

PUNJAB SMALL INDUSTRIES CORPORATION

PSIC AUCTION POLICY 2023



DIRECTORATE OF (ESTATE MANAGEMENT) PSIC
Phone No.042-99203300

INTRODUCTION

Punjab Small Industries Corporation (PSIC) was established under PSIC Act 1973. As per PSIC Act, PSIC has multiple functions. One of its primary functions is to establish/develop Small Industrial Estates at prominent places in Punjab Province. The prospective entrepreneurs are allotted developed plots for establishment of their respective industrial units. These industries not only provide job opportunities to thousands of skilled and un-skilled manpower but also contribute substantially in national GDP. In order to ensure better management of Small Industrial Estates, PSIC Small Industrial Estate Policy 2023 was issued.

Punjab Small Industries Corporation has various Industrial, Commercial and Residential plots/buildings within and outside its Small Industrial Estates. Auction of such properties not only brings revenue for the Corporation but also ensures efficient management of the properties. Whereas, due to certain new developments; Punjab Small Industries Corporation “Auction Policy 2023” is hereby notified as follows.

1. IDENTIFICATION OF PLOTS / PROPERTIES FOR AUCTION/RENT/JOINT VENTURE

All Regional Directors shall prepare a list of plots / properties to be put to auction/rent or joint venture within and outside PSIC estates keeping in view the classification of properties as under:

I) PROPERTIES AVAILABLE AT PSIC SIEs

- a) Industrial plots
- b) Commercial plots
- c) Utility plots
- d) Residential & office buildings

II) ALL PROPERTIES OUTSIDE OF PSIC SIEs

2. ASSESSMENT OF RESERVE PRICE OF PLOTS/PROPERTIES TO BE AUCTIONED/RENTED OR JOINT VENTURE BY REGIONAL PRICE/RENT ASSESSMENT COMMITTEE

All plots/properties approved for auction/rent or joint venture shall be referred to Regional Price/Rent Assessment Committee (RPRAC) so as to recommend reserve price of plot/property meant for auction/rent or joint venture.

The Regional Price/Rent Assessment Committee shall consist of following:

- | | |
|---|----------|
| 1. Regional Director concerned | Chairman |
| 2. Sub Engineer/Assistant Civil Engineer | Member |
| 3. Dy. Director/Assistant Director (Accounts) of Region | Member |
| 4. Incharge of respective Estate | Member |
| 5. Dy. Director/Assistant Director (Admn.) of Region | Member |

a. RESPONSIBILITIES OF REGIONAL PRICE/RENT ASSESSMENT COMMITTEE

- i. The Committee shall obtain the notified rates in Valuation Table issued by the District Collector concerned, average sale price of the area, and current market price of plot/property.
- ii. In case of corner plot/property, 10% would be added while assessing its floor price.
- iii. The assessment of super-structure of the properties to be put to auction will be carried out by Sub Engineer/Assistant Civil Engineer of concerned Regional Office or of Directorate of Works & Development PSIC.
- iv. The Regional Price/Rent Assessment Committee will submit reserve price/rent to Directorate of Estate Management as per prescribed format available at (**Annex-A**).

3. RATIFICATION COMMITTEE AT HEAD OFFICE

The reserve price/rent recommended by the Regional Price/Rent Assessment Committee will be examined by the Ratification Committee at Head Office, consisting of the following:

- | | |
|--------------------------------|------------------|
| 1. Deputy Managing Director | Chairman |
| 2. Director (EM) | Member/Secretary |
| 3. Director (F&A) | Member |
| 4. Director (W&D) | Member |
| 5. Regional Director concerned | Member |

4. APPROVAL OF AUCTION PROCEEDINGS

- i. The Ratification committee will recommend the reserve price/rent of plots/properties for approval of Managing Director, PSIC.
- ii. The PSIC Board shall approve the auction schedule.
- iii. After the approval by the PSIC Board, the auction process of the plots/properties shall be initiated within (01) one month.

5. AUCTION COMMITTEE

The following Committee shall be responsible for conducting the auction proceedings:

- | | |
|--|-------------------|
| 1. Director (Estate Management) PSIC | Chairman |
| 2. Director (F&A) PSIC | Member |
| 3. Regional Director concerned | Member/ Secretary |
| 4. Dy. Director/Assistant Director (Accounts) Regional office | Member |
| 5. Deputy Director/Assistant Director (EM) PSIC | Member |
| 6. In-Charge SIE concerned | Member |
| 7. Representative from the office of Deputy Commissioner concerned | Member |

* In case of property situated outside SIE, Assistant Director (Admn.) concerned Regional Office will be the member of "Auction Committee" in place of In-charge SIE. The Regional Director will be responsible for issuance of all notices.

6. AUCTION PROCEDURE

The auction committee will conduct auction of plots/properties in following manner:

- a) Auction notice of properties outside and inside SIEs shall be published with separate terms & conditions in at least (02) two National leading newspapers, one in Urdu and other in English through DGPR after approval of Managing Director.
- b) The bid application form (**Annex-B**) will be made available to the interested bidders free of cost at concerned regional offices and PSIC website.

- c) Terms & conditions, time and date of auction will be published / advertised as mentioned herein above.

7. TERMS AND CONDITIONS FOR AUCTION

- i. The auction will be conducted by Auction Committee as constituted herein above, in accordance with the schedule published in the auction notice.
- ii. No person shall be allowed to participate in the auction unless he has submitted the bid application form in the concerned Regional/Estate office in the prescribed manner and has deposited an earnest money amounting to Rs.3 lac (for the properties with reserve price less than Rs. 50 Million) and Rs. 1.000 Million (for the properties with reserve price more than Rs. 50 Million) in shape of Bank Draft /Pay order/Cash in the name of Punjab Small Industries Corporation from a Schedule Bank. Prescribed Form may be obtained from the office of Regional Director concerned, free of cost.
- iii. No person shall be allowed to bid unless he himself is a bidder, or is an agent duly authorized by the bidder.
- iv. The auction proceedings shall be open to all bidders or their authorized agents and shall be conducted in their presence.
- v. The Auction Committee may reject any bid without assigning any reason.
- vi. At the close of the bid, the Auction Committee shall announce the name of highest bidder and price offered by him. The earnest money deposited by unsuccessful bidders shall be returned immediately.
- vii. The successful bidder shall on the same day of the auction, make payment of one-fourth of the price offered by him in respect of auctioned property / plot, inclusive of the earnest money already deposited by him in the form of Bank Draft /Pay Order/Cash. In case he fails to make payment within the prescribed time the bid shall stand cancelled and earnest money already deposited by him may be forfeited.
- viii. The concerned Regional Director will submit minutes of Auction Committee meeting/case through Directorate of Estate Management for the acceptance of highest bid for the approval of Competent Authority/Managing Director, who shall approve or reject the auction proceedings. In case of rejection, the payments made by bidder shall be immediately returned to him.
- ix. The balance amount of the accepted bid shall be deposited by the successful bidder within (03) three months in the form of Bank Draft /Pay Order of a Schedule Bank, in favor of Punjab Small Industries Corporation. In case, he fails to make the payment within the prescribed period, the bid shall stand cancelled and the earnest money and one fourth (1/4) of the deposited amount under condition No.2 & 7 may be forfeited.

- x. In case property outside PSIC SIEs, the successful bidder (hereinafter referred to as the intending purchaser which shall include the legal heirs or whom his rights have accrued in case of his death) within (06) six weeks of the full payment, shall execute an agreement for sale and have it registered at his own expense. The Regional Director concerned will execute sale deed on behalf of Punjab Small Industries Corporation after the approval of Managing Director.
- xi. In case property inside PSIC SIEs, Regional Director concerned shall issue final allotment letter to the successful bidder (hereinafter referred to as the intending purchaser which term shall include the legal heirs or whom his right have accrued in case of his death) after the approval of Managing Director, within two weeks of the full payment of plot/property and all PSIC dues.
- xii. A bonafide error in the identity or description of the plot/property shall not itself result in annulment of auction.
- xiii. If the area of the plot/property is found more or less than the area advertised at the time of possession, the total price of the plot shall be increased or decreased in accordance with the bid rates.
- xiv. PSIC, after the approval of PSIC Board, may enter into Joint Venture/rent agreement in respect of any of its properties. The terms & conditions of such Joint Venture/ rent agreement shall also be approved by PSIC Board.
- xv. The provisions of PSIC Small Industrial Estates Policy 2023 shall be applicable to the successful bidder/allottee.
- xvi. In case of any ambiguity, PSIC reserves the right to interpret and clarify any of the Clauses/Paras/Narrations of this policy.

(.....)

ANNEX-A

PRESCRIBED FORMAT FOR PRICE ASSESSMENT BY REGIONAL PRICE/RENT ASSESSMENT COMMITTEE (RPRAC)

Sr. No	Plot No.	Nature of Plot	Location (Complete detail)	Category	Size of Plot (in M)	Current Status	Price of land notified by DC Concerned	Average price of land for last year (per Marla)	Market Price of plot (per Marla)	Price assessed by Regional Price Assessment Committee (per Marla)	The price approved by the Ratification committee (per Marla)
1	2	3	4	5	6	7	8	9	10	11	12

PRESCRIBED FORMAT FOR RENT ASSESSMENT BY REGIONAL PRICE/RENT ASSESSMENT COMMITTEE (RPRAC)

Sr. No.	Nature of Property	Location (Complete detail)	Size/Area of Property (in Marla)	Current Status	Market Rate/Rent (per Marla)	Rate/Rent assessed by Regional Price/Rent Assessment Committee (per Marla)	The Rate/Rent approved by the Ratification committee (per Marla)
1	2	3	4	5	6	7	8

BID APPLICATION FORM

To,
The Regional Director,

_____.

Dear Sir,

I, Mr/Mrs/Miss _____, CNIC No. _____
(copy attached), may kindly be allowed to bid for property/plot No. _____ size
_____, earmarked for Industrial/Commercial/rent purpose inside/outside Small Industrial
Estate _____, scheduled on _____. I also hereby enclose Bank
Draft/Pay order/ cash bearing No. _____ dated _____ for an amount of
Rs. _____ in words (Rupees _____) as earnest
money.

I, have read the terms and conditions for the auction of plots/rent of property
in/outside Small Industrial Estate _____ which I accept and shall abide by.

(Signature of Bidder)
Name & address in Block letters

Received from Mr/Mrs/Miss _____, a Bank Draft/Pay
order/Cash bearing No. _____ dated _____ of the amount of
Rs. _____ as earnest money in connection with the auction/rent of a plot/property
of _____ size _____ earmarked for Industrial / Commercial/Rent purpose
inside/outside Small Industrial Estate _____ scheduled on
_____.

DEPUTY DIRECTOR (ACCOUNTS)