

From

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

To

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

Memo No. PF-51A/2015/ 2708;

Dated: 18.02.2015 .

SUBJECT: POLICY PARAMETERS FOR ALLOWING CHANGE IN BENEFICIAL INTEREST, VIZ., CHANGE IN DEVELOPER; ASSIGNMENT OF JOINT DEVELOPMENT RIGHTS AND/OR MARKETING RIGHTS ETC. IN A LICENCE GRANTED UNDER ACT NO 8 OF 1975.

On account of the changing market dynamics, many requests have been received in the Department during the recent times, for either 'Change in Developer' or for 'Assignment of Joint Development Rights and/or Marketing rights', wherein 'Transfer of Licence' is not involved, since no change in land-schedule of the licenced colony is involved. It has been observed that these cases, though not involving change in land schedule of the licence and thus not qualifying as transfer of licence, inherently involve 'change in beneficial interest' of the existing Developer and thus policy parameters to enable decision on such requests and recovery of administrative charges against the same need to be prescribed. Accordingly, in exercise of the powers conferred under section 9A of the Haryana Development & Regulation of Urban Areas Act 1975, the Governor of Haryana is pleased to prescribe the following policy parameters in this regard.

2.0 SCOPE OF THE POLICY: Any case involving change in the 'beneficial interest' of the existing Developer, designated as such at the time of grant of licence, shall be covered under the scope of this policy and shall accordingly require an application to the Director General, Town and Country Planning, Haryana (DGTCP) seeking approval for the same. Without prejudice to their inherent general meaning, the terms:

(i) 'change in beneficial interest', shall include cases pertaining to change in existing Developer; assignment of joint development rights and/or marketing rights; cumulative change in shareholding pattern beyond 25% of shareholding existing at the time of grant of licence; etc., for which the licensee/Developer shall be required to seek the prior approval of DGTCP, under the present policy; and,

(ii) 'new entity' shall include any individual/entity, either proposed to be inducted as the Developer and/or shareholder(s); or for assignment of Joint Development and/or Marketing rights.

3.0 RECOVERY OF ADMINISTRATIVE CHARGES: Any applicant seeking such change in beneficial interest shall be required to deposit administrative charges, at the rate of 25% of the applicable licence fee prevailing on the date of such application and in the manner as prescribed under para 4.0 below.

Provided that in case of 'Assignment of Joint Development Rights and/or Marketing rights' over part of any licenced area, the administrative charges shall be levied

proportionately against such part of licenced area for which the Joint Development Rights and/or Marketing Rights is proposed to be assigned.

4.0 APPLICATION PROCEDURE: All such requests for change in beneficial interest shall be accompanied by the following documents:

(i) A No-Objection-Certificate from existing 'Developer', filed through its authorized signatory, specifically designated for the purpose; as well as from the 'land-owner licencees', in person (not through GPA/SPA assignees), to the proposed change/assignment.

(ii) A consent letter from the 'new entity' for the proposed change.

(iii) Justification for such request.

(iv) The status regarding creation of third-party rights in the colony. In case no third-party rights are claimed to have been created in the colony, an affidavit to the said effect be also submitted by the existing Developer.

(v) Documents pertaining to Technical and Financial Capacity of the 'new entity' proposed to be inducted as a 'Developer' or 'shareholder(s)' as per prescribed policy parameters for the purpose of grant of licence.

(vi) A demand draft for 40% of the applicable administrative charges calculated at the rates prescribed under para 3.0 above.

(vii) An undertaking to pay the balance administrative charges before final approval.

(viii) An undertaking to the effect that in case the administrative charges for such cases is fixed in the Act/Rules at a rate higher than that being recovered, the applicant shall be liable to pay the difference as and when demanded by DGTCP.

4.1. EXAMINATION OF SUCH REQUEST UNDER THE POLICY: All such requests received by the DGTCP under this policy shall be examined on merits and depending upon the nature of request, the DGTCP may direct the applicant/the new entity to furnish/comply with some or all of the following requirements, as applicable, in a period not exceeding ninety days:

i) Fresh Agreement LC-IV, Bilateral Agreement to be executed on behalf of the new entity and bank guarantees to be furnished by the bank on behalf of the new entity against internal development works and external development charges.

ii) An undertaking to abide by the provisions of Act/Rules and all the directions that may be given by the DGTCP in connection with the above said licenses.

iii) A demand draft for the balance 60% of the applicable administrative charges calculated at the rates prescribed under para 3.0 above.

iv) Registered Collaboration agreement between the proposed Developer and land owning individuals/entities.

v) Clear the outstanding EDC/IDC dues, as specifically directed by the DGTCP.

vi) In projects where third party rights stand created, objections regarding change in Developer shall be invited from the allottees through public notice as well as notice under registered cover, as per the detailed procedures and proforma prescribed by the DGTCP.

vii) An undertaking to settle all the pending/outstanding issues, if any, in respect of all the existing as well as prospective allottees.

viii) An undertaking to be liable to pay all outstanding dues on account of EDC and interest thereon, if any, in future, as directed by the DGTCP.

ix) An undertaking that all the liabilities of the existing Developer shall be owned by new entity.

x) Original licences and schedule of land.

xi) An undertaking that notwithstanding the assignment of joint development rights and/or marketing rights to a third-party agency, for either entire or part of the colony, the Developer shall continue to be solely responsible for compliance of provisions of the Act/Rules as well as terms and conditions of the licence (*applicable in case of assignment of joint development rights and/or marketing rights*).

4.2. ISSUANCE OF APPROVAL/ REJECTION ORDERS: Subject to the compliance of the terms and conditions as laid down in the in-principle approval to the satisfaction of the DGTCP, the necessary approval may be allowed. In case of failure of compliance of the prescribed conditions within the prescribed period, the in-principle approval shall automatically lapse and the administrative charges shall be forfeited. The applicants may, however, resubmit their request along with fresh administrative charges, which shall be examined afresh, on merits.

5.0 SPECIAL DISPENSATION: (i) The administrative charges recovered under this policy shall be credited to the IDC Fund created under Section 3-A of the Haryana Development and Regulation of Urban Areas Act, 1975.

(ii) Depending upon the specific requirements on case-to-case basis, the DGTCP shall be free to add any further condition at the time of grant of in-principle approval or with the final permission, as deemed fit.

(iii) In such cases where either, the cumulative change in shareholding remains below 25% of shareholding existing at the time of grant of licence, or, there are changes in the Director(s) of the Developer/coloniser company, the licensee shall be bound to inform the DGTCP at any/all such occasion.

(iv) The policy parameters as above shall be implemented with immediate effect.

Sd/-

(Anurag Rastogi)

Principal Secretary

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