

From

Additional Chief Secretary to Govt. Haryana,
Town & Country Planning Department,
Haryana, Chandigarh.

To

Director General,
Town & Country Planning Department,
Haryana, Chandigarh.

Memo No. 5/32/2009-2TCP

Dated: 21/07/2016

Subject: **Addendum to the Relief Policy for recovery of External Development Charges (EDC) and interest dues as well as Infrastructure Development Charges (IDC) from existing colonizers in case of default in payment of scheduled installments and alternative measures for ensuring the EDC/IDC payments in future in case of new licences.**

Reference: *In continuation to memo No. PF-37/2016/7485 dated 12.04.2016.*

In order to streamline the recovery of outstanding EDC/IDC from the colonisers, the Government has formulated a policy bearing Memo No. PF-37/2016/7485 dated 12.04.2016. Suggestions have been received on this policy from the stakeholders indicating that in the existing licences either the colonizers have created third party rights or they have already mortgaged the land with the financial institutions and there are no significant encumbrances free chunks of land available for mortgage to the Government for obtaining relief under the above stated policy. Considering the suggestions, the Governor of Haryana, in accordance with the powers conferred upon him under Section 9A of the Haryana Development & Regulation of Urban Areas Act, 1975, is pleased to make following amendments in the policy Memo No. PF-37/2016/7485 dated 12.04.2016:

1. The sub-clause (ii) of clause 2.1 under the head "Existing Licences" shall be substituted as below:

"(ii) The colonizer shall have the choice to avail any one of the following options:

(a) The colonizer shall deposit Bank Guarantee equivalent to 25% amount of the balance 90% outstanding dues (EDC & IDC plus the interest accrued upto date). If the colonizer has already submitted Bank Guarantee (BG) for seeking relief under policy dated 12.04.2012, the same shall be considered to be part of 25% BG subject to its validity. The BGs so deposited and the original BG shall have validity for a period concurrent with the validity/ renewal of licence. The BG shall not be released in parts. The entire BG shall be released in one go after the receipt of overdue amount. The colonizer shall submit an undertaking to clear the overdue amount in four half yearly equal installments. The first installment shall be due after six months from the date of such approval alongwith applicable interest. A fresh schedule of payment of EDC and IDC shall be conveyed to the colonizer at the time of such approval.

OR

(b) One or two compact pieces of licenced land of an area specifically approved by DGTCP and to the extent specified in the Table 'A', shall be mortgaged by the coloniser in favour of the Govt. in the Department of Town & Country Planning.

Table 'A'

Outstanding EDC and IDC in existing licences	Percentage of the area of licenced land to be mortgaged
More than original EDC and IDC	35
75 to 100% of original EDC and IDC	30
60 to 75% of original EDC and IDC	25
45 to 60% of original EDC and IDC	20
30 to 45% of original EDC and IDC	15
15 to 30% of original EDC and IDC	10
Less than 15% of original EDC and IDC	5

Note: In case of plotted licenced colony (residential/industrial) the land to be mortgaged shall have commensurate percentage of saleable area, e.g. if total area of the licenced colony is 100 acres (having 55 acres permissible saleable area) and the outstanding EDC and IDC is 50% of the original EDC and IDC, then the coloniser shall mortgage 20 acres of the licenced land which shall include 11 acres saleable area (20% of permissible). Further, in case of group housing/commercial colony /cyber park/city, the colonizer shall be allowed to achieve Floor Area Ratio (FAR) applicable on non-mortgaged land only. It is clarified that colonizer of group housing/commercial colony /cyber park/city will not be allowed to raise construction on the land which is mortgaged, thus the FAR on the said land shall be allowed once the land is de-mortgaged."

2. The sub-clause 4.1 under the head "Other Conditions (for Existing and New Licences) is substituted as under:

"4.1 A coloniser opting for this policy shall strictly adhere to the payment schedule under this policy. In case of default in payment of EDC and IDC, the Govt. shall be at liberty to dispose off the mortgaged land or any portion thereof for the purpose of recovery of payment of outstanding EDC and IDC. Similarly, where the colonizer has opted to deposit 25% Bank Guarantee, the DGTCP may take measures to encash the Bank Guarantee to recover outstanding dues in case of any default in payment of installments. The DGTCP may also revoke any permission/approval granted under this policy if the coloniser defaults in two successive EDC and IDC installments or rescheduled EDC and IDC installments if DGTCP is satisfied that the coloniser is not intending to adhere to the original/rescheduled payment of EDC and IDC."

Sd/-

(Arun Kumar Gupta, IAS)

Secretary

For: Additional Chief Secretary to Govt. Haryana
Town & Country Planning Department

Endst. No. 5/32/2009-2TCP

Dated: 21/07/2016

A copy is forwarded to the Chief Administrator, HUDA, Sector-6, Panchkula for information and record.

Sd/-

(Arun Kumar Gupta, IAS)

Secretary

For: Additional Chief Secretary to Govt. Haryana
Town & Country Planning Department