

From

Principal Secretary to Government, Haryana,
Town & Country Planning Department,
Chandigarh

To

1. Director General, Town & Country Planning,
Haryana, Chandigarh
2. Chief Administrator, Haryana Urban Development Authority
Sector-6, HUDA Complex, Panchkula.

Memo No: **PF-37/5/32/2009-2TCP**;

Dated **April 11th 2013**

SUBJECT: EDC RECOVERY & RELIEF POLICY FOR LOW POTENTIAL TOWNS LACKING EDC SERVICES.

In accordance with the powers conferred under Section 9-A of the Haryana Development and Regulation of Urban Areas Act, 1975, the Governor of Haryana is pleased to pronounce the policy parameters on the subject mentioned above. The objective of the policy is to encourage the private sector agencies to participate in the planned urbanization process of towns falling in low potential zones and consequently help achieve the stated objective of National Housing Policy 2007, i.e. 'to accelerate the development of small and medium towns which can serve as generators of economic momentum while at the same time striving to reduce the rate of migration to existing large cities'. The following policy parameters are hereby laid down in this regard.

1. **SCOPE & APPLICABILITY:** (i) Besides projects that will be licenced in future, the policy shall also apply to existing licenced projects in the low potential towns of the State.
(ii) In existing projects where rates of EDC were not finalized at the time of grant of licence, the rates of EDC as prescribed in the agreement at the time of grant of licence shall remain applicable till the actual provisioning of services by HUDA. EDC rates finalized subsequent to the grant of licence shall not be applicable unless it coincides with the due date as defined under Clause 2(iii) of this policy.
(iii) EDC rates for future licences will be either as finalized by HUDA or average rates as worked out by the Department as applicable under existing policy.
2. **POLICY PARAMETERS:** (i) Any colonizer willing to avail the benefit of this policy shall submit an application along with 25% of the principal amount of EDC and bank guarantee equivalent to 50% of the balance principal amount of EDC (both, in case not deposited earlier) to the DGTCP accompanied with the following:
 - a. An affidavit specifying the quantum of EDC installments recovered from its allottees with commitment to deposit such amount of EDC as collected in past or future immediately, and in no case later than 30 days period after collection.
 - b. An affidavit undertaking to execute a fresh agreement with its allottees detailing the rate of EDC applicable, the benefits availed by the licensee under this policy and also allowing commensurate benefits to the plot/flat allottee.

- c. An affidavit undertaking to deposit the EDC dues on such rates and terms as communicated to it by the DGTCP under the present policy.
- (ii) After the applicant has fulfilled all the conditions laid down in this policy to the satisfaction of the DGTCP, the DGTCP may convey the acceptance of such application under this policy, and prescribe conditions as considered necessary. In such case the approval of zoning plan, service plans, building plan, renewal of licences etc. shall be considered without insisting for any further payment of EDC.
- (iii) The balance amount of EDC shall become due at the end of a period of two years from the date of announcement of award (referred to as 'due date' for the purpose of this policy) for acquisition of land reserved for sector road/green belt along sector boundary containing the colony for laying trunk services, viz, water supply, sewerage, roads etc. by HUDA. No interest shall be due for payment till the due date. HUDA shall work out fresh EDC rates for such sector/ sectors on the due date, to be made applicable for projects where valid application for Occupation Certificate (for complete project in case of integrated projects) or Part-Completion Certificate (in case of plotted colonies) has not been received before the due date. Starting from the due date, the payment of balance EDC shall be made in 10 equated six monthly installments.
- (iv) For grant of Occupation Certificate or Completion/Part-Completion Certificate, balance EDC would be required to be paid in full, which shall be considered as full and final payment of EDC. In case such application is received by the DGTCP before the due date of EDC, balance EDC shall be recovered without interest at rates prescribed in the agreement at the time of grant of licence.
- (v) Interest at the rate of 12% on all delayed payments shall be levied.
- (vi) In case the EDC payments already made either before the commencement of this policy or subsequently exceeds the due amount of EDC, the same shall be eligible for refund after reconciliation of EDC accounts at the time of grant of part-completion certificate.
3. **SPECIAL DISPENSATION:** (i) After obtaining a No-Objection Certificate (NOC) from Chief Engineer, HUDA, the colonizer shall be free to procure services from other agencies like Municipal Bodies, Department of Public Health etc. and to claim exemption of proportionate amount from payment of EDC to HUDA.
- (ii) The Chief Engineer, HUDA, shall not deny such NOC in case the internal development works stand completed by the licensee and acquisition proceedings of land reserved for sector road along sector boundary of the colony are yet to be completed by HUDA.

Sd/-

Deputy Superintendent

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