

**GOVERNMENT OF PUNJAB
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
(HOUSING II BRANCH)**

NOTIFICATION

No.17/17/2001-5HG2/P.F/1817

Dated Chandigarh, the 22 June,2010

Whereas it is endeavor of the govt. to make available affordable housing for weaker sections, but this scheme has failed to take off due to high land values and cost of construction, though land for this purpose is available in all the approved housing projects and is lying un-utilized.

Whereas to check unauthorized construction by making Housing in authorized colonies available at affordable prices by reducing Licence fee/EDC etc. wherever possible.

Whereas Real Estate Industry, due to economic turmoil throughout the world, high interest rates, global melt down, reduced demand and due to liquidity crunch has suffered a lot .

Whereas there is a need to redefine the various potential zones in the state of Punjab on the basis of economic and social potential of the area to make it more realistic and functional.

Now in order to encourage development in settlite towns to reduce congestion in bigger towns, to make it more realistic and to salvage the Real Estate Projects, the Governor of Punjab is pleased to partially modify the notification No. 17/17/01-5HG2/7623,dt. 19.9.2007 and notification No.17/17/01-5HG2/7639,dt. 19.9.2007 as under:-

POTENTIAL ZONES IN PUNJAB OTHER THAN GMADA AREA

HIGH POTENTIAL ZONE	MEDIUM POTENTIAL ZONE	LOW POTENTIAL ZONE
<p>High I</p> <p>Ludhiana within M.C.Limits</p>	<p>Medium I</p> <p>Patiala, Rajpura, Sirhind, Mandi Gobindgarh, Khanna and Phagwara within MC limits and 2 km on both sides of the portion of the following roads not covered under any potential zone:-</p> <ol style="list-style-type: none"> 1.Ludhiana-Pakhowal-Raikot road 2.Ludhiana-Samrala-Morinda-Kharar road. 3. Ludhiana-Moga road 	<p>Low I</p> <p>Bathinda, Moga, Batala, Pathankot, Barnala, Malerkotla and Hoshiarpur within MC limits</p>

<u>High II</u>	<u>Medium II</u>	<u>Low II</u>
a) Ludhiana outside MC limits within 15 km b) Jalandhar, Amritsar within M.C.Limits <u>High III</u> Jalandhar & Amritsar outside M.C.Limits within 15 km	Patiala, Rajpura, Sirhind, Mandi Gobindgarh, Khanna and Phagwara outside MC limit upto 5 km and area 2 km on both sides of GT Road (NH1) and 1 km on both sides of the portion of the following roads not covered under any potential zone:- 1. Banur-Rajpura-Patiala road 2. Patiala-Sirhind road	Bathinda (outside MC limits within 15 km), Moga, Batala, Pathankot, Barnala, Malerkotla and Hoshiarpur all outside MC limits within 5 km And Sangrur, Sunam, Nabha, Faridkot, Kotkapura, Ferozepur, Malout, Abohar, Mukatsar, Kapurthala, Nawanshahar, Ropar, Tarn Taran, Gurdaspur, Samana, Jagraon, Mansa within MC limits and 1 km on both sides of the portion of the following roads not covered under any potential zone:- 1. Batala-Amritsar road 2. Kurali-Ropar-Nawanshahar-Phagwara road.

Low III

Sangrur, Sunam, Nabha, Faridkot, Ferozepur, Malout, Abohar, Mukatsar, Kapurthala, Nawanshahar, Ropar, Tarn Taran, Gurdaspur, Samana, Jagraon, Mansa outside MC limits within 3 km and 1 km on both sides of the portion of the following roads not covered under any potential zone:-

1. Pathankot-Gurdaspur road 2. Gurdaspur- Batala road 3. Pathankot- Jalandhar road 4. Dasuya-Hoshiarpur-Balachaur-Ropar road. 5. Hoshiarpur- Jalandhar road 6. Ludhiana-Malerkotla -Nabha-Patiala road 7. Patiala-Sangrur-Barnala-Bathinda-Mandi Dabwali road 8. Bathinda-Malout-Abohar road up to Haryana Border	9. Malout-Fazilka road 10. Malout-Muktsar road 11. Bathinda-Muktsar road 12. Bathinda-Kotkapura-Faridkot-Ferozepur road 13. Ferozepur-Jalalabad-Fazilka road 14. Faridkot-Zira-Tarn Taran-Amritsar road 15. Kotkapura-Baghapurana-Moga road 16. Barnala-Raikot-Jagraon-Nakodar-Jalandhar road.
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Low IV

All other towns and areas
 Not covered in any potential Zone.

Note : If some area falls in LPA as well as along the above mentioned roads, the rates of LPA shall apply (not of the road). Rates of roads will apply only outside LPA's.

Rates of EDC and License Fee potential zone wise

POTENTIAL ZONES IN GMADA AREA

GMADA-I: Local Planning Area S.A.S Nagar

Rs.in lacs per acre

Zones/Use	Residential Plotted	Commercial
EDC	33.00	115.00
LF	3.50	150.00

GMADA-II: Local Planning Area Mullanpur/

Dera Bassi/ Zirakpur/ Kharar/ Banur

Zones/Use	Residential Plotted	Commercial
EDC	28.00	95.00
LF	3.25	145.00

GMADA-III :Area other than above in GMADA

Zones/Use	Residential Plotted	Commercial
EDC	24.00	85.00
LF	3.00	140.00

POTENTIAL ZONES IN PUNJAB OTHER THAN GMADA AREA

High-I

Zone/Use	Plotted Residential	Commercial
EDC	24.00	45.00
LF	2.50	50.00

High-II

Zone/ Use	Plotted Residential	Commercial
EDC	18.00	35.00
LF	2.25	45.00

High-III

Zone/Use	Plotted Residential	Commercial
EDC	15.00	30.00
LF	2.00	40.00

Medium-I

Zone/Use	Plotted Residential	Commercial
EDC	12.00	25.00
LF	1.20	20.00

Medium-II

Zone/Use	Plotted Residential	Commercial
EDC	10.00	20.00
LF	1.00	15.00

Low-I

Zone/Use	Plotted Residential	Commercial
EDC	6.00	15.00
LF	0.30	3.00

Low-II

Zone/Use	Plotted Residential	Commercial
EDC	4.50	11.00
LF	0.25	2.00

Low-III

Zone/Use	Plotted Residential	Commercial
EDC	3.00	7.50
LF	0.20	1.25

Low-IV

Zone/Use	Plotted Residential	Commercial
EDC	2.50	6.50
LF	0.15	1.00

NOTE:

- 1) CLU charges, EDC and License Fee shall be increased by 10% compounded on 1st April every year starting from 1st April, 2012.
- 2) Group Housing shall be charged at the rates of plotted development subject to the condition that residential density remains the same as notified in the Master Plan.

Where Master Plan has not been notified, the Group Housing shall be charged two times the rate prescribed for Residential plotted development applicable in that particular potential zone.

- 3) External Development Charges (EDC) are the charges for utilization and repair/maintenance/strengthening of existing infrastructure/ proposed infrastructure and License/Permission fee is the fee for granting permission for the projects.

The External Development Charges and Licence fee shall be utilized by the concerned Local Planning and Urban Development Authorities for providing infrastructure. In case the concerned Authority feels that connectivity is required from any local body or any work is to be got executed from a local body, the proportionate amount may be deposited by the authority with the Local Body on case to case basis.

Conversion charges will be deposited in the Government Treasury by the concerned authority and License/Permission Fee will be retained by the concerned Urban Development Authority also

- for planning and development of areas under its jurisdiction.
Separate account shall be maintained for each of the above charges.
- 4) Charges for commercial and group housing are for 1: 1.75 F.A.R. The purchase of higher FAR than prescribed, at half the proportionate rate, for Group Housing and Commercial purposes, shall be permissible subject to admissibility under town planning norms, structural and fire safety as per National Building Code.
 - 5) Where a piece of land falls in more than one Potential zones the proportionate rate for each category shall apply.
 - 6) The reserved area (until planned) and open area under roads and parks and other utilities shall be charged at the rate of residential plotted area.
 - 7) For mixed land use, proportionate charges for different categories shall apply.
 - 8) (a) The conversion/CLU charges shall be at the rate as on the date of grant of permission for CLU.
(b) The license/permission fee and EDC shall be charged at the rate as on the date of grant/exemption of license/permission.
(c) It is further clarified that projects (Residential, Commercial, Industrial, Mega, Super Mega, Mega Industrial Park, I.T. Park etc.) to whom licenses have been issued under PAPRA-1995 or exemption has been granted under PAPRA prior to 17/8/2007 shall be charged E.D.C & license fee at the rates prevailing at that time, (i.e. charges leviable at the time of giving Licence or the exemption from PAPRA or the date of approval of building plans in case of projects not covered under PAPRA) irrespective of the conditions, if any, regarding enhancement of rates at later stage or payment on account basis mentioned in the L.O.I or license or agreement or exemption orders or building plans approval orders in case of projects not covered under PAPRA. However in permission orders issued after 17.8.2007 wherein it has been specified that conversion charges and EDC /License fee charges shall be charged as and when levied or enhanced or on account basis, in such cases the present rates shall apply.
 - 9) The reserved area in residential projects for Schools, dispensary and other institutions shall be charged in the respective Potential Zones as per the notification no.17/17/01/5HG2/311 dated 11.1.2008.

However, to encourage school level stand alone educational institutions upto 10+2 level, EDC and License fee shall be charged @1/10th of the charges for residential plotted category in the respective potential zones.

- 10) License Fee and EDC on marriage palaces, dhabas/restaurants and clubs shall be levied proportionately to the F.A.R claimed/utilized as commercial. Rest of the project area shall be charged @ of Residential plotted.
- 11) (a) The External Development Charges and License Fee already deposited at the rates notified vide notification no.17/17/01-5HG2/7623 dated 19-9-2007 and notification no.17/17/01-5HG2/7639 dated 19-9-2007, shall be adjusted against pending installments or in new projects of the promoter.
(b) The benefit of this concession of External Development Charges and License Fee shall be passed on to the customers by the promoter. The entire onus to satisfy the concerned Urban Development

Authority regarding this passing on will lie on the promoter. Respective Urban Development Authority shall ensure the compliance. In case the promoter of any ongoing project is unable to satisfy the concerned Authority that he has passed on the benefit of the reduction in EDC/LF to the end user, he will not be entitled to claim any relief in EDC/LF with retrospective effect.

(c) However, no credit/adjustment of the CLU charges already paid shall be permissible.

- 12) If the promoter opts to deposit the EDC in lump sum then 5% concession/ rebate shall be given.
- 13) (a) Defaulter promoters shall be allowed to deposit the defaulted amount of EDC in six equal half yearly installments provided that they apply to the competent authority before 1st August, 2010 with the amount of first installment.
- (b) An interest of 10% shall be charged on the due amount. (c) Penal interest already due is waived off.
- (d) 3% penal interest (compounded) shall be charged on the defaulted amount in future.
- (e) For the new projects under PAPRA, 15% of the EDC and full License fee shall be charged up front, however, the rest of the EDC amount shall be recovered in ten equal half yearly installments with 10% interest, payable half yearly, along with instalment on the balance amount and 3% penal interest (compounded) will be charged in case of default on the defaulted amount.
- (f) For new Projects exempted from PAPRA Act (Mega, Super Mega, Mega Industrial, I.T.Park or any other project exempted from PAPRA, shall pay 15% EDC up front and balance in 10 equal half yearly installment with 10% interest on balance EDC. In future 3% penal interest (compounded) shall be charged on the deflated amount of E.D.C.

25% Licence fee shall be paid up front and balance licence fee in three half yearly installments with 10% interest on balance of licence fee. In future 3% penal interest (compounded) shall be charged on the deflated amount of licence fee.

- 14) In case of plotted colony, EWS housing may be in form of constructed house on plots, (incremental housing) or multi-storeyed flats, within the norms prescribed in PAPRA-1995 and rules there under. While calculating the cost of dwelling unit, land cost shall be taken as zero, as number of concession have been offered to promoters and in lieu of that, land for EWS housing shall be provided free of cost by the promoter. Promoter shall have the option to construct the houses on this land for EWS as provided in the PAPR Act and Rules i.e. construction of incremental houses on plots against the plotted development and construction of flats against the Group housing under taken by the promoter in the manner and ratio provided in the Act and Rules; or promoter may transfer this land free of cost to construct EWS houses by the Govt. or its Agencies. However in case of project exempted from PAPRA, EWS houses shall be constructed as per the policy notified vide notification no.17/91/08-1HG2/7069 dt. 7th November, 2008, where in also the cost of land shall be zero.

- 15) In all stand alone commercial projects (2.5acres and above), residential projects up to 150 acres and industrial projects above 25 acres and up to 150 acres, promoter shall provide at least one Common Facility Centre (CFC) such as Suvidha Centre, information centre, public complaint office, and allied activities of minimum 400- 1000 sq feet constructed carpet area. The number of CFCs shall increase proportionately with the increase in area. However, number of additional CFCs shall be determined by the Govt. or the Development Authority keeping in view the requirement of CFCs in that area. These common facility centres (constructed) shall be leased out to Govt. or its agencies by the promoter on long lease @ Rs.1 per year.
- 16) In order to boost the housing stock, promoter who sells the constructed houses in the form of built up villas, Apartments, or multi storeyed group housing, shall be given 10% rebate on EDC and License fee on completed structures. This concession shall be adjusted in the next installment of EDC/LF.
- 17) In order to promote social infrastructure like sports, health, recreation, education, construction of EWS housing or any other item on social infrastructure, a fund to be called %Social Infrastructure Fund+(S.I.F), shall be created, wherein all promoters of residential, commercial, institutional and industrial projects (even of on going projects) shall pay an amount equal to 3% of CLU charges, EDC and License fee to the concerned Urban Development Authority who shall maintain a separate account of this fund and shall utilize it for creation/construction of social infrastructure with the approval of Chief Minister, Punjab. This fund shall be paid by the promoter along with the CLU charges, EDC and LF. The Construction of EWS housing out of this fund, if any, shall be in addition to the requirement of construction of EWS as part of the individual project. The promoter himself, with prior permission of Competent Authority, may take up/create this social infrastructure within 50 km of the project area with equal amount.

Dated Chandigarh,
The

Dr.S.S. SANDHU, IAS
Secretary to Government of Punjab,
Housing and Urban Development Department.

Endst.No.

Dated:

A copy with a spare copy is forwarded to the Controller, Printing and Stationery Department, Punjab, Chandigarh with request to publish this notification in the Punjab Govt. ordinary Gazette and send 200 copies of the same.

Joint Secretary

A copy of the above is forwarded to the following for information and necessary action:-

1. The Principal Secretary, Local Government.
2. The Principal Secretary, Industries and Commerce.
3. The Chief Administrator, PUDA, Mohali.
4. The Chief Administrator, GMADA, Mohali.
5. The Chief Administrator, GLADA, Ludhiana.
6. The Chief Administrator, Amritsar Development Authority, (ADA).
7. The Chief Administrator, Bathinda Development Authority(BDA)
8. The Chief Administrator, Jalandhar Development Authority(JDA)
9. The Chief Administrator, Patiala Development Authority(PDA)
10. The Chief Town Planner, Punjab, Chandigarh.

Superintendent

Endst.No.

Dated:

A copy of the above is forwarded to the following for information:-

1. PA/ CM, Punjab for information of Hon'ble Chief Minister.
2. PS Chief Parliamentary Secretary, Housing and Urban Development for information of the Chief Parliamentary Secretary.
3. PS/ Chief Secretary for information of the Chief Secretary.
4. Special Principal Secretary/ CM.

Superintendent