

DISPOSAL OF PROPERTY REGULATIONS

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DISPOSAL OF PROPERTY REGULATIONS

DISPOSAL OF PROPERTY REGULATIONS

CHAPTER 1

Preliminary

1. . :-

The short title of these regulation shall be 'DISPOSAL OF PROPERTY REGULATIONS

2. . :-

These regulations shall apply generally to those in which properties created thereunder are disposed of or are to be disposed of by way of sale or hire purchase.

3. . :-

These regulations are not intended to be applied to those schemes where the properties are to be given merely on rent, without any element of sale or purchasfe.

4. . :-

These regulations shall come into force from the date on which the Government sanctions them.

CHAPTER 2

Definitions

5. . :-

Unless there is anything inconsistent with the context or meaning

(1) "Acceptance Letter" means a letter in a form prescribed in these regulations by which the applicant accepts the offer set out in the allotment letter on the terms and conditions specified therein;

(2) "Act" means the Gujarat Industrial Development Act (Act XXIII of 1962):

(3) "Allotment Committee" means the Committee appointed under regulation 3(a) of the Regulations dealing with the disposal of lands vesting in the Gujarat Industrial Development Corporation:

(4) "Allotment letter" means a letter in a form prescribed in those regulations making an allotment of a particular property to the applicant:

(5) "Allotment Register" means a register maintain by the Corporation in which the names of the applicants who are found eligible by the Property Allotment Committee by following the procedure as laid down in these regulations, are entered in the order of priority fixed by the said Committee:

(6) "Allottees", when applied to a person, firm or company, means an applicant to whom the allotment letter has been issued:

(7) "Applicant" means a person, firm or company who has signed the application putting his signature or affixing his thumb impression:

(8) "Application" means application made in the form prescribed in these regulations:

(9) "Application Register" means a register maintained by the Corporation in which application are entered in the order in which they have been received:

(10) "Corporation" means the Gujarat Industrial Development Corporation as constituted under the Act:

(11) "Chargeable Rent" is the rent fixed by the Corporation to be recovered from the Hirer in case he is permitted by the Corporation to vacate the property:

(12) "Common Portion" means those parts of a building and/or premises which are in common use and includes land, gateway

enclosures, compound walls, paths, open ground, garden (if any), passage, corridors, staircase, landings, terrace, cabin fittings, fixtures, lift (if any) and installations, whether for water supply or drainage or lighting or any other purpose, and all such facilities which are used/or are intended to be used in common;

(13) "Common Services", when relating to common portions, are the services, which are rendered for maintaining, running, keeping in good condition and controlling those common portions, use where of shall be regulated by the Corporation:

¹[(13-A) "Company" means any body Corporate incorporated under any law for the time being in force];

(14) "Compensation" means the amount recoverable from the Hirer who has made a breach of any of the condition of the Agreement or Conveyance Deed:

(15) "Competent Authority" as defined In the Act, shall, for the purpose of these regulations, be the ²[Managing Director] of the

(16) "Conveyance Deed" means a deed in a prescribed form of these regulations between the Corporation and the Hirer by which the Hire purchase Tenancy ceases and specified right of holding or vesting is acquired by the Hirer on the terms and conditions specified in the hire purchase agreement;

(17) "Deduction Amount" means the amount to be deducted from the amount paid by Hirer when he vacates the property:

(18) "Disposal Price to Hire purchase Price", means, when applied to a property, the price at which the property Is to be disposed of by sale or hire purchase, the amount being fixed for each case on the basis approved by the Corporation from time to time;

(19) "Documental Charges", when applied for a document or documents made in pursuance of a particular scheme and these regulations, means all charges such as stamp charges. Registration charges, legal charges, writing charges, printing charges, paper charges, plan charges and the like:

(20) "Ground Rent" means, when applied to a plot of land, the annual payment to be made by the Hirer/Lessee/Occupier of the plot to the Corporation which is the Lessor;

(21) "Handing-over Letter" means a letter in these regulations for

handing over possession of the property;

(22) "Hire-Purchase Deposit" means non interest bearing advance payment made by the applicant along with his application for securing by Hire-Purchase a property under a scheme, on terms and conditions set out for the purpose:

(23) "Hire-Purchase Period" means a period of a number of years specified In the Hire Purchase Tenancy Agreement, for which tenancy continue;

(24) "Hirer" means a person, firm or company who has participated in the Hire Purchase System and who has signed the Hire-Purchase Tenancy Agreement:

(25) "Hire Purchase System" means a system in which a Hirer takes steps to secure rights in a property under a Scheme by payment of hire purchase deposit and also a specified number of monthly installments spread over a period of specified number of year during which he remains a tenant on terms period, ceases to be a tenant and becomes a holder after payment of all dues;

(26) "Hire Purchase Agreement" means an agreement between the Corporation and the allottees in a form prescribed under these regulations for disposal of property under hire purchase system:

(27) "Lease Deed" means an agreement in a form prescribed under these regulations for leasing by the Corporation a property to the Hirer on specified terms and conditions set out in the said agreement:

(28) "Lease period" means a period of a number of years specified in the Lease Deed;

(29) "Lessee" means in connection with a deed of transfer the person firm or company who takes a portion of land from the Corporation by entering into Lease Deed:

(30) "Lessor" means in connection with a deed of transfer for property the Corporation who is a party in a Lease Deed:

(31) "Non-interest-bearing" means, when applied to an advance payment whether by way of deposit. Hire Purchase Deposit, earnest money or tenancy deposit or any similar payment made by the applicant to the Corporation, that no Interest on the amount of such payment shall be payable by the Corporation:

(32) "Open space" means limited space kept open in the industrial sector, adjoining the structure:

(33) "Occupier" means a person occupying possession of property as well as open space under a legal title. A Hirer shall also be deemed to be occupier till all the dues are paid to the Corporation;

(34) "Penalty" means the additional amount as laid down in the relevant agreement, payable by the Hirer as a consequence of his default in payment of the dues of the Corporation agreed to by him as provided in the said agreement:

(35) "Property" means a shed or any other structure created under a Scheme of the Corporation along with open space:

(36) "Scheme" means a Hire-Purchase Scheme made by the Corporation and also includes any or all of the schemes mentioned in Regulation 2 above;

(37) "Service Charges" means that charges which the Hirer has to pay as a monthly charge and which is assessed as a proportionate cost, is incurred by the Corporation, of maintaining, running and keeping in good conditions, the external and/or internal services:

(38) "Sheda" means a covered structure in the industrial area meant for ³[x x x] Industrial units and to be given on hire purchase scheme by the Corporation.

⁴ [(38-A) "structure" includes a shed or any other building intended for being used as a godown or residential accommodation or for providing any amenity or facility necessary for securing business or development of an industrial area or estate of the Corporation and where any building consists of tenements, each tenement shall be treated as a building;

(39) "Sub-letting" includes sharing of property by the Hirer with any person, firm or company, whether such sharing is with or without

(40) "Tenancy Stipulations" when applied to a Hirer, are the stipulations for tenancy prescribed under these regulations:

(41) Words of masculine gender shall include feminine gender and singular shall include plural: The meaning or interpretation of words, terms, conditions and definitions not given In these regulations, shall have the meaning and interpretation as given in

the Act or the Rules and Regulations made thereunder.

1. Inserted by Pub. in G.G.G., Ft. IV-C, dt.11-2-1971, p. 282., II 1-2-711.
2. Substituted by Notfn. No. GIDC-LAW-AMD-2,dt. 2-8-1987: pub. in G.G.G, , Ft. IV-C, dt. 20-8-87, p. 1019, 120-8-871.
3. Deleted by Notfn. dt. 2-4-1972; G.G.G., Pt.IV-C, dt. 13-4-72, p. 1128.[13-4-1972].
4. Inserted by Notfn. dt. 2-4-1972; G.G.G.,Pt. IV-C, dt. 13-4-72, p. 1128. [13-4-72].

CHAPTER 3

General

6. . :-

These regulations shall be administered by the [Managing Director] subject to the general guidance and resolutions of the Corporation provided that he can delegate his powers to any Officer or Officers of the Corporation. The various agreements made under these regulations shall be signed by the ¹ [Managing Director] or his delegate on behalf of the Corporation.

1. Substituted by Notfn. No. GIDC-LAW-AMD-2,dt. 2-8-1987: pub. in G.G.G, , Ft. IV-C, dt. 20-8-87, p. 1019.

7. . :-

The disposal of property shall be effected by either Hire- purchase or sale as decided by the Corporation which shall also decide other criteria for disposal as found necessary or desirable including the criteria of eligible provided that such criteria shall be in consonance with the schemes.

8. . :-

The Hire-purchase Price or the Disposal Price, as the case may be shall be such price as fixed by the Corporation.

9. . :-

The Hire-purchase Deposit shall be Rs. ¹[500], ²[for each shed or as the case may be building] Such Deposit shall be non-interest bearing and shall be payable along with the application in the prescribed form (Form A). On scrutiny of the application if the ³ [Managing Director] is satisfied that the application is genuine and admissible, shall call upon the applicant to pay the premium amount of land, as may be determined in respect of each hire scheme within a weeks time. After the amount is paid in full. all such applications shall be placed before the Allotment Committee as may be constituted by the Corporation from time to time and

the Committee shall proceed to consider the allotment of the same. In the case of those applicants who have been considered for allotment of the property, it shall be refunded on demand by the applicant. In the case of those applicants to whom allotment letters have been issued and who have failed to fulfill any of the subsequent requirements as provided in these regulations the amount of application deposit together with the premium amount of land paid by the applicant, shall be forfeited provided that the Corporation shall have the sole and exclusive right to refund, without being bound to do so, such amount to the applicant as it may think fit.

1. Substituted by Notfn. No. GIDC-LAW-AMD-2,dt. 2-8-1987: pub. in G.G.G, , Ft. IV-C, dt. 20-8-87, p. 1019.

2. Substituted by Notfn. dt. 2-4-1972; G.G.G., Pt. IV-C, dt. 13-4-72, p. 1128.

3. Substituted by Notfn. No. GIDC-ALT-LAW-AMD-2(i), DT. 30-7-1988; Pub. in G.G.G. Pt. IV-C, dt. 30-7-88, p. 38.

10. . :-

The period of Hire-Purchase not exceeding 20 years, shall from time to time, be decided by the Corporation, thus determining the number of monthly installments.

11. . :-

The balance price of the property Including interest thereon shall be recovered in such specified number of monthly installments, the corpus whereof shall be fixed by the ¹ [Managing Director].

1. Substituted by Notfn. No. GIDC-LAW-AMD-2,dt. 2-8-1987: pub. in G.G.G, , Ft. IV-C, dt. 20-8-87, p. 1019.

12. . :-

All rates, taxes, charges, assessment and other levies of whatsoever nature shall be borne by the Hirer and shall be paid direct to the local authority concerned: provided that in every case of failure to make such payment, the Corporation shall have the power to recover the dues as provided hereinafter.

13. . :-

Till any Local Authority take over the maintenance of the roads water supply, drainage, street lights and such other services, the services charges determined from time to time shall have to be paid by the Hirer to the Corporation.

14. . :-

No sub-letting shall be permissible and any unauthorized subletting shall be a breach of the agreement and shall without any prejudice to say other punishment to the Hirer, prescribed In these regulations or any law or bye-laws as the case may be entitle the Corporation to evict the Hirer and for any person in occupation of the property.

15. . :-

All documental charges shall be borne by the Allottees or the Hirer as the case may be.

16. . :-

Printed or cyclostyled copies, as the case may be, of these regulations as well as the forms of applications and agreement attached thereto may be made available separately, if demanded, to the public at a price fixed by the [Managing Director] for them:

17. . :-

The Corporation shall offer the property for hire purchase on the basis of the "property circumstances" that exist at the time. The applicant, the allottees or the hirer, as the case may be, shall previously and fully make himself conversant with the "Property Circumstances" as he shall be precluded from making a complaint or raising objections or selling up claims regarding the property circumstances, at any stage subsequently.

18. . :-

Electricity charges and charges of similar nature shall be paid by the Hirer as a consumer directly to the Electricity Supply Authorities or other authorities as the case may be.

19. . :-

A participant for hire purchase of a property in a scheme of the Corporation shall first become an applicant and then, an allottees when the Allotment Committee has made allotment in his favour and only thereafter he becomes a Hirer. This position of the participant being a Hirer continues till the property is transferred in his name by a regular Conveyance Deed and only then he becomes the owner of the same as the holder. His title of land on lease rights, on which the property transferred to him stands, and that of common portions, shall be a joint title with other hires. The Corporation will convey such lease-hold rights in accordance with the provision of these regulations.

20. . :-

Every breach of any provision of any of agreements shall be dealt with in accordance with the provisions of the relevant agreement or of these regulations or of the Act and the rules, regulations and bye-laws made thereunder.

CHAPTER 4

Application

21. . :-

The application shall be made in form 'A' prescribed in Appendix I attached hereto.

22. . :-

Any application which is incomplete in any respect is liable to be rejected as invalid.

23. . :-

Properties to be disposed of under this sale and Hire Purchase Scheme of the Corporation ^ [shall be allotted to persons, firm and companies which are engaged or about to be engaged in industries approved by the Corporation from time to time or as the case may be, which undertake to provide any amenity or facility in an industrial area or estate of the Corporation]. The Corporation and or the Allotment Committee shall be entitled to refuse allotment without giving any reason to any person, firm or company and such decision shall be final and binding and shall not be questioned in any Court of law or otherwise.

24. . :-

Allotment Committee appointed by the Corporation will consider the applications placed before it, sort out the applicants who are eligible, determine the list of priority out of the eligible applicants and/or group then and to do all such work as would expedite the disposal of the properties consonance with these regulations.

25. . :-

The Allotment Committee can ascertain whether the applicant is eligible to purchase property under the Scheme. It can also determine whether the applicant deserves to be considered for allotment and for priority, if any.

26. . :-

The Allotment Committee shall have the power to make enquiries, call for information from any person whomsoever, demand documents and evidence from the applicant do any other thing

which it considers necessary or expedient for the discharge of its function.

27. . :-

Every allottees shall send his Acceptance Letter in a prescribed form (Form 'D') and shall comply with all the requirements as mentioned therein.

28. . :-

Every Allottees shall execute an agreement (Form 'E') with the Corporation agreeing to take on hire purchase the property allotted to him and to observe and perform the terms, conditions as may be thought necessary by the Corporation.

29. . :-

Before entering into an agreement with the Corporation, the allottees shall pay the dues payable to the Corporation under the scheme.

30. . :-

After the individual allottees has made the required payments and has duly entered into an agreement with the Corporation as mentioned above, the allottees shall be issued handing over letters in a prescribed form (Form 'F') for receiving possession of the properties as set out in such letters.

31. . :-

After all these agreements have been registered at the cost of the allottees the allottees will be given the possession of the property.

31-A. . :-

1

(1) Where an Industrial Co-operative society, the object of which is to establish industries and to make available to its members plots of land or factory sheds for starting industries and the membership of which is restricted to persons who intend to start industrial undertakings, applies to the Corporation for allotment of sheds for the purpose of making the same available to its members, then notwithstanding anything contained in these regulations it shall be lawful for the Corporation to frame a Hire-Purchase Scheme for such society and to make allotment of sheds to such Society under that scheme:

Provided that no such schemes shall be framed unless the society and the members to whom the sheds are likely to be provided by

the society bind themselves to be jointly and severally liable for the payment of the price of the sheds and the premium price of the plots under the sheds and for abiding by the terms of the scheme.

(2) The Hire-purchase agreement and other documents to be executed under the scheme so far shall be in such forms as the Corporation may determined.

(3) Where sheds are allotment to a co-operative society under this regulation, the co-operative society under this regulation, the cooperative society and each of its members to whom any such shed may be made available by the Co-operative society shall be deemed to be a Hirer and, says as expressly provided in the scheme framed these regulations, shall be subject to the other provisions of these regulations.]

1. Inserted by Pub. in G.G.G., Ft. IV-C, dt. 11-2-1971, p. 282.

CHAPTER 5

Hire Purchase Tenancy

32. . :-

In consonance with these regulations and in pursuance of the provisions of the above mentioned agreements, on taking possession of the properties, the responsibility for the maintenance, running upkeep and keeping in good condition of the properties shall rest with the Hirer.

33. . :-

In consonance with these regulations and in pursuance of the provisions of the above mentioned agreements, all rates, taxes, charges, assessments and other levies of whatsoever nature shall be paid directly by the Hirer.

34. . :-

During the Hire-purchase period; the Hirer remains a tenant of the Corporation and he has no other right except that of tenancy.

35. . :-

During the period, the Hirer remains a tenant, he shall abide by Tenancy Stipulations that form part of the Hire Purchase Tenancy Agreement.

36. . :-

In spite of the provisions of relevant agreement, the Hirer fails to do thing or refrain doing a thing, as required by the said

agreements, the Corporation shall have the powers to get the thing done or prevent the thing being done at the risk and cost of the defaulting party as provided in the relevant agreement.

37. . :-

In case of failure of payment of any type whatsoever, whether monthly (rent) installments, service charges or any due rightfully demanded by the Corporation, the provisions of the Act shall be applicable and the Corporation shall have the power to treat these dues as arrears of rent and they shall be recoverable as arrears of land revenue as provided in the said Act.

CHAPTER 6

Ownership

38. . :-

(a) The Hirer shall cease to be a tenant and shall be a holder only after the last month's (rent) installment of the Hire Purchase and all dues have been paid by him to the Corporation and the transfer of the property him has been effected by the Corporation through a Conveyance Deed (Form 'H').¹ [The transfer of lease hold rights shall, if the Hire Purchase agreement provides for such transfer, be effected] by a separate lease- deed.

(b) In case of direct sale of the property the Conveyance Deed will be the same except the underlined words in Form H will not appear in that.

1. Inserted by Notfn. No. GIDS/LAW/AMD/2(a),dt. 13-2-1975; Pub. in G.G.G., Pt. IV-C, dt. 20-2-75, p. 142..

39. . :-

Cases of Hirers who vacate the property before the expiry of the Hire-Purchase period or before the execution of the Conveyance Deed shall be dealt with in accordance with the provisions of the Hire-Purchase Tenancy Agreement in this regard.

40. . :-

Interpretations of these regulations or decisions in accordance with these regulations shall be final and binding to the allottees or the participant. In case of any dispute in this regard the ruling of the Corporation shall be final and binding to all the parties.

41. . :-

The regulations provided for everything that is visualized under the existing conditions. If, however, in future, experience make it

necessary to modifications, additions, and amendments after going through the procedure laid down in the Act and such regulations as amended, altered, varied, modified, substituted etc. shall be effective and from time to time to the Hirer and the validity thereof shall not be disputed by the Hirer.

CHAPTER 7

Disposal of property under the Disposal of Building Scheme

42. . :-

1

(1) Notwithstanding anything contained in the forgoing provisions of these regulations, the allotment of sheds shall be under the Disposal of Buildings Scheme of the Corporation and not under the Hire Purchase System,

Explanation.-Where on the date of the commencement of the Disposal of Property (Amendment) Regulations, 1974 there are allotments of sheds in respect of which no hire purchase agreement is entered into. allotment of sheds shall be governed by this regulation.

(2) Under the Disposal of Buildings Scheme, a shed shall be sold to the allottees along with a lease of the plot of land on which the shed stands but where the allottees, in lieu of the payment of the purchase price in lump sum requests for payment by installments, the Corporation shall execute an agreement for sale of property allotted to him in such form as is specified by the Corporation. Such an agreement of itself will not create in favour of the allottees any interest in or charges on the allotted property.

(3) During the period for which the agreement for sale subsists:-

(a) the allottees will be permitted to occupy purely as a Licensee the allotted property for the purpose of running the industry for which the property is allotted to him:

(b) the allottees shall commence the use of the allotted property within the period specified in the agreement:

(c) the allottees shall pay all taxes, rates, assessments and cesses payable in respect of the allotted property and shall also pay the electricity charges and charges of similar nature which may be payable by him as consumer:

(d) the allottees shall pay the purchase price in such installments at

such intervals and during such period as may be specified in the agreement:

(f) the allottees shall abide by the terms and conditions specified in the agreement.

(4) On the allottees paying under the agreement for the sale the full purchase price and all the dues of the Corporation then outstanding, the Corporation shall transfer to the allottees by executing a conveyance deed, the shed occupied by him and by executing a lease deed transfer to him, the lease hold rights of the plot of land on which the shed stands. The conveyance deed and lease-deed shall be in such forms as may be specified by the Corporation and the documental charges in respect thereof shall be borne by the allottees.

1. Inserted by Notfn. No. GIDS/LAW/AMD/2(a),dt. 13-2-1975; Pub. in G.G.G., Pt. IV-C, dt. 20-2-75, p. 142..

43. . :-

Where any shed to be disposed of under the Disposal of Building Scheme of the Corporation-

(1) none of the incidents of hire-purchase as provided in these regulations shall apply thereto;

(2) the definition of "shed" shall be construed as if for the words "on hire-purchase" therein, the words "under the Disposal of Buildings Scheme" had been substituted:

(3) regulation 9 shall be construed as if-

(a) for the words " hire-purchase fee" the words "scrutiny fee";

(b) for the words "advance payment" the words "earnest money":

(c) for the words "each hire-purchase Scheme" the words "the Disposal of Buildings Scheme" had been substituted;

(4) Regulation 9A shall be construed as if--

(a) for the words "advance payment" the words "earnest money" had been substituted:

(b) sub-regulation (3) had been deleted:

(c) in sub-regulation (5) for the words "the hire purchase agreement" the words "agreement for sale" had been substituted;

(5) subject to the foregoing provisions of regulation 42 and this regulation, the other provisions of these regulations shall, so far as they may be applicable, apply to the disposal of sheds under the "Disposal of Building Scheme"]