

PUBLIC NOTICE

In order to plug the gaps in the existing policy parameters governing "Fixation of rates and allotment / eligibility criteria of plots reserved under No-Profit-No-Loss (NPNL) category in the licenced plotted colonies", hereinafter also referred as NPNL Policy, it is proposed to replace the same by a revised policy framework in this regard.

The draft of the said policy has been approved by the Government for the purpose of inviting objections/ suggestions on the same before its finalisation. A copy of the draft of said policy is accordingly enclosed for the information of general public and all other stakeholders and seeking suggestions, if any, on the said policy. The suggestions may be forwarded through e-mail to the following within a period of 45 days of the issuance of this public notice i.e. upto 04.10.2014.

1. DGTCP Haryana, Chandigarh: tpharyana1@gmail.com
2. CTP, Haryana: ctp1.haryana.tcp@gmail.com
3. DTP (HQ) O/o DGTCP, Haryana: dtp.hqpp.tcp@gmail.com.

POLICY FOR FIXATION OF RATES & ELIGIBILITY/ALLOTMENT CRITERIA OF PLOTS RESERVED UNDER NO-PROFIT-NO-LOSS (NPNL) CATEGORY IN THE LICENCED RESIDENTIAL PLOTTED COLONIES AND COMPOSITION POLICY THEREOF.

1.0 GENESIS FOR A REVISED NPNL POLICY: It has been observed that apart from the fixation of price/rates for such NPNL plots which is to be decided by the Director, the prevailing policy framework puts the entire onus of compliance/implementation of the existing policy parameters upon the licensee/ developer concerned, leading to a lack of proper monitoring of its proper implementation. The existing NPNL policy as reflected in the LC-IVA agreement accordingly needs to be revised ab-initio so that the intended benefits reach the targeted beneficiaries.

1.1 Issues under the existing framework: Several gaps in the existing NPNL policy have emerged which may be summarized as follows:

- i. The Department has remained dependent on HUDA for the purpose of fixation of rates for NPNL plots leading to inordinate delays in the process;
- ii. Apparently, several colonisers have gone ahead with booking/allotment of NPNL plots without fixation of rates of NPNL plots;
- iii. In the absence of any prescribed eligibility and allotment criteria for NPNL plots, the entire onus has remained on the individual licencees with little monitoring envisaged by the Department;
- iv. It also appears that several colonisers have gone ahead with booking/allotment of Independent floors on such NPNL plots without fixation of rates though any rate for sale of independent floors on NPNL plots has never been fixed;
- v. Whereas 25% of the total number of plots approved in the layout plan and falling in the category of 125 to 225 sqm are required to be reserved as NPNL plots, it has come to notice that such plots are not clearly identified in the layout plan which at times leads to confusion regarding exact identification of such plots in the layout plan.

1.2 Remedial measures: In view of the issues as detailed above it is apparent that policy parameters need to be finalised for:

- i. Action against such existing licencees for violations pertaining to allotment of NPNL plots without fixation of rates of NPNL plots in Licenced Plotted Colonies and penalty in the form of composition fees needs to be imposed against such licencees. The rates of such composition fees thus needs to be finalised.
- ii. In all layout plans/demarcation plans as well as zoning plans of plotted colonies to be approved in future, the NPNL plots need to be distinctly identified, to ensure the applicability of NPNL policy on such plots.
- iii. A Revised NPNL Policy with very stringent monitoring mechanism needs to be formulated to prevent any possibility of recurrence of such situation in future. In addition stringent eligibility and allotment criteria need to be formulated so that the policy does not get misused, the benefits of the policy flow to the targeted beneficiaries and there is complete transparency in the entire allotment procedure.

iv. Streamlining the procedure for fixation of rates of NPPL plots based on a transparent and time-bound mechanism.

2.0 FRAMEWORK OF REVISED NPPL POLICY: The revised NPPL Policy has been formulated based on following parameters:

2.1 Revised mechanism for fixation of NPPL Rates for Plots: 'NPPL Rate Fixation Committee' stands constituted vide orders dated 26.06.2012 to streamline the process of fixation of NPPL rates. The present policy intends to prescribe cost components and the benchmark rates against such cost components, which need to be taken into account for the purpose of finalisation of the 'NPPL rates of Plots' by the 'NPPL Rate Fixation Committee'.

2.2 Devise framework for fixation of NPPL Rates for Independent Floors: The policy also prescribes cost components and the benchmark rates against such cost components, which need to be taken into account for the purpose of finalisation of the 'NPPL rates of Independent Floors' by the 'NPPL Rate Fixation Committee'.

2.3 Eligibility Criteria and Allotment Criteria for allotment of NPPL Plots/ Independent Floors: The policy also aims to prescribe stringent eligibility and allotment criteria so that the policy does not get misused, the benefits flow to the targeted beneficiaries and there is complete transparency in entire allotment procedure.

2.4 Penalty in the form of composition fees to be levied on violators of existing licences as well as on future licencees: The policy also prescribes composition fees to discourage any violation of the policy parameters in future and initiate action against all violators of existing licences, as per rates prescribed in clause 3.0 below.

3.0 COMPOSITION OF VIOLATIONS PERTAINING TO ALLOTMENT OF NPPL PLOTS WITHOUT FIXATION OF RATES OF NPPL PLOTS IN LICENCED PLOTTED COLONIES: In order to address the existing issues and also to ensure that such situation does not re-occur in future, a composition policy has been formulated to be a part of the said NPPL policy. Keeping into account the timing and nature of violations, differential rate of composition charges are prescribed, which shall be payable by the licensee/ coloniser/ developer and shall not be recoverable from the allottees.

3.1. Composition rates for violations pertaining to allotment of NPPL plots without fixation of rates of NPPL plots AFTER the present policy comes into effect: For any such violation to be noticed after this policy comes into force, a heavy penalty in the form of composition fees shall be imposed on the licensee:

- a. Hyper Potential Zone: Rs. Five Lakhs per plot
- b. High Potential Zone: Rs. Three Lakhs per plot
- c. Medium Potential Zone: Rs. Two Lakhs per plot
- d. Low Potential Zone: Rs. One Lakh per plot

3.2. For violations pertaining to allotment of NPPL plots without fixation of rates of NPPL plots BEFORE the present policy comes into effect: Since the composition policy is envisaged to be made applicable on such violations also which that stand committed earlier, the composition rates as per the following two slabs shall be imposed, i.e., (a) Licences issued before 26.06.2012, and, (b) Licences issued after 26.06.2012 and upto the date when the present policy comes into force:

		Before 26.06.12	From 27.06.12 till the present policy comes into effect
a.	NPPL rates sought from HUDA/ Department by the licensee before allotment.	Rs 10,000 per plot #	Rs 20,000/- per plot #
b.	NPPL rates NOT sought from HUDA/Department by the licensee before allotment.	Rs 50,000/- per plot	Rs 1,00,000/- per plot
	NOTE: #	No such composition fees shall be levied in case of delay in fixation of NPPL rates by the Department for more than 3 months from the date when such request for fixation is received.	

3.3. Independent Floors allotted by colonisers on NPPL plots: In case of any allotment of Independent floors on NPPL plots without approval of the Director, the allotment should either be cancelled or a heavy penalty in the form of composition fees shall be imposed subject to the satisfaction of the Director that the independent floors have been allotted at “No Profit No Loss” basis only:

- a. Hyper Potential Zone: Rs. Fifteen Lakhs per plot
- b. High Potential Zone: Rs. Ten Lakhs per plot
- c. Medium Potential Zone: Rs. Five Lakhs per plot
- d. Low Potential Zone: Rs. Two Lakh per plot

4.0 FIXATION OF NPPL RATES FOR PLOTS: In order to streamline the process of fixation of NPPL rates, ‘NPPL Rate Fixation Committee’ stands constituted vide orders dated 26.06.2012. In order to bring transparency in the entire process of fixation of NPPL rates for plots, the NPPL rates for plots may be based on the following guiding principles:

(i) All cost components in any residential plotted colony project can be grouped under two heads (a) Fixed cost components and (b) Variable cost components. While the statutory fees and charges is likely to be the only fixed cost component across all projects licenced in a specific year, all other cost component viz., land cost, internal development cost, administrative cost is likely to vary from project to project. Accounting for each such minor variation in each cost component is likely to be quite cumbersome.

Accordingly, Standard NPPL rates shall be finalised for a Development Plan for each calendar year. Thus all licences granted in a specific Development Plan in a specific year shall have the same standard NPPL rate.

(ii) Keeping into account the wider disparity witnessed in land costs in different areas of a Development Plan boundary spread over an area of more than 25000 hectares, viz, Gurgaon-Manesar Urban Complex, the Development Plan boundary can be demarcated into several ZONES and standard NPPL rates for each such ZONE can be separately worked out by the committee.

(iii) In case of any major disparity which is brought to the notice of the committee based on which NPPL rate in any specific case is proposed to be revised either upward or downward vis-à-vis the standard NPPL rates, the committee shall take a decision on the individual merit of the case.

(iv) The ‘Standard NPPL rates’ for each calendar year shall be finalised by 31st of March every year, which shall be effective for all licences granted from Jan-Dec in the said calendar year. In case the same is not finalised till June, the NPPL rates finalised for the previous calendar year shall be enhanced by 12% to account for escalation in construction cost, at which the colonisers can allot NPPL plots till new rates are finalised.

4.1 Cost components and corresponding Benchmark Rates: The Cost Components along with the respective benchmark rates and the corresponding nodal member of the committee for determination of NPPL rates for plots shall be as follows:

Sr No	Cost Component	Adopted Benchmark Rate	Nodal Member
I	Land Cost	Corresponding Collector Rate	STP(Monitoring)

Explanation: Land cost of each project is likely to have a wide variation based on several factors, including the date of purchase of such land by the applicant. Taking into account the cost of land as per the sale deed would be anomalous since it is possible that a pocket of land stands acquired several decades back at a fraction of its current price. Accounting for each such actual rate may lead to wide deviation in this cost component from project to project. The NPPL rates needs to be based on an adopted benchmark rate of such land in the licence year, which reflect the ‘Present Value of land’ to remove such anomalous situations and also to set transparent mechanism to account for such cost component. In order to eliminate any subjectivity in finalizing the cost component, the ‘collector rate’ shall be adopted as the benchmark rate for deciding this cost component. In case of multiple collector rates in a ‘zone’ the committee shall take into account all such

	collector rates for arriving at the 'benchmark rate' for the purpose of determining the land cost in such 'zone'.		
II	Statutory Fees & Charges	Actual notified rates	CAO
	<i>Explanation:</i> The fees and charges viz., scrutiny fees, licence fees, conversion charges, IDC, and EDC shall be considered on the basis of the notified actual rates. The commercial component for such residential plotted colonies shall be considered at 4% irrespective of any variation that may exist from project to project. In case of any change in fees and charges within the calendar year leading to a substantial change (more than $\pm 3\%$) in the NPNL rates the committee may finalise multiple NPNL rates to account after adopting a cut-off date for such change.		
III	Internal Development Cost	Service Plan Estimates	SE(HQ) HUDA and DTP(HQ)
	<i>Explanation:</i> The rates as per approved service plan estimates of the project, if approved shall be taken into account. In case the same is yet to be approved for the project under consideration, the last approved rates as per service plan estimates (but in in case older than 1 year) approved in the respective zone of such development plan shall serve as a benchmark for finalizing the rate of internal development cost. In case of non-availability of such benchmark rate, the SE (HQ) HUDA shall determine and propose the said benchmark rate for approval of the committee.		
IV	Cross subsidy component against EWS Plots	Percentage area covered under such EWS plots vis-à-vis total area under all residential plots	DTP(HQ)
	<i>Explanation:</i> The cross subsidy component required to be accounted for in the NPNL rates against the subsidised rates at which the EWS plots are mandated for sale, needs to be taken into account while finalizing the NPNL rates. The actual area covered under the EWS plots as per the approved layout plan in proportion to the total area under residential and commercial plots shall be taken into account to calculate the cross-subsidy component against EWS plots to be distributed proportionately on all the remaining residential and commercial plots.		
V	Administrative expenses	Add 15% to the aggregated cost worked out as per above	CAO
	<i>Explanation:</i> As a norm the administrative expenses of any efficient organization varies between 10 to 15% of its receipts. Since it is very difficult to estimate the receipts of various companies, adopting a conservative approach, a 15% enhancement may be allowed in the aggregate of cost components at Sr No I to IV to allow for administrative expenses for the project.		

5.0 **FIXATION OF NPNL RATES FOR INDEPENDENT FLOORS:** The cost component involved in calculation 'NPNL rates for Independent Floors; are as follows:

- i. **Cost of NPNL Plot:** The cost of NPNL plot shall be calculated in accordance with the procedure as prescribed under clause no. 4 above.
- ii. **Construction Cost including that of Common Facilities:** The cost of construction is likely to vary depending upon the specifications based on which construction is undertaken by the coloniser. For the purpose of simplification of the process of fixation of rate of construction, the committee may determine 'Three Category of Construction Type' inclusive of all common facilities viz., Premium, Regular & Low-cost, for each calendar year. The coloniser shall declare its specifications based on which the 'Category of Construction' shall be determined by the SE (HQ) HUDA and the same shall be indicated in the zoning plan itself.
- iii. **Apportioning of cost between the three floors:** The final 'NPNL rate of Independent Floor' shall be determined after apportioning the total cost i.e., sum of (i) and (ii) above among the respective floors as follows:

A. Ground Floor Unit: 40%; B. First Floor Unit : 32%; C. Second Floor Unit: 28%

6.0 ELIGIBILITY CRITERIA & ALLOTMENT CRITERIA FOR NPNL PLOTS/ NPNL INDEPENDENT

FLOORS: In order to prescribe stringent eligibility and allotment criteria for a complete transparency in the process and to ensure that the benefits eventually reach the targeted beneficiaries, the following eligibility criteria and allotment criteria for NPNL Plots/ NPNL Independent Floors is hereby prescribed.

6.1 Eligibility Criteria: In order to ensure that the policy does not get misused and the benefits of the policy flow to the targeted beneficiaries and that there is complete transparency in the entire allotment procedure the following eligibility criteria is hereby prescribed:

- a. Any person can apply but person which includes his/her spouse or his/her dependent children who do not own any flat/plot in any HUDA developed colony/ sector or any licenced colony in any of the Urban Areas in Haryana, UT of Chandigarh and NCT Delhi shall be given first preference in allotment of NPNL Plots/ Independent Floors. An applicant in a specific colony shall make only one application. Any successful applicant under this policy shall not be eligible for allotment of any other Plots/ Independent Floors under this category in any other colony. In case, he/she is successful in more than one colony, he/she will have choice of retain only one Plots/ Independent Floors. All such applicants shall submit an affidavit to this effect.
- b. Upto 5% of the total number of NPNL Plots or Independent Floors constructed thereon may be allotted by a licensee to its employees/ associates/ friends/ relatives etc. subject to the disclosure of their name/address and other identification details to the allotment committee and the allotment procedure for such Plots/ Independent Floors shall also be completed along with the draw of Plots/ Independent Floors for general category flats. The rates and eligibility criteria prescribed under this policy shall continue to be applicable on such preferential allotments also and the allotment procedure shall be completed along with general category Plots/ Independent Floors. In case fewer allotments are made for such preferential category Plots/ Independent Floors, the extra availability shall be merged with general category allotments.
- c. Upto 10% of the total number of NPNL plots as approved in the layout plan shall be reserved for allotment to any of the oustees of the sector road on account of acquisition of land by any of the public agencies. The allotment of these plots may not be necessarily completed along with the allotment of general category plots/ independent floors. The allotment of these 10% NPNL plots of floors constructed thereon shall be undertaken by the Government in accordance with the requirement faced in this regard which shall further be in accordance with the procedures and parameters to be decided separately. However, any such reserved plot remaining unallotted for a period of 2 years from general allotments shall revert back to the general category pool of NPNL plots for which the allotment procedure as prescribed above may be followed.

6.2 Allotment criteria: The draw for lots for allotment of Plots/ Independent Floors shall be held under the supervision of a committee constituted for the purpose by following a transparent procedure as below:

- a. Advertisements for booking of Plots/ Independent Floors shall be issued by the coloniser on two occasions at one week interval in 'One of the leading English National daily' and 'Two Hindi Newspapers' having circulation of more than ten thousand copies in the State to ensure adequate publicity of the project and should include details like allotment rate, schedule of payment, number and area details etc. The proforma of advertisement shall be separately approved by the DGTCP and hosted on the Department website for clarity.
- b. Any person interested to apply for allotment of Plots/ Independent Floors in response to such advertisement by a coloniser may apply on the prescribed application form alongwith 5% amount of the total cost of the Plots/ Independent Floors. All such applicants shall be eligible for an interest at the rate of 10% per annum on the booking amount received by the developer for a period beyond 180 days from the close of booking till the date of allotment of Plots/ Independent Floors or refund of booking amount as the case may be. The applicant will be

required to deposit additional 20% amount of the total cost of the Plots/ Independent Floors at the time of allotment of Plots/ Independent Floors. The balance 75% amount will be recovered in six equated six monthly instalments spread over three-year period, with no interest falling due before the due date for payment. Any default in payment shall invite interest @15% per annum. The project-wise list of allottees shall also be hosted on the website of the Department.

- c. The scrutiny of all applications received as per the parameters prescribed in the policy shall be completed by the coloniser under the overall monitoring of concerned District Town Planner (DTP). The scrutiny of applications by the joint team of coloniser and the concerned DTP shall be completed within three months from the last date of receipt of applications as indicated in the advertisement.
- d. On completion of scrutiny as above, the concerned Senior Town Planner shall fix the date of draw of lots. Simultaneously the ineligible applications shall be returned within one month of completion of scrutiny by the coloniser indicating the grounds on which the applications have been held to be ineligible alongwith the 5% booking amount received from such applicants. No interest in such case shall be paid.
- e. After fixation of date for draw of lots, an advertisement shall be issued by the coloniser informing the applicants about the details regarding date/time and venue of the draw of lots in the same newspaper in which the original advertisement was issued.
- f. The allotment of Plots/ Independent Floors shall be done through draw of lots in the presence of a committee consisting of Deputy Commissioner or his representative (at least of the cadre of Haryana Civil Services), Senior Town Planner (Circle office), DTP of the concerned district and the representative of coloniser concerned.
- g. Only such applications shall be considered for draw of lots which are complete and which fulfil the criteria laid down in this Policy. However, it is possible that some of the application forms have certain minor deficiencies, viz., missing entry on the application form, incorrect/missing line in affidavit, illegible copies of certain documents. Such applications may also be included in the draw of lots. However, in case any of such applications are declared successful in the draw of lots, applicants may be granted an opportunity of removing the shortcomings in their application in all respects within a period of 15 days, failing which their claim shall stand forfeited. The said 15 days period shall start from the date of publication of the list of successful allottees in the newspaper marking those successful applications with minor deficiencies for information and notice of such applicants for removing such deficiencies and submit the same to the concerned DTP. The list of such successful allottees shall also be maintained on the website of the Department as well as the licensee.
- h. A waiting list for a maximum of 25% of the total available number of Plots/ Independent Floors available for allotment, may also be prepared during the draw of lots who can be offered the allotment in case some of the successful allottees are not able to remove the deficiencies in their application within the prescribed period of 15 days. In case of surrender of Plots/ Independent Floors by any successful applicant, an amount of Rs 25,000/- may be deducted by the coloniser. Such Plots/ Independent Floors may be considered by the committee for offer to those applicants falling in the waiting list. However, non-removal of deficiencies by any successful applicant shall not be considered as surrender of Plots/ Independent Floors, and no such deduction of Rs 25,000 shall be applicable on such cases. If any wait listed candidate does not want to continue in the waiting list, he may seek withdrawal and the licensee shall refund the booking amount within 30 days, without imposing any penalty. The waiting list shall be maintained for a period of 2 years, after which the booking amount shall be refunded back to the waitlisted applicants, without any interest. All non-successful applicants, shall be refunded back the booking amount within 15 days of holding the draw of lots.
- i. If any successful applicant fails to deposit the installments within the time period as prescribed in the allotment letter issued by the colonizer, a reminder may be issued to him for depositing

the due installments within a period of 15 days from the date of issue of such notice. If the allottee still defaults in making the payment, the list of such defaulters may be published in one regional Hindi news-paper having circulation of more than ten thousand in the State for payment of due amount within 15 days from the date of publication of such notice, failing which allotment may be cancelled. In such cases also an amount of Rs 25,000/- may be deducted by the coloniser and the balance amount shall be refunded to the applicant. Such Plots/ Independent Floors may be considered by the committee for offer to those applicants falling in the waiting list.

7.0 GENERAL TERMS AND CONDITIONS:

- (i) This policy shall be applicable on all fresh licences to be issued after this policy comes into effect. The composition policy shall however be applicable on earlier licenced colonies also.
- (ii) No allotment of Plots/ Independent Floors shall be permitted until the date of finalisation of the NPNL rates for Plots/ Independent Floors.
- (iii) Once aPlot/ Independent Floor is allotted through the procedure as specified above, the same cannot be transferred by the coloniser to any other person by documentation in its records. Such Plots/ Independent Floors shall also be prohibited for transfer/sale up to one year after getting the possession of the Plots/ Independent Floors to avoid speculation and to provide housing to the genuine persons. Breach of this condition will attract penalty equivalent to 200% of the selling price of the flat. The Penalty will be deposited in the 'Fund' administered by the Town and Country Planning Department so that the infrastructure of the State can be improved. Failure to deposit such penalty shall result in resumption of the Plots/ Independent Floors and its re-allotment in consultation with the Department.
- (iv) The transfer of property through execution of irrevocable General Power of Attorney (GPA) where the consideration amount has been passed to the executor or any one on his behalf, will be considered as sale of the property and same will be counted as breach of terms and conditions of the policy. Penal proceedings as per the prescribed provisions above shall be initiated.
- (v) The allotment letter and sale-purchase agreement entered into with the allottees shall also include the parameters prescribed under this policy to maintain complete transparency in the matter.
- (vi) The developer shall disclose in the 'Application Form' as well as in the advertisement, the complete set of specifications to be adopted for finishing/fittings to be provided by the coloniser in the flat, viz., Flooring (Rooms, Kitchen, Toilet& Bathroom, Balcony, Common Areas, staircase etc.); Door & Window frame and panel; Kitchen Worktop & Wall finishing; Toilet & Bathroom fittings and wall finishings; Internal Electrical Wiring, fittings, electrical points etc.; Internal public health Services—pipes and fittings, sewerage and sanitary fittings; Wall finishing; Staircase and Balcony railings, etc.

Place: Chandigarh
Date: 19.08.2014

(Anurag Rastogi)
Director General
Town and Country Planning Department
Haryana, Chandigarh