Subject: Levy of External Development Charges on the SEZ Projects in Haryana.

Government has decided the following parameters for levy of External Development Charges on the SEZ projects:

1. The SEZ projects falling within the outer boundary of the urbanizable area will be liable to pay the EDC.

2. For the projects falling in the land use zones of the development plans, HUDA/HSIIDC (as the case may be) will provide the services.

3. The Development agency will provide single point connection for services like water supply, sewerage and drainage.

4. The Internal Development shall be carried out by the developer himself as in the case of licenced colonies.

5. The EDC for the SEZ projects will be leviable at industrial rates.

6. The power infrastructure will not be part of EDC and developer needs to take up this matter with concerned power utility.

7. EDC will be charged either in lump sum within 30 days of the notification of the SEZ project without any interest or in four annual installments of 25% each with a simple interest of 15%. However, the total EDC will be payable before grant of occupation certificate for the buildings in the processing area for SEZ projects like IT/ITES biotechnology. Any default will attract a penalty of additional 3% maximum upto two years. Non payment of EDC will attract disconnection of services as well as initiation of action for breach of terms and conditions of the agreement by the Industries Department.

Based on above parameters and after detailed discussion, the following criterion have been approved for levy of EDC on SEZ projects.
a) For multi-product projects involving an area of 1000 hectares and more, a flat rate of 15% of the EDC shall be charged. The developer shall pay the capital expenditure required for water supply. In case, it is a dedicated line, the developer shall pay the entire cost and in case, it is share between different agencies, the proportionate cost as decided by the Government shall be payable. The development agency shall only provide single connection for sewage/storm water disposal. The developer shall dispose off only treated waste.

b) For multi-services and other SEZ projects involving an area of 100 hectares or more, the flat rate of 35% shall be levied. The development agency shall provide water supply, sewerage disposal, drainage (single point connection) for the SEZs falling within the outer boundary of the urbanizable zone.

c) For single product SEZs having area less than 100 hectares the EDC for the entire area will be chargeable.

Superintendent,
For Financial Commissioner & Principal Secretary to Govt. Haryana
Town & Country Planning Department.

Endst. No. 7/16/2006-2TCP
Dated:
A copy is forwarded to the following information and further necessary action please:-

1) The Financial Commissioner & Principal Secretary to Govt. Haryana, Industries and Commerce Department, Haryana, Chandigarh.

2) Chief Administrator, HUDA, Panchkula,

3) The Director, Industries & Commerce Department, Haryana, Chandigarh. He shall provide the details of SEZs falling in urbanizable zone to CA HUDA within a week along with their status of their approval in accordance to the decision taken.

4) The Managing Director,
Haryana State Industrial Development Corporation, Haryana, Panchkula.

Superintendent,
For Financial Commissioner & Principal Secretary to Govt. Haryana
Town & Country Planning Department.