

Chandigarh Lease-Hold of Sites and Buildings Rules, 1973 Published vide***Notification No. U.T./4574-F2-73/10956 on 20.8.1973***

No. U.T./4574-F2-73/10956. - In exercise of the powers conferred by sections 3 and 22 of the Capital of Punjab (Development and Regulation) Act, 1952, as adapted by the Punjab Reorganization (Chandigarh) (Adaptation of Laws on State and Concurrent, Subjects) Order, 1968 and all other powers enabling him in this behalf, the Administrator, Union Territory of Chandigarh, is pleased to make the following rules :-

1. **Short title.-** These rules shall be called the Chandigarh Lease-hold of Sites and Buildings Rules, 1973.

3. (1) Unless the context otherwise requires, the words and expressions used in these rules shall have the meaning assigned to them in the Capital of Punjab (Development and Regulation) Act, 1952 and the rules made thereunder.

(2) "Premium" means the price paid or promised for the transfer of a right to enjoy immovable property under these rules.

"Prescribed mode of payment" means payment by demand draft drawn on any Scheduled Bank situated at Chandigarh in favour of the Estate Officer, Chandigarh Administration or in cash upto Rs. 500 or the amount paid in cash representing 25 per cent of the premium at the time of auction.[***]

"Due date" means the 10th day of the month following the month in which the amount becomes payable according to the English calendar.

4. The Chandigarh Administration may demise sites and buildings at Chandigarh on lease for 99 years. Such leases may be given by allotment or by auction in accordance with these rules.

5. For the purpose of proper planning and development and for the implementation of any scheme framed by the Chandigarh Administration, the Chief Administrator may reserve sites/buildings for groups of individuals or for persons practising any profession or carrying on any occupation, trade or business, or for the implementation of any scheme framed by the Chandigarh Administration.

6. **Commencement and period of lease.-** The lease shall commence from the date of allotment or auction as the case may be, and shall be for a period of 99 years. After the expiry of said period of 99 years the lease may be renewed for such further period and on such terms and conditions as the Government may decide.

7. (1) The lessee shall furnish his complete and correct address to the Estate Officer and shall intimate in writing any change in such address.

(2) It will be deemed sufficient service if communications are sent at the address referred to in sub-rule (1) of this rule by registered post, acknowledgement due.

8. **Lease by allotment, Procedure for.-** (1) In case of allotment of site or building the intending lessee shall make an application to the Estate Officer in Form 'A'.

(2) No application under sub-rule (1) shall be valid unless it is accompanied by 10 per cent of the premium as earnest money in the prescribed mode of payment.

(3) When 10 per cent of the premium has been so tendered the Estate Officer shall, subject to such directions as may be issued by the Chief Administrator in this behalf, allot a site of the size applied for or a building of which particulars are given in the application and shall intimate, by registered post the number, sector, approximate area, premium and the rent of the site or building allotted to the applicant.

(4) The applicant shall, unless he refuses to accept the allotment within 30 days of the date of the receipt of the allotment order, deposit within that period and in the prescribed mode of payment, further 15 per cent of the premium. The remaining 75 per cent of the per cent of the premium shall be paid as provided in rule 12.

(5) If the applicant refuses to accept the allotment within said period of 30 days, he will be entitled to the refund of the amount paid by him. The refusal shall be communicated to the Estate Officer by a registered letter (acknowledgement due). The refund shall be made by means of a cheque payable at the State Bank of India at Chandigarh and the applicant shall bear the collection charges for the same.

(6) If the applicant fails to communicate his refusal to accept the allotment within 30 days and also fails to deposit 15 per cent of the premium under sub-rule (4) the Estate Officer may forfeit the whole or part of the earnest money.

9. Lease by auction, Procedure for.- In case of auction, at least 25 per cent of the bid accepted by the Auctioning Officer shall be paid on the spot by the intending lessee in the prescribed mode of payment in accordance with Rule 12.

Provided that the Estate Officer may, in his absolute discretion, allow the successful bidder to deposit in the prescribed mode of payment not less than 10 per cent of the bid on the condition that the difference between the amount deposited and 25 per cent of the bid shall be deposited in the same manner within 30 days of auction.

[9A. Extension of period. - The Chief Administrator may for sufficient cause condone the delay or extend the period of 30 days referred to in sub-rule (4) of rule 8 or proviso to rule 9 on such terms and conditions as he thinks fit including

payment of a penalty not exceeding 10 per cent of the amount in default in addition to interest at the normal rate.]

10. Delivery of possession.- Actual possession of the site/building shall be delivered to the lessee on payment of 25 per cent of the premium in accordance with rule 8 or rule 9 as the case may be.

Provided that no ground rent payable under rule 13 and interest on the instalments of premium payable under sub-rule (2) of the Rule 12 shall be paid by the lessee till the actual and physical possession of the site/building is delivered or offered to be delivered to him, whichever is earlier.[***]

11. Premium.- (1) In case of allotment, the premium shall be such amount as may be determined by Chandigarh Administration.

(2) In case of auction, the premium shall be the bid accepted by the Estate Officer, as a result of bidding in open auction.

12. Payment of premium and consequences of non-payment or late payment.-

(1) In addition to payment of 25 per cent premium under rule 8 or 9 as the case may be, the remaining 75 per cent premium may be paid in lump sum within 30 days from the date of allotment/auction without any interest.

[(2) If payment is not made in accordance with sub-rule (1) of this rule, the balance of the 75% premium shall be paid in three annual equated instalments or more as the Chief Administrator may in exceptional circumstances of a case fix with prior approval of the Chief Commissioner alongwith interest at the rate of 6 per cent per annum or at such higher rate of interest as may be fixed by the Chief Administrator by a notification in the official Gazette before the commencement of the lease. The first instalment shall become payable after one year from the date of allotment/auction.]

[(3) In case any instalment is not paid by the lessee by the date on which it is payable, a notice may be served on the lessee calling upon him to pay the instalment within a period of 3 months together with a penalty which may extend upto 10 per cent of the amount due. If the payment is not made within the said period, the Estate Officer may cancel the lease and or forfeit the whole or any part of the money if paid in respect thereof which, in no case, shall exceed 10 per cent of the total amount of the consideration money, interest and other dues payable in respect of the lease] :

Provided that forfeiture will not be made in addition to penalty.

Provided further that no order of cancellation or forfeiture shall be made without giving the lessee a reasonable opportunity of being heard. If the order of cancellation is for non-payment of penalty, the lessee may show cause why the penalty should not have been levied.

(3-A) In case any equated instalment or ground rent or part thereof is not paid by the lessee by the date on which it became payable he shall be liable to pay in respect of that instalment or ground rent or part thereof as the case may be, interest calculated at the rate of twelve per cent per annum from the date on which the instalment or ground rent became payable till such date it is actually paid.

(4) Each instalment shall be remitted to the Estate Officer by the prescribed mode of payment. Every such remittance shall be accompanied by a letter showing full particulars of the site or building to which the payment pertains or a statement giving reference to the number and date of the allotment referred to in rule 8. In the absence of these particulars, the amount remitted shall be deemed to have been received only on the date when the remitter supplies correct and complete information.

13. Rent and consequences of non-payment.- In addition to the premium, whether in respect of site or building, the lessee shall pay rent as under :-

(i) Annual rent shall be 2½ per cent of the premium for the first 33 years which may be enhanced by the Chandigarh Administration to 3¾ per cent of the premium for the next 33 years and to 5 per cent of the premium for the remaining period of the lease.

(ii) Rent shall be payable annually on the due date without any demand from the Estate Officer :

Provided that the Estate Officer may for good and sufficient reasons extend the time for

payment of rent upto six months on the whole on further payment of 6 per cent per annum interest from the due date upto the date of actual payment. (iii) If rent is not paid by the due date, the lessee shall be liable to pay a penalty not exceeding 100 per cent of the amount due which may be imposed and recovered in the manner laid down in section 8 of the Capital of Punjab (Development and Regulation) Act, 1952, as amended by Act No. 17 of 1973.

14. **Execution of lease deed.-** (1) After payment of 25 per cent premium the lessee shall execute a lease deed in [Form B, B-I, B-II or C] as the case may be, in such manner as may be directed by the Estate Officer within six months of the date of allotment/auction or within such further period as the Estate Officer may, for good and sufficient reasons, allow.

(2) If the lessee fails to execute a lease deed in accordance with sub-rule (1) of this rule, the Estate Officer may cancel the lease and forfeit a sum up to 25 per cent of the premium: Provided that before taking action under sub-rule (2) of this rule, the Estate Officer shall afford a reasonable opportunity to the lessee of being heard.

15. **Registration and Stamp duty.-** Registration of the lease deed in the case of sites is optional but in the case of buildings it is compulsory.

The lessee in each case shall bear and pay all expenses in respect of the execution and registration of the lease deed including the stamp duty and registration fee payable therefor in accordance with law in force at that time.

16. **Time within which building is to be erected.-** In the case of lease of site the lessee shall complete the building within 3 years from the date of allotment/auction in accordance with the rules regulating the erection of buildings. This time limit may be extended by the Estate Officer for good and sufficient reasons. The date of completion will be the date of receipt of application for permission to occupy the building in form 'B' annexed in the Punjab Capital (Development and Regulation) Buildings Rules, 1952,

accompanied by a completion certificate from the licensed supervisor/qualified architect who supervised the construction of the building provided the building is also certified to have been completed according to the sanctioned plan by the Chief Administrator :

[Provided that in the case of lease of industrial plots the period of completion of building shall be two years which may be extended by order of the Estate Officer from time to time so as not to exceed one year in the whole. The Estate Officer shall not extend the period beyond one year except with the prior approval of the Government].

17. **General conditions of lease.-** (1) Lease may be jointly taken by more than one person. The liability to pay the premium as well as the rent and any penalty imposed under these rules shall be joint, and several.

Provided that nothing contained in Sub-rule (1) and Sub-clauses (2) and (8) of Clause II of the lease deed in form 'B' of the said rules, shall apply to the lease of site or building of the Housing Board Chandigarh constituted under Section 3 of the Haryana Housing Board Act, 1971, as extended to the Union Territory of Chandigarh. Notwithstanding any thing stated above, the aforesaid provisions of sub-rule (1) and sub-clauses (2) and (8) of Clause II in

Form 'B' of the said rules shall *mutatis mutandi* apply to the Sub- lessees/transferees of the Board.[***] (2) The lessee shall not be entitled to sub-divide the site or to amalgamate it with any other site.

(3) The lease shall be governed by the provisions of the Capital of Punjab (Development and Regulation) Act, 1952, as amended from time to time and the rules made thereunder.

(4) The lessee shall not be allowed to place empty packing cases, baskets, or junk or any other material on the roof of the building or in the open site around it. (5) The covered passage (verandah) in front of or on the sides of the building shall not be encroached upon or used for any purpose other than as a public passage.

(6) The right of displaying advertisements on and of use of end walls of the end sites and the benefits derived therefrom shall vest in the Government.

(7) The lessee shall be liable to pay all such fee or tax as may be levied by the Chandigarh Administration in respect of sites or buildings or both under any law. Provided that in the case of lease of site or building to the Housing Board, Chandigarh constituted under section 3 of the Haryana Housing Board, Act, 1971 as extended to the Union Territory of Chandigarh the liability to pay all such fee or tax shall be of the sub-lessee of the Board.[***]

(8) The Government shall not be responsible for levelling the uneven sites or for filling in sites which are at lower level than the other sites.

(9) The Estate Officer shall be entitled at all convenient times to enter and inspect the site or building with a view to ensuring that no provision of the Capital of Punjab (Development and Regulation) Act, 1952, or of the rules made thereunder including these rules is being violated. The Estate Officer may authorise any person subordinate to him to carry out the aforesaid inspection. (10) The lessee will not be entitled to transfer the site or the building without the prior permission of the Estate Officer. Such permission shall not be given until the lessee has paid full premium and the rent due under the lease for the site unless in the opinion of the Estate Officer exceptional circumstances exist for the grant of such permission.

In the case of transfer 50 per cent of the unearned increase in the value, i.e., the difference between the premium paid and the market value of the site or building at the time of transfer shall be paid to the Government before registering such sale or transfer. The market value of the property for this purpose shall be assessed by the Estate Officer or such other authority as may be prescribed by the Chief Administrator. The lessee shall be entitled to produce his evidence and of being heard.

[Notwithstanding, anything contained in sub-rule (10) or in the letter of allotment the addition of the name of spouse with the permission of the Estate Officer as co-lessee after the allotment of a site to a member of a Co- operative Housing Society, under the Chandigarh Allotment of Sites of Co- operative Housing Societies Scheme, 1979, shall not be construed as transfer within the meaning of the said rules.]

(11) No building, whether existing or to be constructed on any site demised under these rules, shall be used for a purpose other than that for which lease has been granted.

[Provided that the Chief Administrator, Chandigarh may specify by notification in the official gazette certain categories of Cottage Industries which may be run in the residential

houses, on such terms and conditions, as may be deemed necessary.]

(12) No obnoxious trade shall be permitted on or in any site or building except with the previous permission in writing of the Chief Administrator.

(13) The Chief Commissioner may in his absolute discretion prescribe such further conditions of lease as may be consistent with the provisions of the Capital of Punjab (Development and Regulation) Act, 1952, as amended from time to time in the letter of allotment and lease deed either generally or under any particular scheme.

18. The Estate Officer may withdraw any site/building that may have been put up for auction and he may accept or reject the highest bid without assigning any reason.

19. A person shall be competent to bid on behalf of another person only if he discloses, in the case of partnership, company or Hindu Joint family, etc., the names and addresses of the partners, members of, the company, etc., as the case may be, immediately after the bid is closed.

20. Notwithstanding and without prejudice to other provisions of these rules the Estate Officer may, by notice in writing, cancel the lease and forfeit the whole or part of the premium and ground rent paid in respect thereof which in no case shall exceed ten per cent of the total amount of premium, interest and other dues payable in respect of the site or building or both as the case may be, on the ground of default, breach or non-compliance of any of the terms and conditions of lease or for furnishing in writing incorrect information under rule 19 :
Provided that no order regarding cancellation of lease/forfeiture under this rule shall be made unless the lessee has been given a reasonable opportunity of being heard.]

21. In the event of the lease of site being cancelled, the lessee shall remove the structure at his own expense within such reasonable time, not exceeding three months, as may be prescribed by the Estate Officer, and restore possession of the site in the condition in which he took the same at the commencement of the lease. If the lessee fails to remove the structure within the period mentioned above, the Estate Officer shall be competent to remove the same and recover the expenses incurred in doing so from the person whose lease had been cancelled or auction/allot the site along with the structure and after deducting the market value of the site refund the balance to the lessee. The Estate Officer shall determine the market value and his decision shall, subject to a right of appeal, be final and binding.

[21A. Relaxation.] - The Chief Commissioner may relax all or any of these Rules in case of Government or semi-Government bodies on such terms and conditions as he thinks fit if he is satisfied that such relaxation will promote tourism in the Union Territory of Chandigarh

[21A. In case lease of any site has been cancelled under Rule 12 or 20 of the Chandigarh Lease-Hold of Sites and Building rules, 1973, for any reasons, the

Estate Officer may on an application retransfer the site to the outgoing transferee, on payment of an amount equal to 10% of the premium originally payable for such property or one-third of the difference between the price originally paid and its value at the time when

the application for retransfer is made, whichever is more. [However in the case of a person who is serving or who has served in the Armed services of the Union, the amount payable by him or his legal heir for the retransfer of a site shall be 10% of the price originally payable for such site or 5% of the difference between the price originally payable and its value at the time when application for transfer is made, whichever is more.], [***]

Provided that such retransfer shall be permissible only if :-

- (i) Where the lease of the site has been cancelled on ground of misuser, the misuser has stopped.
- (ii) Where the lease of the site has been cancelled for non-payment of price, all outstanding dues including forfeiture have been paid.
- (iii) Where the lease of the site has been cancelled for breach of any conditions of sale, the breach has been remedied and conditions fulfilled.

Notwithstanding anything contained in the proviso above, when lease of the site has been cancelled on ground of misuser or non-completion of the building on it within the stipulated period, the Estate Officer may allow the retransfer on the applicant agreeing to vacate or have the misuser vacated or the building completed, as the case may be, within such reasonable period as the Estate Officer may stipulate.

Explanation. - For the purposes of this rule, the expression "site" does not include a vacant site. A vacant site is a site on which on the date of issue of notice of cancellation of lease under rule 12 or 20 of the Chandigarh Lease-Hold of Sites and Buildings Rules, 1973, no superstructure had been raised and it includes a site on which foundations had been laid but no superstructure had been raised above that level.

(2) The retransfer under sub-rule (1) shall be in continuation of and subject to all subsisting conditions but without prejudice to all the proceedings or liabilities or subsisting penalties levied in respect of such site before the date of the transfer. (3) The prevailing price shall be assessed by the Estate Officer or such other authority as may be prescribed by the Chief Administrator and in doing so the Estate Officer or such other authority shall give the applicant reasonable opportunity of being heard. The assessment made by the Estate Officer shall be final.

(4) The applicant shall unless he refuses to accept the retransfer, deposit within 30 days 25% of the consideration of the retransfer. The remaining 75% of the said consideration shall be paid in three annual equated instalments along with interest at the rate of Rs. 7% per annum. The first instalment shall become payable after one year from the date of retransfer. In case any instalment is not

paid by the applicant by the due date it shall be deemed as if no retransfer had come into effect.

(5) No application under sub-rule (1) shall be entertained unless it is presented within six months of the date of appeal/revision as the case may be :

Provided that in the case of an order of cancellation of the lease passed earlier, the period of six months referred to above, shall begin to run from coming into force of this rule;

Provided further that the Estate Officer may entertain an application after expiry of six

months if he is satisfied that there was good and sufficient reason for not presenting the application within the said period of six months.

22. Appeal.- Any person feeling aggrieved by an order of the Estate

Officer made under rules 12, 13, 20 and 21 of these rules or of the competent authority under rule 17 (10) may within 30 days of the date of communication to him of such order, prefer an appeal to the Chief Administrator in such form and manner as may be prescribed :

Provided that the Chief Administrator may entertain the appeal after the expiry of the said period of thirty days, if he is satisfied that the appellant was prevented by sufficient cause from filing the appeal in time.

(2) The Chief Administrator may, after hearing the appeal, confirm, vary or reverse the order appealed from and may pass such orders as he deems fit. (3) The Chief Administrator may, either of his own motion or on an application received in this behalf, at any time call for the record of any proceeding in which the Estate Officer has passed an order for the purpose of satisfying himself as to the legality or propriety of such order and may pass such order in relation thereto as he thinks fit :

Provided that the Chief Administrator shall not pass an order under this section prejudicial to any person without giving him a reasonable opportunity of being heard.

(4) Where a person is aggrieved by any order of the Chief Administrator deciding a case under sub-rule (2) or sub-rule (3), he may, within thirty days of the date of communication to him of such decision, make an application in writing to the Chief Commissioner for revision against the said decision and the Chief Commissioner may confirm, alter or rescind the decision of the Chief Administrator.

Para 22 omitted vide notification, dated 15.12.79.

Form A

Application for allotment of residential/commercial/Industrial sites on lease-hold basis at Chandigarh.

To

The Estate Officer,
Chandigarh Administration,
Chandigarh.

Sir,

I _____, son/daughter/wife/widow of _____
(in Block letters) _____ request that
I may be allotted a residential/Commercial/Industrial site of _____
square yards _____ Marlas size in Chandigarh on
lease-hold basis.

2. I agree to pay the premium at the rate of Rs. _____ per square yard in the manner prescribed by the Chandigarh Administration, as also the ground rent at the rate of 2½ per cent of the premium every year for the first 33 years and thereafter, if the Chandigarh Administration so decides, at the enhanced rate of 3¾ per cent of the premium for the next 33 years and at the rate of 5 per cent of the premium for the

remaining 33 years of the lease period and thereafter on such terms as the Government may decide.

3. I am eligible for allotment of a site on lease-hold basis in my capacity as _____ under (specify whether oustee, Government, resident of Chandigarh etc.) 4. Particulars of the plot applied for :-

Sector	Area Square Yards	in No. of site/sites
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5. I enclose herewith a demand draft No. _____ dated _____ for the amount of Rs. _____ equivalent to 10 per cent of the premium of the site building to be obtained on lease-hold basis as earnest money, payable to the Estate Officer, Chandigarh Administration, Chandigarh and drawn on _____ Bank at Chandigarh.

6. I enclose herewith an affidavit in respect of the following :-

- (a) That I shall not sell/transfer/mortgage or alienate in any other manner, my rights in the site or building constructed thereon until the payment of full premium and rent due under the lease up-to-date or a period of 15 years from the date of allotment whichever is later.
(b) That I do not own either in my own name or in the name of my wife/husband or any dependent member of my family any site or building in Chandigarh. (c) That I shall be bound by the terms and conditions of the Chandigarh Lease-hold of Sites and Building Rules, 1973.

Declarations

1. I, _____ son/wife/daughter/of _____ Shri _____ solemnly declare that the above information is true to my knowledge and belief and nothing has been concealed.
2. I do understand in clear terms that in case, the information made available by me or any part thereof is found to be false, the allotment made in my favour shall be liable to be cancelled and in the event of cancellation I shall have no claim whatsoever for damages, etc., against the Central Government or the Chandigarh Administration on this account.
3. I, _____, the above named, hereby declare that I have carefully read and understood the terms and conditions of the Chandigarh Lease-hold of Sites and Buildings Rules, 1973 as also the provisions of the Capital of Punjab (Development and Regulation) Act, 1952 as amended up-to-date and rules framed thereunder and do hereby agree to abide by them.
4. I agree/do not agree that in the event of the site being not allotted to me in the first draw, my earnest money may be retained by the Chandigarh Administration and my name may be kept on the waiting list for allotment in the subsequent draw/draws. I shall be not claim any interest on the earnest money remitted to the Government.

Dated _____

Yours faithfully,

(Signature _____ of _____ the applicant)

Address for Correspondence,

Form B

Site (By allotment/auction)

Chandigarh Administration

Lease for 99 years

THIS DEED made this _____ day of _____ one thousand nine hundred and _____ BETWEEN THE PRESIDENT OF INDIA (hereinafter called 'the Lessor') of the one part and Shri/Shrimati _____ (hereinafter called 'the Lessee') of the other part.

WHEREAS the Lessee has applied to the Lessor for the grant of a lease of the plot of a land, belonging to the Lessor, hereinafter described, and the Lessor has on the faith of the statements and representations made by the Lessee accepted such application and has agreed to demise the said plot to the Lessee in the manner hereinafter appearing.

WHEREAS the Lessee has applied by bid at public auction to the Lessor for grant of a lease of the plot of a land, belonging to the Lessor hereinafter described and the Lessor has accepted such application and has agreed to demise the said plot to the Lessee in the manner hereinafter appearing.

[AND WHEREAS THE LESSEE has paid/agreed to pay the sum of Rs. _____ (Rupees _____) being the premium.]

[NOW THIS DEED WITNESSETH THAT for the purpose of carrying into effect the said lease and in consideration of the covenants of the lessee hereunder contained and of the] said sum of Rs. _____ (Rupees _____) paid by the lessee [(A) as 25 per cent of the premium (the receipt of which the lessor hereby acknowledges) and the undertaking of the lessee to pay the balance] premium in three equated yearly instalments together with interest at the rate of _____ per cent per annum from the date of issue of allotment letter/auction, the first instalment being payable on the tenth day of _____ (B). _____ and of the rent hereinafter reserved and of the covenants on the part of the Lessee hereinafter contained, the Lessor doth hereby demise upto the Lessee ALL THAT Plot of land being the

residential/commercial/industrial plot No. _____ Sub sector _____ Sector _____ containing by admeasurement an area of _____ square yards/metres or thereabouts situate at _____ which plot is more particularly described in the plan filed in the office of Estate Officer, Chandigarh, signed by the Estate Officer, Chandigarh on the _____ day of _____ one thousand nine hundred and _____ TOGETHER with all rights, easements and appurtenances whatsoever to the said plot belonging or pertaining to HOLD the premises hereby demised unto the Lessee for 99 years from the date of allotment/auction and thereafter to hold the same for such further period and on such terms and conditions as the Lessor may decide and YIELDING AND PAYING therefor yearly rent at the rate of 2½ per cent of the premium for the first 33 years of this lease and at the rate of 3¾ per cent of the premium for the next 33 years and at 5 per cent of the premium for the

remaining 33 years of the lease. The rent shall start accruing from the date of issue of allotment letter/auction, namely the _____ day of _____ one thousand nine hundred and _____ and shall become due on the first anniversary of the date of issue of letter of allotment/auction and be payable by the 10th day of the following month. Subject always to the exceptions, reservations, covenants and conditions hereinafter contained, that is to say as follows :-

1. The lessor excepts and reserves unto himself all mines, minerals, coals, gold-washing, earth oils and quarries in or under the plot, and full right and power at all times to do all acts and things which may be necessary or expedient for the purpose of searching for, working, obtaining, removing and enjoying the same without providing or leaving any vertical support for the surface of the plot or for any building for the time being standing thereon provided always that the Lessor shall make reasonable compensation to the Lessee for all damage directly occasioned by the exercise of the rights hereby reserved or any of them.
2. The Lessee for himself, heirs, executors and administrators and assigns, covenants with the Lessor in the manner following, that is to say :
 - (1) The Lessee shall pay without demand unto the lessor the yearly rent hereby reserved within the time hereinbefore appointed and in the manner laid down in the Chandigarh Lease-Hold of Sites and Building Rules, 1973.
 - (2) The Lessee shall not deviate in any manner from the layout plan nor alter the size of the plot whether by sub-divisions, amalgamation or otherwise.
 - (3) The Lessee shall, within a period of three years from the date of issue of allotment letter/auction (and the time so specified shall be of the essence of the contract) after obtaining sanction to the building plan with necessary designs, plans and specifications from the Estate Officer at his own expense, erect upon the plot and complete in a substantial and workman-like manner residential/commercial/industrial building with the requisite and proper walls, sewers and drains and other conveniences in accordance with the sanctioned building plan and to the satisfaction of the Estate Officer.
 - (4) [(a) The Lessee shall not transfer or assign his rights in the site without the prior consent of the] Estate Officer. Such permission shall not be given until the Lessee has paid full premium and the rent due under the lease unless in the opinion of the Estate Officer exceptional circumstances exist for the grant of such permission and the proposed transferee undertakes to pay the balance of the premium and the rent in respect of this lease :
 Provided that in the event of the consent being given the Lessor shall be entitled to claim and recover 50 per cent of the unearned increase in the value (i.e., the difference between the premium paid and the market value) of the site at the time of transfer of assignment and the decision of the Lessor in respect of the market value shall, subject to the Chandigarh Lease-Hold of Sites and Buildings Rules, 1973, be final and binding :
 Provided further that the lessor shall have the pre-emptive right to purchase the property after deducting 50 per cent of the unearned increase as aforesaid.

OR

[The lessee shall not sell or otherwise transfer his/her rights in the site or part thereof for a period of fifteen years from the date of completion of the building. After the expiry of this period the lessee may be allowed by Government to sell or transfer his/her rights in the site to any other party subject to the condition that 50% (fifty per cent) of the unearned increase in the value of land at the time the site is sold or transferred shall be payable to the Chandigarh Administration before registering such sale or transfer. The value of the property for this purpose shall be assessed by the Estate Officer or any other authority which may be appointed by the Chief Administrator whose decision shall be final and binding on the lessee].

[Provided that the Government may permit transfer of an Industrial Plot prior to the expiry of the period of 15 years on grounds of exceptionable hardship. Such permission shall, however, be subject to the other conditions mentioned in this clause.]

(4) (b) Notwithstanding anything contained in sub-clause (a) above the lessee may, with the previous consent in writing of the Estate Officer, mortgage or charge the plot in favour of the Central Government, State Government, Chandigarh Administration, Life Insurance Corporation of India, Punjab State Electricity Board, Haryana State Electricity Board, any Scheduled Bank, any body Corporate created under the Central/State Act or any body corporate wholly owned by the Government for securing a loan to be advanced by them for constructing the building on the plot. vide U.T. Notification Dated 21-3-1980. (5) The Lessor's right to the recovery of fifty per cent of unearned increase and the pre-emptive right to purchase the property as mentioned hereinbefore shall apply equally to an involuntary sale or transfer whether it be by or through an executing or insolvency court.

(6) Notwithstanding the restrictions, limitations and conditions as mentioned in sub-clause (4) (a) above, the Lessee shall be entitled to sublet the whole or any part of the building that may be erected upon the plot for purpose of _____ only on a tenancy from month to month or for a term not exceeding five years.

[Provided that in case of Industrial plots the lessee shall not be entitled to sublet, assign or otherwise part with possession of the whole or any part of the building that may be erected upon the plot for any purpose whatsoever except with the written permission of the Estate Officer who may grant such permission only in cases of exceptional hardship and upon such terms and conditions as he deem fit to impose. The Estate Officer shall make the permission conditional on payment of such amount as he may decide on merits and circumstances of each case]:-

Explanation :- For purpose of the above proviso partnership shall be deemed to be subletting.

(7) Whenever the title of the Lessee in the plot is transferred in any manner whatsoever the transferee shall be bound by all the covenants and conditions contained herein and be answerable in all respects therefor.

(8) Whenever the title of the Lessee in the plot is transferred in any manner whatsoever, the transferor and the transferee shall within three months of the transfer, give notice of such transfer in writing to the Lessor.

In the event of the death of the Lessee, the person on whom the title of the deceased devolves shall, within three months of the devolution, give notice of such devolution to the Lessor. The transferee or the person on whom the title devolves, as the case may be, shall supply the Lessor certified copies of the document(s) evidencing the transfer or devolution.

(9) The Lessee shall from time to time and at all times pay and discharge all rates, taxes, charges and assessments of every description which may at any time hereafter during the continuance of this Lease be assessed, charged or imposed upon the plot hereby demised or any buildings to be erected thereupon or on the landlord or tenant in respect thereof.

(10) All arrears of rent and other payments due in respect of the plot thereby demised shall be recoverable in the same manner as arrears of land revenue. (11) The Lessee shall in all respects comply with and be bound by the Punjab Capital (Development and Regulation) Building Rules, 1952, as amended from time to time and the rules made thereunder.

(12) The Lessee shall not without sanction or permission in writing of the proper authority erect any building or make any alteration or addition to such building or the plot.

(13) The Lessee shall not without the written consent of the Lessor carry on, or permit to be carried on, on the plot or in any building thereon any trade or business whatsoever or use the same or permit the same to be used for any purpose other than that mentioned in this lease deed or do or suffer to be done therein anything whatsoever which in the opinion of the Lessor may be a nuisance, or disturbance to the Lessor and persons living in the neighbourhood. (14) The Lessee shall at all reasonable times grant access to the plot to the Estate Officer for being satisfied that the covenants and conditions contained herein have been and are being complied with.

(15) The Lessee shall on the determination of this lease peaceably yield up the said plot and the buildings thereon unto the Lessor.

(16) In the event of the lease being cancelled, the Lessee shall remove the structure at his own expense within such reasonable time not exceeding three months, as may be prescribed by the Estate Officer, and restore possession of the site in the condition in which he took the same at the commencement of the lease. If the Lessee fails to remove the structure within the period mentioned above, the Estate Officer shall be competent to remove the same and recover the expense incurred in doing so from the person whose lease had been cancelled or auction/allot the site alongwith the structure and after deducting the market value of the site refund the balance to the Lessee. The Estate Officer shall determine the market value and his decision shall, subject to the Chandigarh Lease-Hold of Sites and Buildings Rules, 1973, be final and binding. III. If the yearly rent hereby reserved or any part thereof shall at any time be in arrears and unpaid within the period hereinbefore mentioned, the Lessee shall be liable to pay a penalty not exceeding 100 per cent (One hundred per cent) of the amount due which may be imposed and recovered in the manner laid down in section 8 of the Capital of Punjab (Development and Regulation) Act, 1952, as amended up to date, or if it is discovered that this lease has been obtained by suppression of any fact or by any mis-statement, misrepresentation or fraud or if there shall have been, in the opinion of the Lessor, whose

decision shall be final, any breach by the Lessee or by any person claiming through or under him of any of the covenants or conditions contained herein and on his part to be observed or performed, then and in any such case, it shall be lawful for the Lessor, notwithstanding the waiver of any previous cause or right for re-entry upon the plot hereby demised and the building thereon, to re-enter upon and take possession of the plot and the buildings and fixtures thereon, and thereupon this lease and every thing herein contained shall cease and determine and the Lessee shall not be entitled to any compensation whatsoever nor to the return of any premium paid by him :

Provided that, notwithstanding anything contained herein, to the contrary, the Lessor may without prejudice to his right of re-entry as aforesaid, and in his absolute discretion, waive or condone breaches, temporarily or otherwise, on receipt of such amount and on such terms and conditions as may be determined by him.

1. No forfeiture or re-entry shall be effected until the Lessor has served the Lessee notice in writing :-

(a) specifying the particular breach complained of, and
(b) if the breach is capable of remedy, requiring the Lessee to remedy the breach, and the Lessee fails within such reasonable time as may be mentioned in the notice to remedy the breach if it is capable of remedy : and in the event of forfeiture or re-entry the Lessor may in his discretion relieve against forfeiture on such terms and conditions as he thinks proper.

1. In the event of any question, dispute or difference, arising under the these presents, or in connection therewith (except as to any matter the decision of which is specially provided by these presents) the same shall be referred to the sole arbitration of the Chief Administrator or any other person appointed by him. It will be no objection that the arbitrator is a Government servant, and that he has to deal with the matters to which the Lease relates, or that in the course of his duties as a Government servant he has expressed view on all of any of the matters in dispute or difference. The award of the arbitrator shall be final and binding on the parties.

The arbitrator may, with the consent of the parties enlarge the time, from time to time, for making and publishing the award.

Subject as aforesaid, the Arbitration Act, 1940, and the Rules thereunder and any modification thereof for the time being in force shall be deemed to apply to the arbitration proceedings under this Clause.

1. All notices, orders, directions, consents or approvals to be given under this Lease shall be in writing and shall be signed by such officer as may be authorised by the Chief Administrator and shall be considered as duly served upon the Lessor or any person claiming any right to the plot if the same shall have been affixed to any building or erection whether

temporary or otherwise upon the plot or shall have been delivered at or sent by post to the then residence, office or place of business or usual or last known residence, office or place of business of the Lessee or such person.

VII. All powers exercisable by the Lessor under this Lease may be exercised by the Chief Administrator. The lessor may also authorise any other officer to exercise all or any of the powers exercisable by him under this Lease.

VIII. In this Lease the expression Chief Administrator means the Chief Administrator for time being or, in case his designation is changed or his office is abolished, the officer who for the time being is entrusted whether or not in addition to other functions, with the functions similar to those of the Chief Administrator by whatever designation such office may be called. The said expression shall further include such officer as may be designated by the Lessor to perform the functions of the Chief Administrator under this Lease.

1. The expressions 'The Lessor' and 'the Lessee' hereinbefore used shall where the context so admits include in the case of the Lessor his successors and assigns, and in the case of the Lessee his heirs, executors, administrator or legal representatives and the persons or person in whom the lease-hold interest hereby created shall for the time being be vested by assignment or otherwise.
2. This Lease is granted under the Capital of Punjab (Development and Regulation) Act, 1952, as amended and Government Grants Act, 1895 (Act XV of 1895).

In witness whereof Shri _____, _____ for and on behalf of and by the order and direction of the Lessor has hereunto set his hand and Shri/Shrimati _____ the lessee has hereunto set his/her hand the day and year first above-written.

Signed by Shri _____ for and on behalf of and by the order and direction of the President of India (Lessor) in the presence of :

LESSOR
(Estate Officer)

(1) Shri

Signed by Shri/Shrimati
LESSEE

in the presence of -

(1) Shri (Full address) (Signature)

(2) Shri (Full address) (Signature)

Form C

Building (By allotment/auction)

Chandigarh Administration

Lease for 99 years

THIS DEED made this _____ day of _____ one thousand nine hundred and _____ BETWEEN THE PRESIDENT OF INDIA (hereinafter called 'the Lessor') of the one part and Shri/Shrimati _____ (hereinafter called 'the Lessee') of the other part.

WHEREAS the Lessee has applied to the Lessor for the grant of a lease of the building belonging to the Lessor, hereinafter described, and the Lessor has on the faith of the statements and representations made by the Lessee accepted such application and has agreed to demise the said building to the Lessee in the manner hereinafter appearing.

WHEREAS the Lessee has applied by bid at public auction to the Lessor for grant of a lease of the building belonging to the Lessor hereinafter described and the Lessor has accepted such application and has agreed to demise the said building to the Lessee in the manner hereafter appearing.

[AND WHEREAS THE LESSEE has paid/agreed to pay the sum of Rs. _____ (Rupees _____) being the premium.]

[NOW THIS DEED WITNESSETH THAT for the purpose of carrying into effect the said lease and in consideration of the covenants of the lessee hereunder] contained and of the said sum of Rs. _____ (Rupees _____) paid by the lessee [(A) as 25 per cent of the premium (the receipt of which the lessor hereby acknowledges) and] the undertaking of the lessee to pay the balance premium in three equated yearly instalments together with interest at the rate of _____ per cent per annum from the date of issue of allotment letter/auction, the first instalment being payable on the tenth day of

_____ (B). _____ and of the rent hereinafter reserved and of the covenants on the part of the Lessee hereinafter contained, the Lessor doth hereby demise unto the Lessee ALL THAT building being building _____ No.

_____ Sub-sector _____ Sector _____ containing by admeasurement an area of _____ square yards/metres or thereabouts situate at Shopping Centre at Chandigarh which building is more particularly described in the plan filed in the office of Estate Officer, Chandigarh, signed by the Estate Officer, Chandigarh on the _____ day of _____ one thousand nine

hundred and _____ TOGETHER with all rights, easements and appurtenances whatsoever to the said building belonging or pertaining to HOLD the premises hereby demised upto the Lessee for 99 years from the date of allotment/auction and thereafter to hold the same for such further period and on such terms and conditions as the Lessor may decide and YIELDING AND PAYING therefor yearly rent at the rate of 2½ per cent of the premium for the first 33 years of this lease and at the rate of 3¾ per cent of the premium for the next 33 years and at 5 per cent of the premium for the remaining 33 years of the lease. The rent shall start accruing from the date of issue of

allotment _____ letter/auction, namely _____ the _____ day of one thousand nine hundred and _____

and shall become due on the first anniversary of the date of issue of letter of allotment/auction and be payable by the 10th day of the following month.

Subject always to the exceptions, reservations, covenants and conditions hereinafter contained, that is to say as follows :-

1. The lessor excepts and reserves unto himself all mines, minerals, coals, gold-washing, earth oil and quarries in or under the plot, and full right and power at all times to do all acts and things which may be necessary or expedient for the purpose of searching for, working, obtaining, removing and enjoying the same without providing or leaving any vertical support for the surface of the plot or for any building for the time being standing thereon provided always that the Lessor shall make reasonable compensation

to the Lessee for all damage directly occasioned by the exercise of the rights hereby reserved or any of them.

2. The Lessee for himself, heirs, executors, and administrators and assigns, covenants with the Lessor in the manner following, that is to say :-

(1) The Lessee shall pay without demand unto the Lessor the yearly rent hereby reserved within the time hereinbefore appointed and in the manner laid down in the Chandigarh Lease-Hold of Sites and Buildings Rules, 1973.

(2) The Lessee shall not re-erect, add to or alter said building except after permission in writing of the Estate Officer and in accordance with the Capital of Punjab (Development and Regulation) Buildings Rules, 1952.

(3) The Lessee shall not transfer or assign his rights in the building without the period consent of the Estate Officer. Such permission shall not be given until the Lessee has paid full premium and the rent due under the lease unless in the opinion of the Estate Officer exceptional circumstances exist for the grant of such permission and the proposed transferee undertakes to pay the balance of the premium and the rent due in respect of this lease: Provided that in the event of the consent being given the Lessor shall be entitled to claim and recover 50 per cent of the unearned increase in the value (i.e., the difference between the premium paid and the market value) of the lease-hold rights of the building at the time of transfer or assignment and the decision of the Lessor in respect of the market value shall, subject to the Chandigarh Lease-Hold of Sites and Buildings Rules, 1973, be final and binding :

Provided further that the Lessor shall have the pre-emptive right to purchase the property after deducting 50 per cent of the unearned increase as aforesaid. (4) The Lessor's right to the recovery of fifty per cent of unearned increase and the pre-emptive right to purchase the property as mentioned hereinbefore shall apply equally to an involuntary sale or transfer whether it be by or through an executing or insolvency court.

(5) Notwithstanding the restrictions, limitations and conditions as mentioned in sub-clause (3) above, the Lessee shall be entitled to sublet the whole or any part of the building for purpose of only _____ on a tenancy from month to month or for a term not exceeding five years.

(6) Whenever the title of the Lessee in the building is transferred in any manner whatsoever, the transferee shall be bound by all the covenants and conditions contained herein and be answerable in all respects therefor.

(7) Whenever the title of the Lessee in the building is transferred in any manner whatsoever, the transferor and the transferee shall within three months of the transfer, give notice of such transfer in writing to the Lessor.

In the event of the death of the Lessee, the person on whom the tile of the deceased devolves shall, within three months of the devolution, give notice of such devolution to the Lessor.

The transferee or the person on whom the title devolves, as the case may be, shall supply the Lessor certified copies of the document(s) evidencing the transfer or devolution.

(8) The Lessee shall from time to time and at all times pay and discharge all rates, taxes, charges and assessments of every description which may at any time hereafter during the

continuance of this Lease be assessed, charged or imposed upon the building hereby demised or on the landlord or tenant in respect thereof.

(9) All arrears of rent and other payments due in respect of the plot thereby demised shall be recoverable in the same manner as arrears of land revenue. (10) The Lessee shall in all respects comply with and be bound by the Chandigarh Lease-Hold of Sites and Buildings Rules, 1973.

(11) The Lessee shall not without the written consent of the Lessor carry on, or permit to be carried on, in the building any obnoxious trade or use the same or permit the same to be used for any purpose other than that for which this lease is granted or do or suffer to be done therein anything whatsoever which in the opinion of the Lessor may be nuisance, annoyance, or disturbance to the Lessor or persons in the neighbourhood or which may materially impair the utility or value of the property.

(12) The Lessee shall at all reasonable times grant access to the building to the Estate Officer for being satisfied that the covenants and conditions contained herein have been and are being complied with.

(13) The Lessee shall on the determination of this lease peaceably yield up the said buildings unto the Lessor.

III. If the yearly rent hereby reserved or any part thereof shall at any time be in arrears and unpaid within the period hereinbefore mentioned, the Lessee shall be liable to pay a penalty not exceeding 100 per cent (One hundred per cent) of the amount due which may be imposed and recovered in the manner laid down in section 8 of the Capital of Punjab (Development and Regulation) Act, 1952, as amended up to date, or if it is discovered that this lease has been obtained by suppression of any fact or by any mis-statement, misrepresentation or fraud or if there shall have been, in the opinion of the Lessor, whose decision shall be final, any breach by the Lessee or by any person claiming through or under him of any of the covenants or conditions contained herein and on his part to be observed or performed, then and in any such case, it shall be lawful for the Lessor, notwithstanding the waiver of any previous cause or right for re-entry in respect of the building hereby demised to re- enter upon the take possession of the buildings and fixtures thereon, and thereupon this lease and every thing herein contained shall cease and determine and the Lessee shall not be entitled to any compensation whatsoever nor to the return of any premium paid by him :

Provided that, notwithstanding anything contained herein, to the contrary, the Lessor may without prejudice to his right of re-entry as aforesaid, and in his absolute discretion, waive or condone breaches, temporarily or otherwise, on receipt of such amount and on such terms and conditions as may be determined by him.

1. No forfeiture or re-entry shall be effected until the Lessor has served the Lessee a notice in writing -

(a) specifying the particular breach complained of, and

(b) if the breach is capable of remedy, requiring the Lessee to remedy the breach, and the Lessee fails within such reasonable time as may be mentioned in the notice to remedy the breach if it is capable of remedy : and in the event of forfeiture or re-entry the

Lessor may in his discretion relieve against forfeiture on such terms and conditions as he thinks proper.

1. In the event of any question, dispute or difference, arising under these presents, or in connection therewith (except as to any matter the decision of which is specially provided by these presents) the same shall be referred to the sole arbitration of the Chief Administrator or any other person appointed by him. It will be no objection that the arbitrator is a Government servant, and that he has to deal with the matters to which the Lease relates, or that in the course of his duties as a Government servant he has expressed view on all of any or the matters in dispute or difference. The award of the arbitrator shall be final and binding on the parties.

The arbitrator may, with the consent of the parties, enlarge the time, from time to time, for making and publishing the award.

Subject as aforesaid, the Arbitration Act, 1940, and the Rules thereunder and any modification thereof for the time being in force shall be deemed to apply to the arbitration proceedings under this Clause.

1. All notices, orders, directions, consents or approvals to be given under this Lease shall be in writing and shall be signed by such officer as may be authorised by the Chief Administrator and shall be considered as duly served upon the Lessee or any person claiming any right to the building if the same shall have been affixed to the building or shall have been delivered at or sent by post to the then residence, office or place of business or usual or last known residence, office or place of business of the Lessee or such person.

VII. All powers exercisable by the Lessor under this Lease may be exercised by the Chief Administrator. The lessor may also authorise any other officer to exercise all or any of the powers exercisable by him under this lease.

VIII. In this Lease the expression Chief Administrator means the Chief Administrator for the time being or, in case his designation is changed or his office is abolished, the officer who for the time being is entrusted whether or not in addition to other functions, with the functions similar to those of the Chief Administrator by whatever designation such office may be called. The said expression shall further include such officer as may be designated by the Lessor to perform the functions of the Chief Administrator under this Lease.

1. The expressions 'the Lessor' and 'the Lessee' hereinbefore used shall where the context so admits include in the case of the Lessor his successors and assigns, and in the case of the Lessee his heirs, executors, administrators or legal representatives and the person or persons in whom the lease-hold interest hereby created shall for the time being be vested by assignment or otherwise.
2. This Lease is granted under the Capital of Punjab (Development and Regulation) Act, 1952, as amended, the Chandigarh Lease-Hold of Sites and Buildings Rules, 1973, and Government Grants Act, 1895 (Act XV of 1895).

In witness whereof Shri _____ for and on behalf of and by the order and direction of the Lessor has hereunto set his hand and Shri/Shrimati _____ the Lessee has hereunto set his/her hand the day and year first above-written.

Signed by Shri _____ for and on behalf of and by the order and direction of the President of India (Lessor) in the presence of :

LESSOR

(Estate Officer)

(1) Shri

Signed by Shri/Shrimati

LESSEE

In the presence of -

(1) Shri (Full address)

(Signature)

(2) Shri (Full address)

(Signature)

Form D

[See Rules 12 and 22]

Form of notice calling upon the Lessee for the payment of an instalment overdue

To

Memorandum No.

Dated Chandigarh, the _____ 19 _____

Whereas the instalment of _____ due on the 10th of _____ 19____, has not been paid so far towards the premium/rent of the site/building No. _____ situated in shopping centre _____ Sector _____ at Chandigarh.

Take notice, therefore, that, you may pay Rs. _____ as penalty besides the amount of instalment/rent stated above, on or before the _____ day of _____ 19_____ failing which the lease deed granted, - vide allotment/auction, dated _____ in your favour will be cancelled and the amount already paid as premium or rent in respect of said lease shall be forfeited.

Issued under my hand and the seal, this _____ day of _____ 19 _____

Estate Officer,

Chandigarh Administration.