

# **The Regulation of sale/purchase/lease of built up area(s) within Shopping Malls/Multiplexes Rules, 2008**

**Published in the Chandigarh Administration Gazette, (Extra.), dated June 5, 2008/Jyaistha 15, 1930 at page 703**

The 5th June, 2008 \*\*\* No. 9/9/131-UTFI(I)/2008/4099.—Whereas, the Chandigarh Administration has permitted change of land use in case of Industrial plots for commercial use including multiplexes and shopping Malls and of Cinema Halls to Multiplexes. In addition Chandigarh Administration may plan to have Multiplexes/Shopping Mall sites in future. Hence, it has become necessary to regulate the sale/purchase/lease of built up areas within these shopping malls and multiplexes.

Now, therefore, in exercise of the powers conferred by section 3 and section 22 of the Capital of Punjab (Development and Regulation) Act, 1952 as adapted by the Punjab (Reorganisation) Chandigarh (Adaptation of Laws on States and Concurrent Subjects) Order, 1968 and all other powers enabling him in this behalf, the Administrator, U. T., Chandigarh is pleased to notify the following Rules to regulate the sale/purchase/lease of built up area within Shopping Malls and Multiplexes namely.—

1. These rules may be called “**The Regulation of sale/purchase/lease of built up area(s) within Shopping Malls/Multiplexes Rules, 2008**” and these will come into force from the date of their publication in the Official Gazette.

**2. Definitions.—**

(i) **Allotment.**—Means allotment of a site on free hold/lease hold basis including sites where the Administration has either permitted change of land use for commercial purpose or which has been duly approved by Chandigarh Administration.

(ii) **Built up area.**—Means area constructed within a shopping mall/multiplexes which can be sold/leased and is duly approved.

(iii) **Competent Authority.**—Means the Chief Administrator appointed under the Capital of Punjab, 1952 or any other officer to whom the powers are delegated partly or completely by the Chief Administrator.

3. All words and expressions used in these rules but not defined hereunder shall have the same meaning attached thereto as in the Capital of Punjab (Development and Regulation) Act, 1952.

4. These rules shall be applicable to Shopping Malls or Multiplexes constructed with the approval of the Chandigarh Administration in accordance with the duly approved building plan.

5. Any owner or lessee of any site permitted to construct a shopping mall or multiplex can sell or lease, as the case may be, the built up area in parts, con-

structed within the shopping mall or multiplex. The said sale or lease, however, shall be subject to the terms and conditions laid down herein below in this Rule and in Rules 6 to 9:—

- (i) The sale/lease of any unit or units on any floor or floors demarcated as per clauses (iv) and (v) of Rule 7 shall be effected through a document duly executed and registered with the Sub Registrar in accordance with the provisions of the Transfer of Property Act, Registration Act, The Indian Stamp Act and all other related laws governing such transactions. Provided that before doing so, the owner/lessee shall furnish all particulars including exact details of the built up area concerned to the Estate Officer and shall obtain "No Objection Certificate" for such sale or lease from the Estate Officer. The Estate Officer shall issue a "No Objection Certificate" in 30 days failing which the "No Objection Certificate" shall be deemed to have been given. Provided further that if the Estate Officer has any objection or reservation regarding "No Objection Certificate", he shall communicate the same to the applicant within 30 days. All objections or observations shall be communicated only once and not in piecemeal and once they are removed or responded to the satisfaction of the Estate Officer, "No Objection Certificate" shall be granted in next 30 days from the date of the reply received, failing which the "No Objection Certificate" shall be deemed to have been given.
- (ii) the owner or lessee and the purchaser(s) or sub-lessee(s), as the case may be, shall be jointly and severally liable to pay, discharge all rates, taxes, charges and assessments of every description in respect of the plot or the buildings or part thereof whether assessed, charged or imposed on the plot or on the building constructed or both.
- (iii) That in case of breach of any condition of allotment or lease by the owner/lessee or purchaser or sub-lessee, the allotment/lease/sub-lease shall be liable to be cancelled and the possession of the plot and/or the building or part of it thereon will be taken over by the Estate Officer and the owner/lessee/purchaser/sub-lessee will not be entitled to any compensation whatsoever or the refund of any premium paid.
- (iv) The owner/lessee/purchaser/sub-lessee shall not, without previous sanction or permission in writing of the Competent Authority, Chandigarh Administration make any alteration or addition to the building.
- (v) The owner/lessee/purchaser/sub-lessee of the built up area shall ensure compliance of the general terms and conditions of lease entered into between the lessor and the original lessee/allottee.
- (vi) The built up area shall not be used for any purpose other than that specified in the architectural control drawings or building plans.
- (vii) The owner/lessee/purchaser/sub-lessee shall be liable to pay any or all such fee(s) or taxes as may be levied by the Central Government, Chandigarh Administration, Municipal Corporation, Chandigarh or any such Authority permissible to do so under the law in respect of sites or buildings or both under any law from time to time.
- (viii) In case any misuse of site or building or a part thereof under the law/rules is reported or comes to the notice of the Estate Officer, then, without prejudice to any action taken under section 8-A of the Act, a notice of not less than 15 days period shall be served on the allottee(s)

and the occupier(s) requiring that the allottee(s) and/or the occupier(s) shall within a period of two months, remove the said misuse and pay monthly charges @ Rs. 500 per sq. ft. of area under misuse which shall be paid jointly and severally by the allottee and the occupier of the site or buildings for every month or part thereof, the misuse continues. In case the misuse continues for more than six months, the Estate Officer, shall be competent to initiate the proceedings of cancellation and resumption in respect of the whole of the site or the part of the site as the case may be as per the provisions and procedure prescribed under law and rules.

- (ix) That in case of land allotted on leasehold basis the lessee shall pay the ground rent/lease money as has been prescribed in the lease deed or as determined by the Competent Authority from time to time.
- (x) That the allottee and sub-allottee or the lessee and sub-lessee, as the case may be, shall be jointly and severally liable to pay the amount of ground rent or part thereof payable to the Chandigarh Administration by the due date, failing which the Estate Officer will be competent to impose penalty. The penalty for every 30 days of delay shall be 10% and continue to rise at the rate of 10% for every delay of 30 days. However, a maximum penalty which can be imposed and levied shall not exceed 120%. Beyond a delay of one year, the whole or part of site, as the case may be, shall be deemed to have been resumed by the Estate Officer. On resumption, the Estate Officer may intimate the resumption for information of lessee/sub-lessee. The amount due can also be recovered as arrears of land revenue.
- (xi) The Estate Officer or his authorised representative shall be entitled at all convenient times and during operational period to enter and inspect the site of building with a view to ensure that no provision of the Capital of Punjab (Development and Regulation) Act, 1952 or the relevant rules made thereunder including these rules is/are being violated. The Estate Officer may authorise any person subordinate to him to carry out the aforesaid inspection.

**6. Transfer charges.—**

- (i) The lessee/owner may sell or transfer the built up area constructed on the plot on payment of transfer charges @ Rs. 600 per sq. ft. or at such rate as determined by the Competent Authority from time to time on every sale/transfer in case of lease hold sites. In case of free hold site the owner shall be liable to pay transfer charges @ Rs. 100 per sq. ft. or at such rate determined by the Competent Authority from time to time:

Provided that those sites which have been got converted into Mall/Multiplexes under the Scheme(s) of conversion, duly notified by Chandigarh Administration after paying conversion charges, no such charges shall be payable on first sale or lease.

- (ii) Every such sale/lease/sub-lease executed as prescribed under these Rules shall be duly informed to the Estate Officer within a period of 30 days of the transaction. The Estate Officer shall update the record for this purpose and shall be competent to ask for every relevant documents or details.

**7. Maintenance of Complex and other Essential Conditions.—**

- (i) The owner/lessee shall be responsible for making all arrangements as are necessary for maintenance of the building including effective fire fighting system, safety systems/arrangements, cleanliness, parking, essential services and facilities for persons visiting the premises of Mall/Multiplex and common services.
- (ii) 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.
- (iii) The owner/lessee shall maintain the site/building in safe and hygienic condition. The parking lot and landscape area shall be constructed in accordance with the types, design and architectural features prescribed or as directed from time to time by the Competent Authority. The architectural integrity, control and aesthetics of the Shopping Mall/Multiplex shall be maintained.
- (iv) At the time of submission of plans and before obtaining NOC under clause 5(i), the lessee/owner shall subdivide the floor space and demarcate the units on each floor and accordingly mark them as under:—
 

Ground Floor A	=	A-1, A-2, A-3, A-4 ... and so on.
First Floor B	=	B-1, B-2, B-3 ... and soon.
Second Floor C	=	C-1, C-2, C-3 ... and so on.
Top Floor D	=	D-1, D-2 ... and soon.
- (v) No fragmentation or amalgamation of any site/building/built up area beyond the approved plan shall be permitted:  
Provided that amalgamation of two or more adjoining built up areas shall be permissible only subject to the condition that the revised plans are duly approved by the competent authority prior thereto on payment of such fee/charges which may be determined by the Chief Administrator.
- (vi) No objectionable trade shall be permitted on or in any site or building. In case of any doubt on what is an objectionable trade, this shall be determined by the Chief Administrator whose orders shall be final.

8. In case of infringement of any provision of these Rules, the Estate Officer may, after such enquiry as deemed necessary and after giving a reasonable opportunity of being heard to the concerned persons, cancel by a speaking order the permission for the sale or lease of any unit or units on any floor or floors besides any other action to be taken under the relevant Act/Rules as applicable.

9. *Appeal.* - Any person feeling aggrieved by an order of the Estate Officer under these Rules may prefer an appeal or revision as the case may be, in accordance with the provisions of the Capital of Punjab (Development and Regulation) Act, 1952.