

TERMS & CONDITIONS FOR E-AUCTION OF SITE FOR INDUSTRIAL PARK MEASURING 50 ACRES LOCATED IN HI-TECH CYCLE VALLEY, VILLAGE DHANANSU, DISTT. LUDHIANA.

1. Applicability

1.1 This policy shall be applicable to dispose off 50 acre chunk of Land in Hi-Tech Cycle Valley, Dhanansu, District Ludhiana by PSIEC on freehold basis for setting up of Industrial Park.

2. Eligibility Fee

2.1 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 2% of the total reserve price.

2.2 A bidder shall become eligible to participate in the e-auction only after depositing the requisite eligibility fee.

3. Mode of disposal

3.1 50 acre chunk of Land in Hi-Tech Cycle Valley, Dhanansu, District Ludhiana for setting up of industrial park shall be sold by way of e-auction.

3.2 The reserve price of the site shall be determined by PSIEC for allotment of chunk of land as applicable from time to time.

3.3 Cancer Cess @ 2% shall be payable extra over and above the final bid price.

3.4 The said chunk of land measuring 50 acres located in Hi-Tech Cycle Valley, Dhanansu, District Ludhiana for setting up of industrial park shall be allotted to the highest bidder after the approval of Competent Authority. However, Competent Authority reserves the right to accept or reject the highest bid without assigning any reason.

3.5 Whenever a bid is received in the last 10 minutes, the bidding time shall be extended for 10 minutes until a time when no bid is received in extended time for any site under that auction event.

3.6 The minimum step up for bidder will be 0.5% of the reserve price.

4. Deposit at fall of hammer amount

4.1 Highest bidder in the E-auction process shall be declared as a successful applicant followed by issuance of Allotment Letter by PSIEC, containing terms & conditions

after receipt of 10% of the total bid amount plus 2% cancer cess over and above the final bid price.

- 4.2 The successful applicant of E-auction shall have to deposit Earnest Money equivalent to 10% of total bid amount after adjusting eligibility fee payable online or through bank draft in favour of “Punjab Small Industries & Export Corporation Ltd.” payable at Chandigarh plus 2% cancer cess over and above the final bid price within a maximum of 10 working days of acceptance of bid which shall be conveyed by SMS/E-mail.
- 4.3 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 and interest applicable:

5.1 The balance bid price shall be payable as follows along with applicable interest:-

- (i) Down Payment – 30% of bid amount payable within 60 days of allotment
- (ii) Balance Payment – 60% of bid amount payable in 5 equated yearly instalments alongwith applicable interest

OR

In lump sum (without interest) within 90 days of allotment. 10% rebate on balance 60% of bid amount shall be permissible in case of lump sum payment.

- 5.2 In the event of non-payment or delayed payment of initial down payment or any of the installment or part thereof by due date, penal interest @ 3% per annum in addition to normal interest @ 11% per annum with yearly compounding effect on the defaulted amount for default period shall be levied. It is unequivocally understood that payment of these installments or lump sum payment as the case may be would not be contingent on any term and condition.
- 5.3 In case successful bidder does not deposit the 30% amount within 60 days of allotment to complete 40% of the bid amount, then the amount already deposited by him including cancer cess shall be forfeited and the applicant shall not have any claim to it whatsoever.

6. Possession of site

- 6.1 The possession of chunk of land measuring 50 acres located in Hi-Tech Cycle Valley, Dhanansu, District Ludhiana shall be taken over by the allottee within a period of 90 days from the date of issue of allotment letter after having deposited

40% amount of bid price. In case the allottee fails to take possession of the site within stipulated time period, it shall be deemed to have been handed over to the allottee.

- 6.2 The final price of the plot is subject to variation with reference to actual measurement of the plot and adjustment of accounts thereof. Actual measurement may vary upto 5%.
- 6.3 In case of increase in area on physical possession, allottee shall be liable to make payment of additional cost in lump sum within 30 days of possession without interest or seek apportionment of additional cost in installments with applicable interest within 30 days of the possession.

The price for the additional area found at the time of possession in excess of originally allotted area shall be charged proportionately as per bid price at the time of handing over of possession.

- 6.4 In case of decrease in area on physical possession, suitable adjustment shall be made in the balance payment by the Corporation.

7. Project Implementation

- 7.1 Development of the industrial park shall be governed by the provisions of Notification No. 13/64/17-5hg2/99 dated 19/06/2019 issued by the Department of Housing and Urban Development (Housing II Branch), Government of Punjab.
- 7.2 The allottee shall be responsible for completing development works in the industrial park, in all respects within a maximum period of 3 years from the date of taking over possession. In the event of failure to complete development works in the industrial park within three years, the allotment shall be cancelled/ withdrawn and the payment deposited by the allottee towards the price of land would be refunded (without interest) by PSIEC after deducting/ forfeiting 25% of the price of the land. The extension fee paid/ payable, if any shall also be forfeited/ deducted. Action shall be taken by PSIEC to resume the land and take possession in terms of allotment.
- 7.3 However, under exceptional circumstances allottee can apply for seeking extension in time period for completion of development works in the industrial park for additional one year, on payment of prescribed extension fee calculated @ 7.5% of the allotment price of the project land, subject to the allottee having completed 50% development works as per sanctioned plan. Second extension for completion of development works in the industrial park for additional one year i.e. after 4 years from the date of taking possession, shall be allowable on payment of prescribed extension fee calculated @ 10% of the allotment price of the plot subject to the allottee having completed 75% development works as per sanctioned plan.

- 7.4 Allottee shall apply for the 1st and 2nd extension, as the case may be, in the prescribed format, filling complete information on the eligibility criteria as well as various steps taken along with Demand Draft or any other mode of payment as specified from time to time for the applicable extension fee and submit the same to PSIEC before the expiry of the stipulated period. PSIEC shall satisfy itself on the merits of the case and convey its decision. In case no application/ request is received in time from the allottee for extension of completion of development works in the industrial park, allotment of land shall be cancelled/ withdrawn. The payment deposited by the allottee towards the price of plot would be refunded (without interest) by the allotting agency after deducting/ forfeiting 30% of the price of the plot. The extension fee paid/ payable, if any shall also be forfeited/ deducted. Action shall be taken by allotting agency to resume the project land and take possession in terms of allotment in accordance with law including Punjab Public Premises and Land (Eviction and Rent Recovery) Act, 1973.
- 7.5 Allottee shall get the building plan prepared from the registered architect approved by the Architecture Council of India strictly conforming to Zoning/ Building Bye-Laws, as applicable. Copies of the plan so prepared duly signed by the allottee and approved architect will be sent to the concerned regulatory authority for obtaining approval before undertaking any construction. In case any addition/ alteration in the construction of building is needed subsequently, drawing for the same conforming to Zoning/ Building Bye-Laws, as applicable, shall also be got prepared from the registered architect referred to above and submitted to the concerned regulatory authority duly signed by the allottee and the approved architect for obtaining approval before undertaking the required addition/ alteration in the construction of building in the allotted plot.
- 7.6 Allottee shall undertake the execution of the entire project, including but not limited to, design, engineering and construction, at his/her own cost and/ or debt funds and shall operate and maintain the industrial park at his/her own cost and expenses as well.
- 7.7 Allottee shall apply for all such applicable permits/ permissions as are required under the applicable laws for the commencement of its activities including construction and implementation, operation and maintenance of the industrial park. In the event any such consent or approval or permit expires or is revoked/ suspended/ cancelled, allottee shall use his/her reasonable endeavors to ensure that such permits/ consents/ approvals are renewed/ valid/ in force and effect and subsisting.
- 7.8 (a) PSIEC shall provide single point connectivities at the door-step of the chunk of land for following infrastructure facilities as per applicable rates:
- a) Sewerage System
 - b) Storm Water Disposal

- c) Water Supply requirement
- d) Approach road with street lighting and road side arboriculture

Internal development of whatsoever nature within the plot will be carried by the allottee.

(b) For treatment of industrial effluent, allottee shall install own treatment facilities within the plot with Zero Liquid Discharge (ZLD) norms. Further consent to establish and operate of the units shall also be obtained directly from PPCB by the allottee at his/her own level. No effluent or industrial waste shall be permitted to be discharged in Public/ Corporation sewer or disposal of the same into a stream, well or into land unless consent of the PSIEC, PPCB and any other concerned authority is obtained in regard to treatment works prescribed by concerned authorities, as applicable. At all given times, units operating in the industrial park shall remain compliant with the provisions of the Water (Prevention and Control of Pollution) Act, 1974 and Air (Prevention and Control of Pollution) Act, 1981 and shall be responsible for all consequences for breach of conditions stipulated in the said Acts.

- 7.9 Allottee shall at his/ her own level develop infrastructure, including roads, water supply system, storm drainage, sewage system, STP, CETP, parking, landscaping, boundary wall, street light, all disposal system, electrical substation, any other requirement, etc. in the Industrial Park and allottee shall be responsible for such connections from respective local authorities, Boards and Corporations, as the case may be.
- 7.10 Allottee shall ensure safety of the Industrial Park and the infrastructure forming part thereof and take all reasonable precautions for prevention of accidents and shall comply with all such laws in this regard in force from time to time.
- 7.11 Allottee shall be solely responsible for taking approvals that may be necessary for the project under the relevant applicable Foreign Direct Investment (FDI) rules/ Industrial Park Schemes/ any other relevant scheme of the Government of India. If the guidelines of the Government of India on any subject, relevant to the execution of this project, are, in any way, different from the terms and conditions contained in this Allotment Letter, allottee shall specifically bring the same to the knowledge of the Government of Punjab and seek approval from the Government of India on the same.
- 7.12 Allottee shall be bound to adhere to the stipulations laid down in the CLU approval separately accorded by the Department of Housing and Urban Development, Govt. of Punjab. Allottee shall be required to obtain clearance from the Real Estate Regulatory Authority, as applicable to the project.

7.13 The Industrial Park is covered under Environmental Impact Assessment (EIA) clearance obtained by PSIEC. Allottee shall be bound to adhere to stipulations as laid down in EIA clearance, as applicable. If the allottee plans/ invite project(s), which are outside the scope of the EIA obtained by PSIEC, then allottee shall be solely responsible for getting EIA clearance, as applicable, at his/her level.

8. Other Conditions

- 8.1 No successful bidder whose bid is accepted shall be permitted to withdraw or surrender bid on any ground, and in case it does so, the earnest money shall stand forfeited in full.
- 8.2 MD, PSIEC or any other officer authorized by him reserves the right to accept or reject the highest bid or withdraw the site without assigning any reason, even if the bid is higher than the reserve price. In case the highest bid is not accepted, the earnest money shall be refunded in full.
- 8.3 The site is being allotted for the development of an industrial park only. It shall not be used for any other purpose. Violation of any of these conditions or any other condition shall render the site liable for resumption.
- 8.4 The allottee shall be allowed to undertake construction after the possession of site is given subject to the sanction of the building plan by the Competent Authority.
- 8.5 That on payment of the entire consideration money together with interest due to PSIEC, the allottee shall have to execute conveyance deed in such manner as may be directed by the PSIEC on account of transfer of the site in the name of the allottee. All expenses in respect of the execution & registration of conveyance deed including the cost of the stamp duty and registration fee etc. shall be payable and borne by the allottee.
- 8.6 The land rights shall continue to vest in the name of PSIEC until final clearance of dues towards bid price of plot.
- 8.7 The allottee shall have to pay all general and local taxes, rates, cesses charges and fee as and when imposed or assessed on the said plot/building by the Competent Authority. This shall include maintenance charges in respect of infrastructure facilities and other facilities as determined by the Authority or by the Municipal Corporation or Municipal Committee or any other authority, as the case may be.
- 8.8 The site is offered on "as is where is" basis and PSIEC will not be responsible for levelling or clearing the site or removing the structures, if any, thereon.
- 8.9 The Competent Authority may, by his officers and representatives at all reasonable time in reasonable manner after 24 hours notice in writing, enter in and upon any part of the plot/building erected thereon for the purpose of ascertaining that the allottee

has duly performed and observed the conditions to be observed under prevalent Acts, Rules and Regulations as amended from time to time.

- 8.10 The Competent Authority, shall have 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 of all or any of the terms and 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.
- 8.11 Construction on the site shall be regulated by the zoning rules and building by-laws of the Concerned Authority as framed from time to time and the building plans shall be got approved from the Competent Authority.
- 8.12 The Corporation shall have the first and paramount charge over the land. No change in ownership of the allottee shall be allowed till execution of the entire project i.e. completion of development works in the Industrial Park. Upon fulfillment of said pre-requisites, transfer of ownership of the allottee shall be considered subject to obtaining prior permission from PSIEC.
- 8.13 Developer shall be entitled to mortgage the project land, as per applicable laws, after making full payment towards price of land to Corporation and registration of conveyance deed.
- 8.14 Allottee shall have to accept and abide by the rules and orders made or issued by the Competent Authority of PSIEC from time to time.
- 8.15 Allottee shall not carry on without the written consent of the Corporation or permit to be carried on in the plot or use the same or permit the same to be used for any purpose other than that for which it has been allotted. Allottee shall not do or allow to be done therein anything whatsoever, which, in the opinion of the Corporation, may be nuisance, annoyance or disturbance to the neighbors.
- 8.16 In the event of breach of any terms and conditions of the Letter of Allotment, PSIEC shall have right to withdraw/ cancel the allotment of the plot and take back possession of land/ building and forfeiture in terms of allotment. Allottee shall be given 3 months' notice for the rectification of any such breach.
- 8.17 Allottee shall be responsible to obtain various clearances, permits and licenses etc. from various Government Departments/ Agencies/ Corporations/ Local Bodies etc. required, if any, to set up the industrial park.
- 8.18 Allottee shall at all reasonable time grant access to the allotted property to the official(s) of the Corporation for satisfying that the condition(s) herein have been and are being complied with properly.

- 8.19 In the event of breach of any condition of allotment, PSIEC shall resume the plot after giving opportunity of personal hearing.
- 8.20 In case of any instance of unauthorized use allottee shall be given a period of three months, with a provision for one more extension of three months (a maximum of six months) to rectify the breach. In case the allottee fails to comply with the directions so issued, PSIEC will take recourse to resumption of the plot. Further, overall compliance of the terms and conditions of allotment of the plot will be the responsibility of the allottee and PSIEC will not enter into any correspondence with any other plot holder on this account.
- 8.21 An appeal against cancellation/ resumption of plot shall lie before the committee headed by Administrative Secretary of the Industries Department, Govt. of Punjab with Director Industries, Punjab and Managing Director, PSIEC as the other members. The appeal shall be filed in the office of Administrative Secretary of the Industries Department, Govt. of Punjab, within 90 days of the cancellation/ resumption order.
- 8.22 In the event of any difference or dispute arising between the allottee and the Corporation in connection with or concerning the observance of the terms and conditions of allotment or interpretation thereof, the same shall be referred to the sole Arbitration of the Managing Director, Punjab Small Industries & Export Corporation Ltd. (PSIEC), who may decide the dispute himself or nominate some other Officer to do so. The decision of the Arbitrator or his Nominee for this purpose shall be final and binding on the both the parties. Arbitration shall be governed under the provisions of Arbitration and Conciliation (as amended) Act, 2015.