

Clarification required on the minutes of the pre-bid meeting for the e-auction of Commercial Plot of land [e-auction id: 2017_WBIDF_1]

| Query received on 13.09.2017 seeking clarification on the minutes of the pre-bid meeting held on 09.09.2017 | Clarification |
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| <p><u>S. No. 1 – Regarding Urban Land (Ceiling and Registration) Act, 1976</u></p> <p>It was discussed during the pre-bid meeting that with regards to the exemption under ULCRA, WBIDFC will obtain a confirmation letter from the competent authority of the state government within a period of 90 days from the date of issue of Letter of Intent and before the payment of the lease premium by the Selected Bidder stating that such authority will grant an exemption under ULCRA to the Lessee after registration of the Deed of Lease.</p> <p>It was further discussed that in case such a confirmation letter is not obtained within the above time period of 90 days then the Selected Bidder will grant additional 60 days to WBIDFC to procure such confirmation letter from the competent authority.</p> <p>It was also discussed that in a situation that the said confirmation letter is not obtained during this extended period of 60 days as well, then the Selected Bidder may at its option grant a further extension to WBIDFC to obtain the same OR proceed with payment of Lease Premium and registration of Deed of Lease.</p> <p>The published minutes capture the extension of 60 days for payment of the Lease Premium but do not address the point of further extension or payment of lease premium (along with registration of the lease deed) at the option of the selected bidder, in the event confirmation letter from the competent authority is not obtained by WBIDFC during the 60 day extension as well.</p> | <p>Prior to execution of the Lease Deed and payment of the Lease Premium within 90 days from Letter of Intent, WBIDFC shall obtain a letter of comfort from the relevant Authority, stating that after the registration of the Lease Deed, the exemption for the Property under the Urban Land (Ceiling and Regulation) Act, 1976 will be granted to the Selected Bidder by the relevant Authority on submission of application for exemption by the selected bidder.</p> <p>In case such a letter of comfort is not obtained within the above time period of 90 days, an extension shall be made for payment of lease premium without interest for a period of 60 days.</p> <p>In a situation that the said comfort letter is not obtained during this extended period of 60 days as well, then the Selected Bidder and WBIDFC may mutually further extend time to obtain the same OR the selected bidder may proceed with payment of Lease Premium and registration of Deed of Lease.</p> |
| <p><u>Assignment of leasehold interest in the subject Property</u></p> <p>With regards to Clause 5.1 (viii) of the Draft Lease Deed (forming part of the RFP), it was discussed and agreed by WBIDFC during the pre-bid meeting that WBIDFC will grant a No Objection Certificate OR a Power of Attorney to the Lessee after the registration of the Deed of Lease which will allow the Lessee to assign the leasehold interest in the subject property and the Lease Deed would be amended accordingly.</p> <p>However, the published minutes have not captured the above discussion and/or its outcome.</p> | <p>An in-principle approval will be granted by the Lessor to the selected bidder on request, for future assignment of leasehold interest on the property within a period of 30 days of execution of Deed of Lease.</p> |



Clause 5 (v) of Appendix – VII (Format of Deed of Lease) stipulates that the Lessee shall start development work on the Property within eighteen months from the date of handing over possession of the Property

All the potential bidders present at the pre-bid meeting, including ourselves, had expressed concerns over the practicality of the above stipulation given that no development work can be started on the Property without getting the final approvals/permissions from New Town Kolkata Development Authority and other competent authorities which itself could take eighteen months or more. Prior to any other approval being granted, the Lessee will be required to obtain the relevant environment approvals, which at present itself require 12 months or more.

It was therefore suggested by the potential bidders that this stipulation be changed to stated that;

“The Lessee shall start development work on the Property within eighteen months from the date of Plan Sanction by NKDA provided that the Lessee has not unduly delayed the submission of the plans for approval”

OR

“The Lessee shall start such development work, which do not need specific approvals from any authority, on the Property within eighteen months from the date of handing over possession of the Property”

You had stated that WBIDFC is sensitive to the observation of the potential bidders and would address the same at the time of publishing the minutes of the pre-bid meeting. However, the published minutes of the pre-bid meeting have not addressed the said concern.

The Lessee shall start development work on the Property within eighteen months from the date of Plan Sanction by NKDA provided that the Lessee has not unduly delayed the submission of the plans for approval.

