

DETAILED TERMS AND CONDITIONS FOR ALLOTMENT OF COMMERCIAL PROPERTIES ON LEASE HOLD BASIS THROUGH E-AUCTION BY CHANDIGARH HOUSING BOARD BOOTHS/CONVENIENT/BAY SHOPS

1. i) The Commercial property shall be given on Lease Hold Basis.
- ii) This auction is open to all the citizens of India (including NRIs & PIOs); above 18 years of age. The auction is being held on "As is Where is basis & As is What is basis". Auction sale/ bidding would be only through "Online Electronic Bidding i.e. forward auction" Process through the websites <https://www.Tenderwizard.com/auction>.
- iii) The interested bidder will have to deposit an earnest money of Rs.10.00 Lacs in favour of the Chandigarh Housing Board in order to become eligible for participating in the E-Auction.
- iv) The Earnest Money Deposit (EMD) of the successful bidder shall be retained as a part of sale consideration and the EMD of the unsuccessful bidder shall be returned within 15 working days in the designated account of the bidder submitted at the time of registration after receipt of formal request to the Authorized Officer in prescribed format. The earnest money deposit shall not bear any interest.
- v) The successful bidder shall have to deposit 25% of the sale/bid price adjusting the EMD already paid within 24 hours of the acceptance of the bid price by the authorized officer and the balance 75% of the sale/bid price within 90 days, including the day of sale. The physical possession of property shall be handed over after making full and final payment to the Chandigarh Housing Board. The allotment shall be made on lease hold basis as mentioned in the relevant/respective scheme. The lease period is for 99 years. The applicant shall be required to pay the ground rent @ 2.5% for first 33 years, 3.75% for the next 33 years, and 5% for the next 33 years of the price of Property. In case of default in payment of successful bidder, the amount already deposited by the bidder shall be liable to be forfeited and property shall be put for re-auction and the defaulting borrower shall have no claim in respect of property/amount and the defaulter bidder will not be allowed to participate again.
- vi) If the E-Auction purchaser fails to pay the amount of 25% of the E-Auction price within the prescribed period, the Earnest Money deposited under sub para (iii) above shall be forfeited.
- vii) Thereafter on deposit of 25% of the bid money, an Agreement to Sell shall be executed between the Chandigarh Housing Board, Chandigarh and the E-Auction purchaser in Form 'B', with the stipulation that in the case of default in making timely payment of the remaining balance of 75% within the stipulated period, the amount of 25% paid by the

E-Auction purchaser shall be forfeited. Similarly, in case the Chandigarh Housing Board fails to fulfill its obligation to transfer/ lease out the property for any reason other than the reasons connected with public order, security of State or change in public policy, the Chandigarh Housing Board shall return the amount of 25% paid by the E-Auction purchaser and the intending purchaser shall have no claim to any damages.

- viii) The remaining 75% of the consideration money shall be deposited by the intending Purchaser in lump sum within 90 days of the date of the E-Auction by means of Demand Draft drawn on any Scheduled Bank situated at Chandigarh in favour of Chandigarh Housing Board, Chandigarh, failing which the offer of allotment shall be deemed to have been cancelled and the payment made under sub para (ii) shall be forfeited and the intending Purchaser shall have no claim to any damages.

Provided that if the last day happens to be a public holiday, the next working day shall be deemed to be the last day for such payment.

- ix) Upon the receipt of full consideration money, the Chandigarh Housing Board shall issue Allotment Letter to the intending Purchaser giving the terms and conditions of the allotment and calling upon him to execute a Lease Deed in Form 'D'. These documents shall be issued/ executed by the Chandigarh Housing Board and the purchaser, within a period of 30 days from the date of issue of the allotment letter. The lessee shall bear and pay all the expenses for registration and stamp duty etc.

The PAC may withdraw any Property that may have been put up for E-Auction and he may accept or reject the highest bid without assigning any reason and the decision of the Chandigarh Housing Board in this regard shall be final.

A person may be competent to bid on behalf of another person/ partnership firm/ company/ Hindu Joint Family if he submit a proper authorization the same.

2. The encumbrance free possession of the Property shall be given to the lessee / transferee within 15 days of the execution of the Lease Deed. No ground rent shall be paid by the lessee till the physical possession of the site is delivered to him/ her.
3. The lessee/ bidder shall abide by the provisions of the Capital of Punjab (Development and Regulation) Act, 1952, hereinafter referred to as 'the Act of 1952', the Punjab Capital (Dev. & Reg.) Property Rules, 1952, hereinafter referred to as 'the 1952 Rules', the Chandigarh Estate Rules,

2007, hereinafter referred to as 'the 2007 Rules', the Haryana Housing Board, Act, 1971 (as extended to U.T., Chandigarh), hereinafter referred to as 'the Act of 1971', and The Chandigarh Housing Board (Allotment, Management and Sale of Tenements), Regulations 1979, hereinafter referred to as 'the Regulations' as amended from time to time.

4. **Use of Property:**

The lessee shall not be permitted to use the Property for a purpose other than for which it has been allotted, i.e. to carry on '**General Trade**' as permitted under the scheme or rules notified by the competent authority. The expression 'General Trade' shall mean one or more of the trades mentioned in Parts A of the Schedule appended to the Chandigarh Estate Rules 2007.

Provided that the Competent Authority may allow the conversion from one trade list to another trade list as per any Scheme notified by the Administrator, subject to conditions as imposed by the competent authority.

In case of misuse of Property is reported or comes to the notice of the Chandigarh Housing Board, then, without prejudice to any action taken under Section 8-A of the Act, a notice of period not less than 15 days shall be served on the lessee(s) and the occupier (s) of Property requiring that the lessee (s) and the occupier (s) shall within a period of two months, remove the said misuse and pay monthly charges @ Rs.500/- per sq. ft. of area under misuse which shall be paid jointly and severally by the lessee (s) and the occupier (s) of the Property for every month or part thereof the misuse occurs, as per rule 9 of the Chandigarh Estate Rules 2007 and in case of delay in payment, the interest shall be charged at one and a half percent (1.5%) for each month of delay or part thereof.

5. **Commencement of Lease:**

The lease period shall commence from the date on which the land under the Property was allotted to the Chandigarh Housing Board by the Estate Officer, U.T., Chandigarh, as detailed in the Schedule appended hereto and shall be for a period of 33 years, renewable for two like periods of 33 years each subject to the condition that the lessee continues to abide by all the conditions of lease at the time of such extension and during the extended period.

After the expiry of the period of 99 years, including two renewals mentioned above, the lease may, at the discretion of the Chandigarh Administration, be renewed for such further period and on such terms and conditions as the Administration may so decide.

6. Payment of Annual Ground Rent and Consequences of non-payment

In addition to the consideration money in respect of Property, the lessee(s) shall be liable to pay Annual Ground Rent as under:-

- i) Ground Rent shall be 2.5% of the premium for the first 33 years from the date of commencement of lease, 3.75% of the premium for the next 33 years and 5% of the premium for the remaining 33 years period of the lease.
- ii) Ground Rent shall be payable annually without any demand from the Chandigarh Housing Board on the 10th day of month following the month in which the rent becomes payable accordingly to the English calendar.
- iii) If the Annual Ground Rent is not paid by the due date, the lessee(s) shall be liable to pay a penalty, not exceeding 100% of the amount due which may be imposed and recovered in the manner laid down in Section 8 of the Act of 1952.

7. General Conditions of Allotment:

- i. Notwithstanding anything mentioned above, Chandigarh Housing Board may, by notice in writing, cancel the allotment and forfeit whole or any part of money, if any, paid in respect thereof which in no case shall exceed 10% of the consideration money plus market rent fixed by the Board, interest and other dues payable in respect of the sale of the Commercial Unit/building, on the ground of default or breach/ non-compliance of any terms and conditions of allotment.

Provided that no order regarding cancellation of allotment/forfeiture under this rule shall be made unless the transferee has been given a reasonable opportunity of being Board.

- ii. In the event of allotment/Lease deed of Commercial Unit/building being cancelled, the transferee shall remove the fixtures/structure at his own expense within such reasonable time, not exceeding three-months, as may be prescribed by the Chandigarh Housing Board, and restore possession of the building in the condition in which he took the same at the commencement of the allotment. If the allottee/transferee fails to remove the structure within the period mentioned above, the Chandigarh Housing Board shall be competent to remove the same and recover the expenses incurred in doing so from the person whose allotment had been cancelled or auction the Commercial unit/building along with the structure/fixtures and after deduction the value of the building, refund the balance to the

transferee. The Chandigarh Housing Board shall determine the market value and decision shall be subject to a right of appeal, be final and binding.

- iii. The bidder shall be liable to pay all such fee or taxes, property tax & Goods and services tax etc., as may be levied by the Chandigarh Admn. and Municipal Corporation or by any Govt. in respect of Commercial units under any law.
- iv. All other terms and conditions, given in the Allotment letter, shall also be applicable.
- v. Open spaces included in the Commercial units shall be maintained by the owner to the entire satisfaction of the Chandigarh Housing Board, Chd. Admn.
- vi. Other terms and conditions regarding the use and maintenance of the Commercial units shall be governed by the Standard Design conditions.
- vii. If the Information furnished by the bidder/allottee is found to be incorrect/false, the Chandigarh Housing Board shall cancel the registration of allotment of Commercial unit, and shall have the right to forfeit entire amount paid, in addition to the penal consequences under the law.
- viii. The allottee shall be entitled to the delivery of possession of the Commercial unit only after he/she has completed all the formalities and paid all the dues and furnished/executed all the documents as required/prescribed under the rules and in the allotment letter.
- ix. The Commercial unit shall be handed over on 'as-is-where-is' basis and the Board shall not entertain any claim for additions or alterations or any complaints, whatsoever, regarding the conditions of Commercial unit, its design, the quality of material used, workmanship etc.
- x. The Commercial unit shall not be used for any purpose other than that of 'General Trade'. The allottee shall not be entitled to divide the Commercial unit or amalgamate it with any other Commercial unit or to make any additions/alterations without the prior written permission of Chandigarh Housing Board/ Chandigarh Admn.
- xi. Allottee shall sign and execute all papers agreements and document etc. relating to the Commercial unit allotted which may be required to be executed and signed at any time by the Board within one month from the date of issue of notice to this effect or within the extended time hereinafter mentioned failing which the allotment shall be liable to be cancelled and the allottee shall be liable to be evicted from the Commercial unit following the procedure under Rules as framed under Chapter VI of the Haryana Housing Board Act, 1971, (as extended to Chandigarh). However, the Chairman or any other officer authorized by the Board may extend the referred period of one month from time to time to four months in aggregate from the date of issue of notice on receipt of written request to this effect.

- xii. Allotment may be jointly taken by more than one person. The liability to pay the premium as well as the Annual Ground Rent and any penalty imposed as per the 2007 Rules, shall be joint and several.
- xiii. The lessee(s) shall be liable to pay any or all such fee(s) or tax(es) as may be levied by the Central Government, Chandigarh Administration or Municipal Corporation, Chandigarh in respect of sites or Property or both under any law.
- xiv. All disputes concerning in any way with the bid will be subject to the Jurisdiction of Chandigarh.
- xv. The Chairperson, Property Allotment Committee of the Board reserves the right to accept or reject any or all bids without assigning any reasons.
- xvi. Applicant should not be debarred by any court of law/authority from executing any contract with CHB/Govt.deptt.
- xvii. The auction purchaser, if resident outside India, shall be solely responsible to comply with the necessary formalities as laid down in the Foreign Exchange Management Act and other applicable laws including that of remittance of payment (s) and obtaining permission as prescribed by law for acquisition of the unit. The CHB will not be responsible or liable for any concealment or violation in this respect by the auction purchaser.
- xviii. The auction purchaser has got his complete address to be registered with the CHB at the time of allotment and it shall be his responsibility to inform the CHB by registered post about all subsequent changes, if any, in his address failing which call notices and letter posted through registered/speed post at the last address registered with the CHB, shall be deemed to have been revived by the him at the time when those should have normally reached at such address and he shall be responsible for any default in payment and other consequence that might accrue therefrom.
- xix. Unless a Conveyance Deed is executed and registered, the CHB shall for all intents and purpose continue to be the owner of the property (the land and the construction thereon) and the Allotment shall not given any right or title or interest therein to the auction purchaser, except that all Taxes and levies shall be paid by the him as stated hereinbefore.
- xx. The auction purchaser shall undertakes to abide by al the laws, rules and regulations or nay law as may be made applicable to the Floors, storage spaces, car parking spaces, other common areas facilities and amenities.
- xxi. The basic sale price/consideration shall not include services taxes, value Added Tax or other taxes, levies and/or charges present as well as future along with any enhancement imposed or levied by the Govt. or any Competent Authority. The basic sale price/consideration shall also be excluded from any interest levied on such tax (es)/duty(ies) or all other dues amounts payable by the allottee. All such taxes, levies and/or charges shall be payable by the allottee in addition to the basic sale price.


- xxii. The lessee(s) shall not be allowed to place empty packing cases, baskets, or junk or any other material on the roof of the Property or in the open site around it.
- xxiii. The covered passage (verandah) in front of or on the sides of the Property shall not to be encroached upon or used for any purpose other than as a public passage.
- xxiv. The right of displaying advertisement on and the use of end walls of the end Property and the benefits derived therefrom shall vest in the Chandigarh Housing Board.
- xxv. The lessee shall maintain the Property in safe and hygienic condition.
- xxvi. The Chandigarh Housing Board shall be entitled at all convenient times to enter and inspect the Property with a view to ensuring that no provision of the Act or the rules made thereunder including the 2007 Rules, is being violated. The Chairman, Chandigarh Housing Board may authorize any person subordinate to him to carry out the aforesaid inspection.
- xxvii. The Chairman, Chandigarh Housing Board, Chandigarh may in his discretion prescribe such further conditions of allotment as may be consistent with the provisions of the Act as amended from time to time, in the letter of Allotment and lease deed/conveyance deed either generally or under any particular scheme.
- xxviii. The lessee shall bear and pay all expenses in respect of execution and registration of the Lease Deed, including the stamp duty and registration fees payable in accordance with the law in force at that time.
- xxix. No fragmentation or amalgamation of the Property shall be permitted.
- xxx. No objectionable trade shall be permitted on or in any site or Property except with the previous permission in writing of the Chandigarh Housing Board.
- xxxi. That actual dimensions and area of each site under the Property is available on the official web site of CHB.
- xxxii. The basic amenities, such as parking, street lighting, approach road etc. will be provided in due course after the E-Auction of the Property.
- xxxiii. The other terms and conditions shall be those as given in the Capital of Punjab (Development and Regulation) Act, 1952, The Punjab Capital (Dev. & Reg.) Property Rules, 1952 and the Chandigarh Estate Rules, 2007, as amended from time to time.
- xxxiv. The lessee/ bidder shall abide by the provisions of the Capital of Punjab (Development and Regulation) Act, 1952, the Punjab Capital (Dev. & Reg.) Property Rules, 1952, the Chandigarh Estate Rules, 2007, the Haryana Housing Board, Act, 1971 (as extended to U.T., Chandigarh), and The Chandigarh Housing Board (Allotment, Management and Sale of Tenements), Regulations 1979, as amended from time to time.

xxxv. The bid will be accepted in the multiple of Rs. 1.00 lacs.

xxxvi. For corner booths, 10% extra will be charged from the reserve price of the Booths.

Place: Chandigarh

Date:


Authorized Officer,
Chandigarh Housing Board,
Chandigarh.

