

**GOVERNMENT OF PUNJAB
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**

Notification

The 20th November, 1995.

No. G.S.R. 58/P.A. 14/95/S. 45/95.—With reference to the Government of Punjab, Department of Housing and Urban Development, Notification No. GSR/51/14/95/S. 45/95, dated the 22nd September, 1995, and in exercise of the powers conferred by section 45 of the Punjab Apartment and Property Regulation Act, 1995 (Punjab Act No. 14 of 1995), and all other powers enabling in this behalf, the Governor of Punjab is pleased to make the following rules, namely:-

1. Short title and commencement.- (1) These rules may be called the Punjab Apartment and Property Regulation Rules, 1995.

(2) They shall come into force from the date of their publication in the Official Gazette.

2. Definitions.- In these rules, unless the context otherwise requires.-

- (a) 'Act' means the Punjab Apartment and Property Regulation Act, 1995;
- (b) 'amenity' includes roads, water supply, street lighting, drainage, sewerage, public parks, schools, hospitals, community centres and other community buildings, horticulture, land-scaping and any other public utility service;
- (c) 'family' in relation to a person means the individual, the wife or husband as the case may be, of such individual and his or her unmarried minor children;
- (d) 'Form' means the form appended to these rules; and
- (e) 'prescribed authority' means the authority prescribed as such under sub-rule (2) of rule 11;
- (f) 'section' means a section of the Act, and

3. Disclosure regarding design and material to be used.- The promoter shall disclose the following particulars on reasonable notice or demand as respects designs and materials to be used in the construction, namely:-

- (a) In respect of design,-
 - (i) Location Plan of the building;
 - (ii) Design of the building and of the apartment;
 - (iii) Elevation;
 - (iv) Cross sections; and
 - (v) Structural design;
- (b) In respect of materials to be used in the construction of,-
 - (i) foundation;
 - (ii) super structure;
 - (iii) flooring;
 - (iv) roofing;
 - (v) joineries; and
 - (vi) electric and sanitary fittings.

4. Reservation of residential apartments and plots for person belonging to economically weaker sections of society.-

(1) For the purpose of sub-clause (ii) of the proviso of clause (h) of sub section (2) of section 3 and sub section (9) of section 5, a person whose family income from all sources does not exceed two thousand six hundred and fifty rupees or such other income limit, as may be fixed by the Competent Authority from time to time, keeping in view the income limit, fixed by the Planning Commission of Government of India, for low income group housing, shall be deemed to be a person belonging to the economically weaker sections of society.

(2) No person belonging to the economically weaker section of the society shall be eligible for allotment of a residential apartment or a residential plot in a colony if,-

- (i) he or she himself or his or her spouse or minor child owns a free hold or lease-hold or on hire-purchase basis a residential plot or a residential building in the Union Territory of Chandigarh or in any Urban Estate in the State of Punjab or in a colony developed under the Punjab Regulation of Colonies Act, 1975 or under the Act or under a housing scheme of the Punjab Urban Planning and Development Authority or a local authority including an Improvement Trust;
- (ii) he is less than eighteen years of age on the date the applications are invited for such allotment; and
- (iii) his family income from all sources exceeds the income limit specified in sub-rule (1).

(3) If the total number of residential apartments is one hundred or more in any building, ten per cent of such apartments and, if total area of a colony is forty hectares or more, ten per cent of the area under residential plots or houses shall be reserved for being sold or leased to the eligible persons belonging to the economically weaker sections of the society.

(4) The constructed size of the apartment or the area of plot to be reserved for being sold or leased to the persons belonging to the economically weaker sections of the society, shall not be less than twenty square metres, and more than forty square metres in the case of the apartments and shall not be less than forty square metres and more than ninety square metres of the plot in the case of the colony or such area, as may be determined by the competent authority from time to time with the prior approval of the State Government.

5. Mode of allotment of reserved apartments and plot.- (1) The promoter shall invite applications for allotment of residential apartments or residential plots reserved for the persons belonging to the weaker sections of the society under rule 4 by publishing a public notice in at least two newspapers widely in circulation in the area where the apartments or plots are situated and a copy of the public notice so published shall be filed in the office of the competent authority.

(2) All applications received by the promoter in response to the public notice published under sub rule (1), shall be entered serially in a register maintained for this purpose in the office of the promoter and acknowledgement of the receipt thereof in the office of the promoter shall be sent to the applicants.

(3) No application shall be rejected merely on the ground that it is incomplete in any respect and the defect or deficiency found in the application shall be got rectified by the promoter from the applicant.

(4) The promoter shall with the approval of the competent authority determine which of the applicants are eligible for allotment of plots or apartment, as the case may be.

(5) The allotment of plots or apartments, as the case may be, to the eligible applicants, shall be made by draw of lots under the supervision of the competent authority or any of its representative duly authorised by it in this behalf.

6. Price to be paid for allotments for apartments and plots. – The price payable for allotment of plots and apartments reserved to be sold or leased to the persons belonging to the economically weaker sections of the society shall be at least fifteen percent less than the price fixed for the allotment of such plots or apartments to other categories of persons and unless the allottee voluntarily agrees to pay the price so fixed in lump sum, the price shall be payable in instalments to be fixed by the promoter in such a way that it would be recoverable within a period of at least three years from the date of allotment of the apartment or the plot, as the case may be.

7. Disclosure regarding registration and licence .- The promoter shall disclose the number of his certificate of registration granted under sub-section (2) of section 21 and, in the case of a colony, also the validity of licence issued under sub-section (3) of section 5 and display the certificate of registration and the licence so granted at a conspicuous place in his office and make it available for inspection to the persons taking or intending to take an apartment or a plot in the colony and to a person authorised by the competent authority.

8. Supply of copies of documents.- The promoter on demand shall supply true copies, on payment of reasonable charges, of the following documents, namely:-

- (a) title deed of land, certificate of the attorney at-law or an advocate of not less than seven years standing, referred to in clause (a) of sub-section (2) of section 3 and copies of the advertisement issued under section 4;
- (b) copy of the consent of the land owner, if the land does not belong to the promoter as referred to in clause (a) of sub-section (2) of section 3;
- (c) design of apartment, agreement with an architect and a contractor, referred to in clause (f) of sub-section (2) of section 3;
- (d) copy of occupation certificate referred to in section 14; and
- (e) certificate of registration granted under sub-section (2) of section 21 and in case of colony, the permission granted under sub-section (2) of section 5.

9. Additional information to be supplied by the promoter.- The promoter alongwith the information specified under sub-section (3) of section 4, shall also disclose the information regarding the following matters in the advertisement or prospectus to be issued under sub-section (1) of section 4, namely:-

- (a) the earnest money to be deposited;
- (b) the mode of payment;
- (c) the mode of allotment;

- (d) the interest to be charged;
- (e) the general specifications to be used;
- (f) the common areas and facilities to be provided;
- (g) the infrastructure to be provided; and
- (h) the likely date by which the possession shall be handed over.

10. Application for licence and documents to be used and fee to be paid for grant of licence.- (1) Every promoter who desires to develop any land into colony shall make an application in writing in Form APR I to the competent authority for the grant of a licence under section 5 and shall furnish therewith :-

- (a) a demand draft for a sum calculated at the rate of rupees five hundred rupees per hectare or part thereof subject to a minimum of two thousand rupees as licence fee in favour of the competent authority and drawn on any Scheduled Bank;
- (b) income tax clearance certificate;
- (c) particulars of experience as promoter showing number and details of the colony or colonies already developed or being developed;
- (d) particulars about financial position of the promoter; and
- (e) the following plans and documents in triplicate, namely:-
 - (i) copy or copies of all the title deeds and other documents showing the interest of the applicant in the land under the colony alongwith a list of such deeds and documents, and if the land is owned by another person the consent of owner of such land;
 - (ii) copy of the Shajra Plan showing the location of the colony alongwith the names of revenue estates, Khasra number and area of each field;
 - (iii) a guide map on a scale of not less than ten centimeter to one kilometer showing the location of the colony in relation to surrounding geographical features to enable the identification of the land;
 - (iv) a survey plan of the land under the proposed colony on a scale not less than 1:1000 showing the spot levels at a distance of thirty metres and where necessary contour plans showing the boundaries and dimensions of the said land, the location of streets, buildings and premises within a distance of at least thirty metres of the said land existing means access to and from existing roads;
 - (v) layout plan of a colony on a scale of not less than 1:1000 showing the existing and proposed means of access to the colony, the width of streets, sizes and types of plots reserved for the economically weaker sections of the society, sites reserved for open spaces, community buildings and schools with area under each and proposed building lines on the front and sides of the plots;
 - (vi) an explanatory not explaining the salient features of the colony, in particular the source of whole-some water supply arrangement and site for disposal and treatment of storm and sullage water;
 - (vii) plans showing the cross-sections of the proposed roads indicating in particular the width of the proposed drainage ways, cycle tracks and

footpaths, green verges, position of electric poles and of any of other works connected with such roads;

- (viii) plans as required under sub-clause (vii) indicating, in addition the position of sewers, storm water channels, water supply and any other public health services;
- (ix) detailed specifications and designs of road works shown under sub-clause (vii) and estimated cost thereof;
- (x) detailed specifications and designs of sewerage, storm water, and water supply schemes with estimated costs of each;
- (xi) detailed specifications and designs for disposal and treatment of storm and sullage water and estimated costs of works;
- (xii) detailed specifications and designs for electric supply including street lighting.

Explanation. (i) In the layout plan of the colony, other than an industrial colony, the land reserved for roads, open spaces, schools, public and community buildings and other common uses, shall not be less than forty five percent of gross area of the land under the colony:

Provided that the competent authority may reduce this percentage, to thirty-five percent where, in its opinion, the planning requirements and size of the colony so justify;

(ii) In the layout plan of an industrial colony, the land reserved for the purposes mentioned in Explanation (i) shall not be less than thirty-five percent of the gross area of the land under the colony :

Provided that the competent authority may reduce this percentage to twenty five percent where, in its opinion the planning requirements and the size of the colony so justify.

(2) The triplicate plans specified in clause (e) of sub-rule (1) shall be clear and legible azo-prints with the set mounted on cloth.

(3) If the applicant wants to be exempted from providing any one or more of the amenities in a colony, he shall furnish detailed explanatory note in triplicate alongwith the application and if necessary indicating the reasons as to why the said amenity or amenities need not or cannot be provided.

11. Inquiry by competent authority .- (1) On receipt of application in the prescribed form and complete in all respects under rule 10 of the competent authority shall enquire into the following matters and such other matters, as it may consider necessary, namely:-

- (a) the title of the applicant to the land which is proposed to be converted into a colony;
- (b) extent and situation of the land;
- (c) financial and managerial capacity of the promoter to develop the colony;
- (d) layout plan of the colony;
- (e) plan regarding the development works to be executed in the colony; and
- (f) conformity of development of the colony with neighbouring areas.

(2) The competent authority may, after making enquiry as specified in sub-rule (1) and after giving the applicant a reasonable opportunity of being heard, and also taking into consideration the opinion of the Chief Town Planner, Punjab, who shall be the prescribed authority for the purpose of sub-section (2) of section 5, by an order in writing, reject the application to grant licence if,-

- (a) it does not conform to the requirements of these rules;
- (b) the plans and designs of the development works submitted with the application are not technically sound and workable; or
- (c) the estimated expenditure on water supply main or extra mural and outfall sewerage is not commensurate with the size of the colony.

(3) If after scrutiny of the plans and other necessary enquiries, which the competent authority may deem fit, the competent authority is satisfied that the applicant is fit for the grant of licence, it shall, before granting licence, call upon the applicant to fulfill the conditions laid down in rule 12 within a period of thirty days from the date of the service of notice in Form APR II:

Provided that on application within the aforesaid period of thirty days, for the extension of time limit, the competent authority, if satisfied, may extend such time limit further upto thirty days.

(4) If the applicant fails to fulfill the conditions referred to in sub-rule (3) within the specified period or extended period, if any, the grant of licence shall be refused and intimation of such refusal shall be communicated to the applicant in Form APR III.

12. Conditions required to be fulfilled by the applicant.- (1) The applicant, who is found fit for the grant of a licence under rule 11, shall be asked by the competent authority to;-

- (a) furnish in such form as the competent authority may specify a bank guarantee equal to twenty-five per cent of the estimated cost of the development works certified by the competent authority; and
- (b) furnish an undertaking to enter into an agreement in Form APR IV for carrying out and completion of development works in accordance with the conditions of the licence to be granted; and
- (i) to maintain a separate account in any Scheduled Bank of all sums, taken by him from the persons intending to take or who have taken the plots, as advance or deposit towards the sale price or for any other purpose as required under section 9 and utilize this amount for meeting the cost of development works in the colony and shall, on demand, in writing, by the competent authority, make full and true disclosure of all transactions in respect of that account;
- (ii) to pay proportionate development charges, if the main lines of roads, drainage, sewerage, water supply and electricity are to be laid out the constructed by the State Government or any local authority;
- (iii) take responsibility for maintenance and upkeep of all roads, open spaces, public parks and public health services for a period of five years from the date of the issue of completion certificate under the building regulations unless earlier relieved of this responsibility and thereupon to transfer such roads, open spaces, public parks and public health services free of costs to the State Government or the local authority, as the case may be;

- (iv) to construct or to get constructed at his own cost schools, hospitals, community centres and other community buildings on the land set apart for this purpose or transfer such land to the State Government either free of cost or on payment of actual cost of development of land, as may be decided by the State Government in which case, the State Government shall be at liberty to transfer such land to any local authority or person or institution on such terms and conditions, as it may deem fit; and
- (v) to permit the competent authority or any other officer authorised by it to inspect the execution of layout and development works in the colony and to carry out all directions issued by it for ensuring due compliance of execution of layout and development works in accordance with the licence granted.

(2) If the competent authority having regard to the amenities which exist or are proposed to be provided in the locality, decides that it is not necessary or possible to provide such amenities, the applicant will be informed accordingly and sub-clauses (ii), (iii) and (iv) of clause (b) of sub-rule (1) shall be deemed to have been modified to that extent.

13. Grant of Licence.- The competent authority shall grant a licence in Form APR V after the promoter has furnished a bank guarantee equal to twenty five per cent of estimated cost of the development works duly certified by the competent authority and the promoter has undertaken to enter into an agreement in Form APR IV for the completion of development works as per conditions of the licence so granted and agrees to deposit the service charges as provided under section 32.

14. Renewal of Licence.- (1) In case the promoter fails to complete the development works within a period of three years specified in sub-section (4) of section 5, he may make an application to the competent authority in Form APR VI for the renewal of his licence atleast thirty days before the expiry period of the licence and the application so made shall be accompanied by:-

- (i) a demand draft for a sum calculated at the rate of fifty per cent of the fee prescribed in rule 10 for issuing as renewal fee in favour of the competent authority and drawn on a scheduled Bank;
- (ii) income tax clearance certificate;
- (iii) an explanatory note indicating the details of development works, which have been completed or are in progress or are yet to be undertaken;
- (iv) reasons for non-completion of development works as required in terms of the licence granted to him; and
- (v) the licence.

(2) On receipt of an application under sub-rule (1), the competent authority, shall, if satisfied after making such enquiry, as it may consider necessary, that the delay in execution of development works was for reasons beyond the control of the promoter and there has been no violation of any provision of the Act and the rules made there-under, renew the licence for a period of one year.

(3) In case the competent authority is not so satisfied, it shall reject the application and in that case, an intimation in this regard will be sent to the promoter in Form APR VII:

Provided that before rejecting the application, the competent authority shall give the promoter an opportunity of being heard.

15. Recovery of charges incurred on development works.- After the development works have been carried out by the competent authority under sub-section (13) of section 5, the charges incurred by the competent authority for carrying out such development works, shall be recovered by adjusting the amount received as a result of enforcement of the bank guarantee and the balance, if any, shall be recovered from the promoter, subject to the condition that the amount so recovered, shall not exceed the amount the promoter has actually recovered from the allottees by deducting the amount actually spent on development works, and on the allottee subject to condition that the amount so recovered, shall not exceed the amount, which they have to pay the promoter towards the expenses of such development works under the terms of the agreement of sale or transfer.

16. Agreement of Sale.- The agreement of sale to be executed by the promoter with the intending purchasers under sub-section (1) of section 6, shall be in Form APR VIII and shall be accompanied by the following documents, namely:-

- (i) the certificate of title to land having been duly certified by the attorney at law or an advocate of not less than seven years standing;
- (ii) certified copy from the relevant revenue record showing the nature of title of the promoter to the plot of land on which the building of apartments is constructed or is to be constructed and if the land is owned by another person, the consent of the owner of such land to the development of the colony or construction of the building; and
- (iii) the plans and specifications of the apartments as approved by the authority, which is required so to do under any law.

17. Rate of interest on refund of advance money upon cancellation of agreement.- The promoter shall refund full amount collected from the prospective buyers under sub-section (1) of section 6 together with interest thereon at the rate of twelve per cent per annum payable from the date of receipt of amount so collected till the date of re-payment.

18. Fee for settlement of disputes under section 11 (2).- Application under sub-section (2) of section 11 for referring the dispute to the competent authority, shall be accompanied by a fee of rupees two per square metre of the covered area of the apartment subject to a minimum of two hundred rupees in the form of a demand draft drawn on any Scheduled Bank in favour of the competent authority.

19. Particulars to be given and documents to be attached with conveyance deed of apartment.- The conveyance deed of apartment to be executed under section 15, shall contain the following particulars and shall be accompanied by the following documents, namely:-

- (a) the name, address and other particulars of the allottees;
- (b) the description of the land on which the building and the common area and facilities are located, and whether the land is free-hold or lease-hold and if lease-hold, the period of such lease;
- (c) a floor plan of the building showing the layout and location of the apartment, alongwith the verified statement of an architect certifying that it is an accurate copy of the portions of the plans of the building as filed with and approved by the local authority within whose jurisdiction the building is located;
- (d) the description of the building, stating the number of storeys and basement, the number of apartments in that building and the main material of which it is constructed;
- (e) the apartment number or statement of the location of the apartment, its approximate area, number and dimensions of the rooms, immediate common area to which it has access, and any other details necessary for its proper indentification;
- (f) the description of the common areas and facilities appurtenant to such apartment;
- (g) the description of the limited common area and facilities, if any, stating as to which apartments their use is reserved;
- (h) the value of the property and of the apartments and the percentage of undivided interest respectively, in the common areas and facilities and the limited common areas and facilities, if any, appurtenant to such apartment, and a statement that the apartment and such undivided interest, are not encumbered in any manner whatsoever on the date of execution of the conveyance deed of apartment;
- (i) the statement of the purposed for which the building and each of the apartments are intended and restricted as to use;
- (j) the name of the person to receive service or process, together with the residence or place of business of such person; and
- (k) any other particulars or documents, which the parties to the conveyance deed of apartment, may deed desirable to set forth.

20. Form of application.- Application for enforcement of conveyance deed under sub-section (1) of section 16 shall be made in form PR IX.

21. Building Regulations.- In the areas falling within the jurisdiction of a municipality, the rules or regulations or bye-laws of the municipality regulating the matters specified in section 20, shall be applicable and in the areas falling outside the jurisdiction of a municipality, the building rules made under the Punjab Regional and Town Planning and Development Act, 1995 (Punjab Act 11 of 1995), shall *mutatis mutandis* be applicable.

22. Release of Bank Guarantee.- After the layout and the development works in a colony have been completed, and a completion certificate in respect thereof has been issued the competent authority, may, on an application in this behalf from the promoter, release within a period of three months of the date of

application, the bank guarantee furnished by the promoter after adjusting the amount incurred by the competent authority under sub-section (13) of section 5.

Provided that one-fifth of the bank guarantee shall be kept unreleased to ensure the up-keep and maintenance of the colony for a period of five years from the date of issue of the completion certificate or till such time, as the promoter is relieved of the responsibilities in this behalf, by the State Government or a local authority, as the case may be, whichever is earlier.

23. Certificate of registration.- (1) An application for registration as promoter or as an estate agent, shall respectively, be made in Form APR X and Form XI, and shall be accompanied by a fee of five thousand rupees in the case of a promoter and two thousand and five hundred rupees in the case of an estate agent in the form of a demand draft on a Scheduled Bank in favour of the competent authority.

(2) The certificate of registration shall be issued by the competent authority in the case of a promoter in Form APR XII in the case of an estate agent in Form APR XIII.

24. Qualifications for registration as promoter and estate agent.- (a) In case the application is for registration as a promoter, the applicant himself, if he is an individual, or one of his employees or one of the partners in case of a firm, or one of the directors in the case of a company, or one of the members of the managing committee in the case of a co-operative society, as the case may be, should be Matriculate or should possess its equivalent qualifications and should not be less than eighteen years of age.

(b) In case the application is for registration as an estate agent, the applicant should be Matriculate or should possess its equivalent qualifications and should not be less than eighteen years of age and should not be in the employment of the Government or a State Government or a State undertaking or a local authority and should not have been dismissed from the service of a Government or a State Undertaking or a local authority.

(c) In case the application is for registration as a promoter, the applicant, himself, or one of his employees or one of the partners, in case of a firm, or one of the directors, in the case of a company, or one of the members of the managing committee in the case of a co-operative society, as the case may be should have atleast five years experience in the field of development of colonies or construction of buildings whether as a construction engineer, an architect, a town planner or as a contractor and in the case of an estate agent, the applicant should have atleast five years experience as an estate agent.

(d) The applicant shall furnish to the competent authority a bank guarantee or security of fifty thousand rupees for registration as a promoter and ten thousand rupees for registration as an estate agent.

25. Fee for renewal of registration.- The fee for renewal of registration as a promoter or an estate agent, shall be the same as is payable, under rule 23 for granting certification of registration; provided the application is made in Form APR XIV in the case of a promoter and in Form APR XV in the case of an estate agent atleast three months before the expiry of the period of certificate of registration.

26. Form and manner of maintaining accounts and registers and records.- (1) Every registered promoter shall maintain:-

- (a) a separate ledger account of each of the allottees of the apartment or plot specifying the name and postal address of the allottees, amount realized from each apartment owner or plot holder;
- (b) accounts showing the details of expense incurred by him or constructing the buildings or apartments or on development works in the colony with the details thereof in accordance with the provisions of section 9; and
- (c) a register in Form APR XVI containing the details of plots or apartments sold by him to the allottees, date of the agreement of sale of such plots or apartments, details of the payment of the sale price and date of handing over the possession and execution of the conveyance deed.

(2) Every estate agent shall maintain a register in Form XVII indicating category of plot and apartment, area of plot and apartment, names and addresses of sellers and buyers consideration money, date of sale and registration of sale deed.

(3) The competent authority shall maintain registers in Form APR XVIII showing particulars of all cases in which licence under sub-section (3) of section 5 is granted or refused and in Forms APR XIX and APR XX showing the particulars of all cases in which certificate of registration is granted or refused to promoters and estate agents respectively, under section 21.

27. Audit.- (1) Every promoter and estate agent shall get his accounts audited after the close of every financial year by a chartered accountant and shall furnish a statement of accounts duly certified and signed by such chartered accountant alongwith the auditor's report to the competent authority within a period of six months of the close of the financial year.

(2) While auditing the accounts, the chartered accountant shall also verify that amount collected by the promoter for a particular purpose have not been utilized for any other purpose as provided in section 9 and a certificate to that effect shall be recorded by the chartered accountant and a copy of the certificate so recorded, shall be sent by the promoter to the competent authority.

28. Returns.- (1) The promoter shall furnish to the competent authority six monthly return in Form APR XXI, showing the amount received from the allottees of apartments and plot holders during that period, and amount spent on construction of apartments and on the development of plots, and the balance amount deposited in a bank for development works in the colony or for construction of apartments or for apartments constructed and sold, plots developed and sold and apartments under construction and colonies under development.

(2) The estate agent shall furnish annual return to the competent authority in Form APR XXII within a period of three months of the close of financial year indicating the names and address of the sellers and purchasers of the plots and apartments and dates of execution of conveyance deeds.

29. Utilisation of fund.- The Punjab Urban Development Fund shall, in addition to the purposes specified in sub-section (4) of section 32, also be utilised for-

- (i) the upgradation and moderanisation of technology in town planning and urban affairs.
- (ii) providing training facilities in urban management and town and country planning; and
- (iii) organising seminars, workshops and conferences on town and country planning urban affairs and urban management.

30. Form and manner of filing appeal under section 33 (2).- An appeal against an order of the competent authority under the Act, shall be preferred in writing, signed by the appellant or his duly authorised agent and shall be accompanied by the following documents, namely:-

- (i) a certified copy of the order appealed against;
- (ii) a precise statement of the facts of the case;
- (iii) statement of facts and laws in support of the case; and

- (iv) any other material document of evidentiary value relied upon.