.

11.2 The Site is offered on " as is where is" basis and the authority will not be responsible for leveling the site or removing the structures, if any thereon.

11.3 The allottee will have to construct a dwelling unit in case of a residential plot and one storey in case of and SCO/SCF within 3 years from the date of possession. The period can be extended by the concerned Estate Officer in the manner and on

payment of such fee as fixed by the authority. However, in case of chunk sites there will be no time limit for construction.

11.4 Before occupying the building, the allottee will be required to obtain completion/ occupation certificate from the concerned Estate Officer.

11.5 Authority officers may at reasonable time and in reasonable manner after giving 24 (twenty four) hours notice in writing, enter in any part of the site/ building erected thereon for the purpose of ascertaining that the allottee has duly performed and observed the conditions of allotment and provisions under prevalent rules, acts and regulations as amended from time to time.

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 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 and in that case 10% of the total price plus interest due till that date shall be forfeited.

11.9 In case of any dispute or differences arising out of the terms and conditions of auction or allotment letter, the same shall be referred to the Chief Administrator of the Authority. The decision of the Chief Administrator in this regard will be final and binding on all the parties.