

# Municipal Corporation Chandigarh

NEW DELUXE BUILDING, SECTOR-17, CHANDIGARH

(Auction Notice of Eating Joint, Shanti Kunj, Sector-16, Chandigarh)

Eating Joint at Shanti Kunj, Sector-16, Chandigarh measuring plinth area 976.96 Sq.Ft. or 90.78 Sqm. approximately will be auctioned on monthly rent basis for three years through open auction to be held on **25.07.2017 at 11:00 A.M.** on “as is where is basis” in the office premises of Municipal Corporation, Sector-17, Chandigarh.

## **Terms and Conditions:-**

1. Minimum reserve rent of Eating joint is Rs.55,000/- per month + GST and any other tax levied by the Central Government/Chandigarh Administration/Municipal Corporation, Chandigarh. Prospective bidders are required to deposit earnest money of Rs.50,000/- (Rupees fifty thousand only) in the shape of demand draft in favour of Commissioner, Municipal Corporation, Chandigarh payable at any scheduled bank at Chandigarh before the start of auction to become eligible for participation in the bid/ auction proceedings. The EMD of unsuccessful bidders shall be returned on the spot.
2. Copy of the detailed terms and conditions can be seen on the Notice Board at Ground Floor, Municipal Corporation, Chandigarh on any working day from 9.00 a.m. to 5.00 p.m. or from the official website [www.mccchandigarh.gov.in](http://www.mccchandigarh.gov.in) of Municipal Corporation, Chandigarh.

Additional Commissioner,  
Municipal Corporation,  
Chandigarh

**TERMS AND CONDITIONS FOR LICENSING OUT EATING JOINT AT SHANTI KUNJ, SECTOR-16, CHANDIGARH.**

1. The allotment of Eating Joint at Shanti Kunj, Sector-16, Chandigarh shall be on monthly license basis for three years with increases of 10% license fee annually. The increase shall be worked out on the license fee last payable.
2. The persons who are interested in participation of bid/auction shall have to deposit Rs.50,000/- (Rupees Fifty thousand only) by way of demand draft in favour of the Commissioner, Municipal Corporation, Chandigarh before the start of the auction to become eligible for participation in the bid/auction proceedings. The amount will be refunded to the unsuccessful bidder.
3. The licensee shall deposit security equal to six months determined license fee plus taxes, less the earnest money of Rs.50,000/- within 15 days from the date of issue of allotment letter. In case of failure to deposit the security within 15 days from the date of issue of allotment letter, the amount of Rs. 50,000/- on account of earnest money deposited by license shall stand forfeited.
4. The licensee shall have to execute Deed of License within seven days of issue of allotment letter. The Cost shall be borne by the licensee.
5. The licensee will have to arrange his own electrical connection for the premises allotted to him and shall be responsible to pay electricity charges to the concerned authority at the rates as may be applicable from time to time.
6. The Lessee shall be liable to pay all such fee or taxes including GST/service charges as applicable and as may be levied by the Municipal Corporation, Chandigarh or any other authority or Govt. in respect of site and building or both under any law.
7. Only disposable type of utensils shall be used for serving the food to customers. No washing of utensils shall be allowed at site. Disposal of waste at proper place shall be the responsibility of the licensee.
8. The licensee shall manage and operate Eating Joint at Shanti Kunj, Sect-16, Chandigarh in the allotted space and abide by the terms and conditions of scheme formulated by the Municipal Corporation, Chandigarh. The licensee shall not use and allowed to be used the said premises for any unlawful activities.

9. The licensee shall not paste any bills, advertisements, posters, notices, cutting etc under any circumstances.
10. The licensee shall make payments of electricity, water charges etc. to the authorities concerned time to time and clear all outstanding dues, before vacating the said premises on the termination of licensee it shall be lawful for the licensor to order for adjustments of arrears on account of electricity, water and other dues outstanding against the licensee from the amount of the security deposit.
11. The licensor shall have full right, power and authority at all times to do through his officers or officials all acts and things which may be necessary or expedient for the purpose of enforcing compliance with the terms and conditions and reservations contained and to recover from the licensee the cost of doing any such act or thing.
12. The license fee shall be remitted to the Municipal Corporation, Chandigarh by means of Demand Draft payable to the Commissioner, Municipal Corporation, Chandigarh and drawn on any scheduled bank situated at Chandigarh. In case of default for payment of rent, a penalty shall be imposed @ Rs. 5000/- for the first time and @ Rs. 10,000/- for the 2nd time besides interest @ 18% per annum. The licensee shall be terminated on continuous default of non-payment of two months and security deposit shall be forfeited.”
13. In the event of non-payment of the licensee fee or non-use of such premises by the due or extended date not exceeding 60 days or breach or non-observance by the licensee of any of the conditions of the licensee will, it shall be lawful for the licensor to terminate the license and the licensee will not be entitled to any compensation, what so ever on account of such termination/cancellation. Provided that on sufficient cause being shown the licensor may for reasons to be recorded in writing instead of terminating the license on the ground of default in payment of licensee fee allow the payment to be made with penalty not exceeding the due amount but not less than Rs. 5000/- with in such period, not exceeding three months on the whole, as he may deem reasonable. The amount of penalty shall however, be in addition to the payment of interest @ 18% per annum as specified herein before.

14. On the termination of licensee under any of the terms and conditions of the license:-
  - a) The licensee will deliver the vacant possession of the Eating Joint at Shanti Kunj, Sector-16, Chandigarh in its original state to the licensor, on completion of agreement failing which the premises shall be got vacated in accordance with law.
  - b) The amount of security lying with the licensor shall be refunded after adjustment of all the dues, without any interest on the amount of security deposit.
  - c) The licensee will submit the No Due Certificate from all the concerned Department regarding electricity charges, water charges and other tax/rent payable by the licensee/licensees against the premises. The security will be refunded only after submission of N.D.C. from all the concerned authorities.
15. In the event of any dispute and difference arising out of or in any way touching or concerning this License Deed, the matter what so-ever shall be referred to the sole Arbitrator i.e. Commissioner Municipal Corporation Chandigarh or the officer so appointed by him whose decision shall be binding on both the parties. The Arbitration and Conciliation Act, 1996 shall apply to the arbitration proceedings. The venue of arbitration shall be only at Chandigarh, U.T., (India). There shall be no objection by the Licensee that the Arbitrator i.e. Commissioner Municipal Corporation, Chandigarh may have dealt with the subject matter earlier in his official capacity.

The expression "Commissioner Municipal Corporation, Chandigarh shall mean and include an acting/officiating Commissioner Municipal Corporation, Chandigarh."

Subject as aforesaid, the Arbitration and Conciliation Act, 1996 and the rules framed there under and any modification thereof for the time being in force shall be deemed to apply to the Arbitration proceedings under this clause.

16. The Municipal Corporation, Chandigarh reserves the right to develop any new services in the area in the public interest at any time during the lease period.
17. The licensee shall not sublet, assign or part with possession of the said Eating Joint or any part thereof. The licensee shall not be entitled to execute

GPA/SPA in favour of other person or enter into partnership with anyone after allotment of kiosks of license basis, which shall be construed as violation of terms & conditions.

18. In the event of the death of the licensee the legal heirs will be entitled for fresh license for remaining period. However, the grant of license shall be at the sole discretion of the competent authority.
19. The licensee shall abide by provisions of the Capital of Punjab (Development and Regulation) Act, 1952 and the rules framed there under from time to time and also the conditions as laid down in the license agreement in Form 'C' appended herewith.
20. In the event of breach of any condition of license or non-payment of license fee, the Corporation may terminate the license.
21. The business of selling the permissible food items in the Kiosks shall be allowed from 7.00 AM to 10.00 P.M only.
22. The surrender of the site within 3 months from taking over the possession shall not be permissible. However, the Commissioner, Municipal Corporation may accept the surrender within 3 months in cogent reasons subject to forfeit of EMD of Rs.50,000/-. The licensee shall have to give 3 months notice in an advance after possession of kiosk for vacation. If the licensee vacate the premises after 3 months without notice of 3 months, the license fee for the period which fall short of 3 months shall be adjusted / recoverable from advance license fees.
23. **Obtaining of the Licenses/permissions etc.**

It shall be the responsibility of the Licensee to obtain the requisite licenses/permissions for carrying out the business of selling of the permissible food products from the Food Health Authority, Chandigarh Administration and any other department office, Institution etc. The licensee shall be solely responsible for violation or infringement of any provision of any law, rules etc. in this regard.

**24. Fire safety arrangements:**

The licensee would be required to make necessary fire safety arrangement in the kiosk and also to install appropriate number of fire extinguishers in consultation with the Fire Officer in whose jurisdiction the area falls to ensure safety and security of the public, self and the kiosks/property.

25. The Licensee shall keep the kiosks and its surroundings in a clean, hygienic condition and shall pay for the cost of any damage thereto or to adjacent premises, caused by negligence or misuse of premises. The licensee shall be liable for fine in the event of unhygienic/ insanitation.

26. No obnoxious trade like Bidi, Cigarette, Pan Masala etc. shall be carried on at the premises. The licensee shall ensure strict 'NO SMOKING' and NO consumption of Liquor in or around the kiosks.

**27. Inspection of the shop:**

The Commissioner Municipal Corporation Chandigarh, may, through his authorized officers/employees, at all reasonable times and in a reasonable manner, and upon any part of the said kiosks for the purposes of ascertaining that the Licensee is duly observing the conditions of this Licence Deed. The licensor shall have full right, power and authority at all times to do through his officers or officials all acts and things which may be necessary or expedient for the purpose of enforcing compliance with the terms and conditions and reservations contained and to recover from the licensee the cost of doing any such act or thing.

**28. Alteration/amalgamation/encroachment/defacement of building**

The Licensee shall not make any addition or alteration/defacement of any sort, in any part of the said kiosks. The Licensee is not entitled to sub-divide the kiosks or to amalgamate it with any other kiosks. The area in front of the said kiosks shall not be encroached upon and used or allowed to be encroached upon or used for any purpose other than a public passage or sitting.

**29. Indemnification by the Licensee**

In the event of any damage or loss is caused to the said Kiosks or any property of the licensor by the licensee or his servants or agents or any one upon the said kiosks, the licensee shall make good all such damage or loss and in that event of his failure to do so within seven days after occurrence of the such damages/ loss, the licensor may make good such loss/damage by deducting the amount from the security.

**30. Termination of License Deed:**

The license Deed may be terminated by the Commissioner Municipal Corporation, Chandigarh or the Licensee as the case may be, in the event of any of the following contingencies:-

- (i) In the event of the non-payment of monthly License Fee, Electricity and Water Charges by due date.

OR

- (ii) By giving 03 month notice in writing in advance in case the services rendered by the licensee are found to be unsatisfactory or there is breach of any condition of the License Deed or the Licensee engages in any obnoxious trade.

OR

- (iii) By giving 3 month notice in writing in advance in case the licensee wants to terminate the license deed subject to the condition that the surrender of the site within 3 months from taking over the possession shall not be permissible. Thereafter, the licensee shall have to give 3 months notice in an advance for vacation, failing which the license fee for the period which fall short of 3 months shall be adjusted / recoverable from advance license fees.

OR

- (iv) In case, the Licensee is declared insolvent by a Court of Law. However, the Licensee shall in that case be given two months notice for the cancellation of his License Deed; provided that during that period, the Licensee shall keep on discharging his duties as before.

OR

- (v) A continuous report of misbehaviour or otherwise selling of products other than permissible by the Licensee or his employees, will render him/her for cancellation of License Deed.

OR

- (vi) In case, the Licensee failure to deposit the Taxes per month at the prevailing rates with the concerned Taxes authority.

OR

- (vii) In case, the permission granted or license issued by any authority is cancelled. In such an eventuality termination will take effect without any notice from the licensor and the licensee is not entitled for any claim.

OR

- (viii) In case the licensee not observing the terms and conditions of license deed.

31. The licensee shall comply with all the provisions of all the Labour Acts governing the service of his employee. There shall be no relation of the employees of the licensee with the licensor and licensee shall be principal employer of his employees for all intends and purposes.

In these terms and conditions unless the context otherwise required.

- a) "Licensor"/"Corporation" means the Municipal Corporation Chandigarh through the Additional Commissioner/ Joint Commissioner/Secretary; MCC.
- b) "Licensee" means, a person, a firm, or a company to whom the premises is allotted on license basis.
- c) "Licensee fee" means, the sum of money payable monthly by the licensee in accordance with the terms and conditions of the license in respect of the said premises.
- d) "License" means the allotment containing detailed terms and conditions of allotment of the said premises.
- e) "License agreement" means an agreement containing the terms and conditions on which the said premises has been licensed out duly executed between the licensor or licensee.