

Development Agreement

(For Developer Companies/Consortium selected under the Hi-tech Township Policy-2003 and Hi-tech Township Policy-2007)

This Agreement is made on this day of two thousand betweenUttar Pradesh Housing and Development Board constituted under the provisions of Uttar Pradesh Housing and Development Board Act, 1965/Development Authority constituted under the provisions of Uttar Pradesh Urban Planning and Development Act, 1973 through Sri its Commissioner/ Vice Chairman (hereinafter referred to as the "First Party", which expression shall unless the context does not so admit, include its successor) of the One Part,

AND

M/s..... a company registered under Companies Act, 1956/ Consortium registered on..... having its registered office at through its Authorized Signatory Shri..... (hereinafter referred to as the "Second Party" which expression shall, unless repugnant to the meaning or context thereof include its successor of the OTHER PART.

WHEREAS the Government of Uttar Pradesh has announced the Hi-tech Township Policy-2007 vide Government Order No. 3189/Eight-1-07-34 Vividh/03, dated 16th August, 2007 which was revised by Government Order No.3872/ Eight-1-07-34Vividh/03, dated 17th September, 2007 to promote and facilitate private sector participation in the development of Hi-tech Townships with world-class infrastructure;

AND WHEREAS the High Level Committee constituted by the Government of Uttar Pradesh has selected M/s.....for the development of Hi-tech Township at..... (Name of city/location);

AND WHEREAS the Second Party i.e. M/s.....has signed a Memorandum of Understanding on..... with the First Party for the development of Hi-tech Township at..... (Name of city/location);

AND WHEREAS the total land area of the proposed Hi-tech Township is acres and its conceptual Detailed Project Report (hereinafter referred to as the "DPR") submitted by the Second Party has been approved on by the First Party;

AND WHEREAS the Second Party has obtained approval of Government of Uttar Pradesh for purchasing/holding land in excess of 12.5 acres under section-154 of Uttar Pradesh Zamindari Abolition and Land Reforms Act, 1950;

AND WHEREAS the land use of the proposed site conforms to the development of Hi-tech Township as per the Master Plan of(Name of city) or the land use has been converted by the Government of Uttar Pradesh for the purposes of Hi-tech Township;

AND WHEREAS the Detailed Layout Plan of the phase of the proposed Hi-tech Township on acres has been submitted by the Second Party to the First Party for approval;

AND WHEREAS the Second Party is required to sign a Development Agreement with the First Party at the time of approval of Detailed Lay-out Plan as provided in the MoU;

NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:

1.	Definitions	Unless the context otherwise requires the following terms shall have the meanings assigned herein when used in this Agreement:-	
		(a)	"Agreement" means the Development Agreement.
		(b)	"Act" means Uttar Pradesh Urban Planning and Development Act, 1973 or the Uttar Pradesh Housing and Development Board Act, 1965, as the case may be.
		(c)	"First Party" means Development Authority constituted under Uttar Pradesh Urban Planning and Development Act, 1973 or the Uttar Pradesh Housing and Development Board constituted under Uttar Pradesh Housing and Development Board Act, 1965, as the case may be.
		(d)	"Second Party" means M/s..... a company registered under Companies Act, 1956/Consortium registered on..... having its registered office at
		(e)	"DPR" means the Conceptual Detailed Project Report of the proposed Hi-tech Township.
		(f)	"Layout Plan" means the detailed plan showing the arrangement in which different uses or buildings, roads and open spaces are placed in relation to each other in accordance with prevailing Zoning Regulations and Building Bye-laws.
		(g)	Government means Government of Uttar Pradesh.
2.	Project Execution	The Second Party shall adhere to the following provisions for planned and time-bound execution of the Hi-tech Township project:-	
(i)	Start of Work	(i)	The Second Party shall commence the development works immediately after the approval of the Layout Plan. The date of start of work for this project shall be treated as the date of signing of this Agreement.

		(ii)	The Second Party shall carry out the internal and external development and construction works as per the approved DPR and Layout Plan at its own expense.
(ii)	Implementation Schedule		The Second Party shall adhere to the 'Implementation Schedule' of internal and external development works as given in the DPR and shall complete all the development works in respect of the proposed Hi-tech Township within a period of five years or the extended period from the date of signing of this Agreement, as the case may be. If the Second Party fails to complete the development works within the project period, it shall be liable to pay fine at the rate of one per cent of the remaining cost of development works for every month subject to maximum.....
(iii)	Specifications and Standards		The development and construction works shall be in accordance with the standards and specifications provided in the approved DPR and the Layout Plan.
(iv)	Disaster Management	(i)	The Second Party shall adhere to the Government Policies and the relevant BIS/IS codes, guidelines and practices relating to disaster management in the development and construction works of the proposed Hi-tech Township.
		(ii)	The Second Party shall submit a certificate to the First Party regarding earthquake resistant execution of development and construction works duly signed by the Structural Engineer, Supervisory Site Engineer and Licensed Architect having prescribed qualification and experience as per the prevailing Government Orders.
(v)	Development and Quality Control		The Second Party shall carry out the internal and external development works in accordance with the standards and specifications laid in the approved DPR and the Layout Plan. The execution, completion and certification of each development work of the project shall be carried out by a mutually agreed licensed Architect and authorized Engineer.
(vi)	Connectivity Charges	(i)	Connectivity to trunk services such as road connection, drainage and sewage disposal, water supply, electricity, solid waste management or any such other community facility if required, shall be extended to the Second Party by the respective Government Agency on payment of actual cost plus 15% supervision charges thereon.

		(ii)	If any major infrastructure such as embankment, ring road, flyover, metro, et-cetera, is provided by the First Party during the project period consequent to which the proposed township would be directly benefited, the Second Party shall pay proportionate cost of such infrastructure to the First Party, with prior approval of the High Level Committee.
(vii)	City Development Charges		Second Party shall pay City Development Charges for augmentation/strengthening of existing infrastructure at the rate of Rs.----- per acre.
3.	Supervision of Development and Construction Works		The First Party shall supervise the implementation of project in accordance with and as per the time-schedule prescribed in the approved DPR and inspect the quality of external and internal development and construction works to ensure that they are as per the provisions of approved DPR and Layout Plan. The Second Party shall pay the inspection charges to the First Party as per the prevailing Government orders.
4.	Extension of Project Period		The Second Party shall complete the Hi-tech Township project within a period of five years from the date of signing of this Agreement. Extension in the project period shall be permissible subject to following conditions:-
		(i)	If there is delay in acquisition of land for the second/subsequent phase, extension in the project period shall be permissible with the approval of the High Level Committee.
		(ii)	If there is any unavoidable delay in providing connectivity to off-site infrastructure viz. road, drainage, sewerage, electricity, water supply, etc., extension in the project period shall be permissible with the approval of the High Level Committee.
5.	Provision of EWS and LIG Plots / Houses	(i)	The Second Party shall construct 10 per cent of the total houses/plots for Economically Weaker Section (EWS) and another 10 per cent houses/plots for the Lower Income Group (LIG) families as per the norms and cost ceiling laid down by the First Party.

		(ii)	Allotment of houses/plots for the above categories shall be made through a committee constituted by the Housing and Urban Planning Department, Government of Uttar Pradesh under the chairmanship of the Housing Commissioner/Vice-Chairman of the respective Government Agency. The Second Party shall sell the houses/plots to the allottees.
		(iii)	The Second Party shall sell the houses/plots to the persons to whom houses/plots have been allotted by above said committee.
6.	Extension of Services to Village Abadies		The Second Party shall provide basic infrastructure such as road, drainage, water supply, sanitation and electricity, et-cetera free-of-cost to the village abadies falling within the Hi-tech Township area. The beneficiaries will pay user charges to the service provider/ Second Party.
7.	Electricity Distribution		In case the Second Party undertakes distribution of electricity, it shall have to secure licence from Uttar Pradesh Electricity Regulatory Commission for this purpose.
8.	Provision of Community Facilities		Second Party shall provide land for community facilities such as electric sub-station, police-station, fire station, post-office, telephone exchange, et-cetera and construct these facilities as per the norms and make them available to the respective department free-of-cost through the First Party.
9.	Performance Guarantee		To ensure timely completion of the project as per the provisions of the approved DPR and registration of transfer deeds of developed properties before handing over of properties to allottees, the Second Party shall submit legal undertaking to mortgage 25 per cent of the total saleable land in favour of the First Party. For this purpose a mortgage deed shall be executed in accordance with the provisions of prevailing rules/Acts and the mortgage deed shall be registered. The mortgaged land shall be released in proportion to the Second Party on successful completion of various services to the functional stage and registration of transfer deeds of developed properties in favour of allottees. If the Second Party leaves any development work incomplete, the same shall be completed by the First Party through sale of the land so mortgaged.

10.	Completion Certificate	<p>(i) The Second Party shall complete the development works within approved project period. It shall be compulsory for the Second Party to obtain a completion certificate regarding internal and external development works from the First Party in accordance with the procedure laid down in the Building Bye-laws applicable in the respective Development Area/Scheme Area/Special Development Area/ Regulated Area, et-cetera.</p> <p>(ii) The Second Party shall obtain a certificate regarding satisfactory completion of electric works from the Chief Electrical Inspector, Government of Uttar Pradesh and furnish the same to the First Party at his own expense.</p>
11.	Registration of transfer deeds of properties	The Second Party shall ensure registration of transfer deeds of developed properties before handing over of the possession to the allottees, failing which the money equivalent to the stamp duty and registration fees amount shall be recovered by the First Party through invocation of the Bank Guarantee or sale of mortgaged land after giving notice to the Second Party.
12.	Stamp Duty and Freehold Conversion Charges	After the development of land, stamp duty at the prevailing rate shall be payable by the Second Party or the allottees (transferee), as the case may be, on the instrument of TRANSFER at the time of such transfer and freehold conversion charges shall be payable to the First Party as per the prevailing policy of the State Government.
13.	Maintenance of Services	The Second Party shall maintain the various services of the Hi-tech Township for which it shall have the right to collect maintenance expenditure from the allottees till it is handed over to the Local Body. The Second Party shall declare the annual/one-time maintenance expenditure at the time of booking/allotment of properties along with detail of services for which maintenance expenditure is being charged.
14.	Restriction on Sub-letting	The Second Party shall not assign/transfer the said development permission or any permission or other benefit of this Agreement to any other person.
15.	Regulations and Directions Under the Act	Without prejudice to anything contained in this Agreement, all the mandatory provisions of the Zoning Regulations, Building Bye-laws and other Regulations and Directions for the time being in force, shall be binding on the Second Party.

16.	Compliance with Labour and other Relevant Laws	(i)	During continuance of this Agreement, the Second Party shall abide at all times by all existing labour enactments and rules made thereunder, regulations, notifications and Bye-laws of the State or Central Government or Local Authority and any other Labour Law (including rules), regulations, Bye-laws that may be passed or notified or that may be issued under any Labour Law in future either by the State or Central Government or by the Local Authority.
		(ii)	During continuance of this Agreement, the Second Party shall abide at all times by all laws relating to development and other construction works.
17.	Conciliation and Arbitration	In the event of any dispute with regard to terms and conditions of this Agreement, the same shall be referred to the decision of an Arbitrator, to be appointed in writing by the Parties, or if they can not agree upon a sole Arbitrator, to the decision of three persons as Arbitrators, one to be appointed by each party and they shall appoint the third Arbitrator who shall act as the presiding Arbitrator under the provisions of Arbitration and Conciliation Act, 1996. Place of arbitration shall be Lucknow.	
18.	Litigation	In case of any litigation pertaining to the acquisition, maintenance, or the rights of the any individual or individual allottee, the First Party will not be liable and therefore, shall not be arraigned as a party. In other words, any cause of action emanating from any transaction between an individual/or group of individuals and the Second Party in the said land, will lie in the area of responsibility of the Second Party. First Party shall not be liable to any individual/or group of individuals with regard to property acquired or developed by the Second Party.	
19.	Indemnity	The Second Party shall indemnify the First Party against all loss, damages and liability that may arise or cause to First Party by any act, deed or omission of Second Party or any officer or employee or agent of the Second Party.	
20.	Force Majeure	(i)	If at any time during the continuance of this Agreement, the performance in whole or in part by either party of any obligation under this Agreement shall be prevented or delayed by reason of any war or riot or natural calamities, the Second Party within 7 days of occurrence and cessation of each Force Majeure conditions shall intimate the First Party by a registered letter, the beginning and end of the above causes of delay.

		(ii)	The Second Party shall not claim extension of time mentioned in the preceding paragraphs beyond the period affected by the Force Majeure.
21. Communication			Any notice, letter or communication to be given by one party to the other shall be in writing in Hindi or English language through registered post with due acknowledgement. In addition, such communication shall also be transmitted by fax.
22. Jurisdiction			For deciding all the matters concerning the work in question, jurisdiction would be exclusively to the local Courts or Allahabad /Lucknow High Court.

IN WITNESS WHEREOF, SHRI..... for and on behalf of the First Party and Shri for and on behalf of the Second Party, have signed this agreement on the day and year mentioned above. This Agreement consists of..... pages.

Signature of Authorized Signatory.....
on behalf of (First Party)

Signature of Authorized Signatory.....
on behalf of.....(Second Party)

WITNESSES:

1.

2.

(Name and Address)

WITNESSES:

1.

2.

(Name and Address)