

Directorate of Urban Local Bodies, Panchkula, Haryana



Standard Operating Procedure

“Monitoring and levy of EDC in Change of Land Use cases”

Standard Operating Procedure for Monitoring and levy of EDC in Change of Land Use cases

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| Standard Operating Procedure | | | |
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| Department | Directorate of Urban Local Bodies, Panchkula, Haryana | | |
| SOP Title | Standard Operating Procedure for Monitoring and levy of EDC in Change of Land Use cases | | |
| SOP Number | 02/TPCell/2024 | | |
| Effective date | | | |
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| Date | | | |
| Signature | | | |

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Legal Framework of grant of Change of Land Use Permission:

The Section 350D of the Haryana Municipal Corporation Act, 1994 and Section 203G of the Haryana Municipal Act, 1973 provided that all the power and functions of Director, Town and Country Planning Haryana performed under the Haryana Scheduled Roads and Controlled Areas Restriction of Unregulated Development Act, 1963 (Punjab Act 41 of 1963) and the rules made thereunder as applicable to the areas within municipal limits, shall be exercised and performed by the Director, Urban Local Bodies.

Therefore, within the Municipal limit, the Director, Urban Local Bodies have all the power and functions under the Haryana Scheduled Roads and Controlled Areas Restriction of Unregulated Development Act, 1963 (Punjab Act 41 of 1963).

As per the Section 7 of the Haryana Scheduled Roads and Controlled Areas Restriction of Unregulated Development Act, 1963 (Punjab Act 41 of 1963) no land within the controlled area be used for the purpose as defined in the development plan without approval of Director and on payment of such conversion charges as prescribed by the Government from time to time. Therefore under Section 8 of Act 41 of 1963 the every persons desired to obtain permission under Section 7 are required to make an application in writing to the Director and on receipt of such application the Director may grant permission or refuse to grant such permission.

Further clause (b) of Section 26 D of the Haryana Scheduled Roads and Controlled Areas Restriction of Unregulated Development Rules, 1965 provides that applicant undertake to pay proportionate development charges which shall be a first charge of the said land as and when required and as determined by the Director in respect of External Development Works which may be carried out in the area for the benefit of the said land.

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Purpose of the Document: This document help Urban Local Bodies Department to monitor and levy of External Development Charges in the Change of Land use cases.

In the process of monitoring and levy of External Development Charges the main stakeholder are;

Individual or Company: When an individual or Company applies for Change of Land use permission there is always uncertainty pertaining to applicability and recovery of External Development Charges in their case. Further, as per the condition of permission letter, timely deposition of EDC is responsibility of the applicant.

Municipalities: As per the sub section (1) of Section 12 B of the Haryana Development and Regulation of Urban Areas Act, 1975, the Director or any other Government agency or local authority receiving external development charges shall maintain a development plan-wise account statement for all such receipts. The external development charges received against any specific project in a given development plan shall be utilised for provision of external development works in the said development plan area. Therefore, the External Development Charges levied in the CLU case is required to be transferred to the concerned municipalities for the External Development Works as defined in the Sub- Section (g) of Section 2 of the Haryana Development and Regulation of Urban Areas Act, 1975.

Head office: Since the power to grant the CLU permission is vest with the Director, Urban Local Bodies within the municipal Areas, therefore to collect, monitoring and recovery of EDC is responsibility of Town Planning Cell in the Urban Local Bodies Department.

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Services, Timeline and Responsibility

| Sr. No. | Activity/Action Point | Description | Responsibility | Time line | |
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| 1 | To prepare a list of CLU cases in which permission has been issued by the Director, Urban Local Bodies. | From the list the CLU cases granted by the Director, Urban Local Bodies and the condition of EDC as per the permission letter, the cases in which EDC is due can be identified. For e.g. the cases which falls under the agriculture zone while grant of CLU permission and now after the notification of fresh Development Plan the site comes under the urbanizable zone, 10% EDC is to be recovered from such cases. | <p>The Planning Consultant and Planning Expert find out the cases;</p> <ul style="list-style-type: none"> a. which falls under the agriculture zone at the time of grant of CLU permission but now the site falls under the urbanizable zone; b. Cases which falls under the urbanizable zone at the time of grant of CLU permission but sector not developed but now the sector has been developed; c. Cases in which applicant has not deposited EDC within a period of 6 months and 2 years as per the condition of permission letter. <p>Month wise Calendar of one year will be prepared alongwith the details of due EDC. Accordingly, such cases shall be forwarded to the concerned ATPs by them.</p> | Within 15 days of approval of said SoP | T0+15 |
| 2 | Report by the concerned ATPs | The case files forwarded by the Planning Consultant and Planning | The concerned ATP shall provide the detailed calculation of pending EDC on | Within 4 days from receipt file. | T0+19 |

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| | | Expert shall be examined and applicable EDC rate and policies be placed in the file. | the file alongwith the demand letter for approval. Further for calculation of EDC, ATP can take help from the account branch, if required. | | |
| 3 | Report by the Account Officer | In order to verify the EDC recovery amount the concerned Account Officer shall calculate the EDC as per policies and conditions of permission letter. | The case file received from the concerned ATPs shall be examined by the Account Officer w.r.t to applicable interest amount and EDC rate in light of the policies and orders and resubmitted the file to the concerned ATPs. Further, if the EDC is calculated on the updated rates then Interest shall not be charged. | Within 3 days from receipt file. | T0+22 |
| 3 | Submission of case by the ATPs to STP. | After receipt of the report from the Account Officer, the file shall be submitted to Senior Town Planner, Hq. | The concerned ATPs shall provide brief background of the case alongwith draft of demand letter. In the demand letter 30 days time to deposit the EDC amount be given to the applicant. If applicant not deposits the EDC amount within the period of 30 days than 15% interest shall be charges from applicant for the delayed period. | Within 3 days after receipt of report from the Account Branch | T0+25 |
| 4 | Submission of case to the STP ULB | STP ULB examine the report provided by the Account branch and ATP. | After receipt of the case from the ATPs, if the same found in order the file be forwarded to CTP, ULB for approval. If STP, ULB is not satisfied with the report then the file be returned to ATP alongwith the reasons. | Within 3 days from receipt of file | T0+28 |

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| 5 | Submission of Case to CTP, ULB | CTP ULB shall examine the report provided by the STP, ULB | After receipt of the case from the STP, if the same found in order the file be approved and returned to concern ATPs for issuance of demand letter/report. If CTP, ULB is not satisfied with the report then the file be returned to STP alongwith the reasons. | Within 2 days from receipt of file. | T0+30 |
| 6 | Issuance of demand letter/observation letter and Submission of file after period of 30 days if no compliance of demand letter submitted by applicant. | After approval of the CTP, ULB concerned ATPs shall issue the demand letter/observations letter. In case no compliance of the demand letter has been submitted by the applicant then the concerned Assistant reports the same to the concerned ATPs.. | The concerned Assistant keep record of the demand letter and if no reply received from the applicant within 30 days from issuance of the demand letter, then resubmit the file to concerned ATPs. If compliance of demand letter submitted by applicant, then submit the same on file alongwith the compliance report to the concerned ATPs. When EDC is deposited by applicant the same shall be first entered in the data sheet of the EDC and after entry in date sheet the demand draft forwarded to the HUIDB. | Within 3 days after the period of 30 days if compliance not received from applicant. If compliance submitted by applicant then the same also be submit on file within period of 3 days from the date of receipt of compliance. | T0+33 |

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| 7 | Submission of file to the Concerned ATP | The concerned Assistant shall provide the report of compliance/noncompliance of demand letter to the concerned ATPs. | The concerned ATP shall examine the compliance report submitted by applicant and if found in order then submitted to STP, ULB for information. If no compliance of demand letter has been submitted by applicant then reminder/warning letter be submitted as per the Annexure-A for approval. | Within 3 days from receipt of file. | T0+39 |
| 8 | Submission of file to the STP, ULB | STP, ULB shall examine the report provided by the ATP on the file. | If the compliance of the demand letter has been made by applicant within the time period of 30 days and found in order, STP, ULB return the file to concerned ATP. In case compliance of the demand letter has not been submitted by the applicant then the reminder letter/warning be issued to applicant. In such cases STP, ULB approve the reminder/warning letter submitted by ATP (with correction if required) | Within 3 days from receipt of file. | T0+48 |
| 9 | Down mark the file to concerned ATPs | STP, ULB as per the situation mentioned in above para 8, down marked the file to concerned ATPs | Concerned ATP issue the reminder/warning letter to the applicant for noncompliance of the demand letter. | Within 2 days from receipt of file. | T0+59 |

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| 10 | Submission of report on the reminder/warring letter to the concerned ATPs | The concerned Assistant shall submit the report on the reminder/warring letter | The concerned Assistant after the time given in the reminder/warring letter submit the file to the concerned ATPs apprising the compliance of reminder/warring letter. | Within 2 days from the time given in reminder/warring letter. | |
| 11 | Submission of file to the STPs | After receipt of report from the concerned Assistant, ATP forwarded the file to the STP. | <p>If compliance submitted by applicant after the reminder/warring letter then the same shall be examined by the concerned ATPs and submit the report to the STP.</p> <p>If no compliance report submitted by applicant even after the reminder/warring letter then the file be submitted as per the proceeding to Director, Urban Local Bodies mentioned in the Annexure-A</p> | Within 2 days from receipt of file. | T0+72 |
| 12 | Submission of file to CTP | After receipt of report from the concerned ATP forwarded the file to the CTP. | <p>If the compliance has been submitted by applicant and the same are in order then the file is returned to ATP to place the same in record.</p> <p>If the compliance not submitted then the file be submitted to CTP, ULB for onward submission of DULB in light of Annexure-A</p> | Within 2 days from receipt of file. | T0+85 |

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| 13 | Submission of file to the DULB | If the compliance not submitted by applicant even after reminder/warring letter then the file be submitted to DULB for decision in this regard. | The Director, after receipt of file provides the date and time for the hearing to applicant, before taking cancellation of CLU permission. In case applicant not appear for hearing then Director, ULB will decide that whether another opportunity of hearing is required or not or the cancellation order be passed. | Within 5 days from receipt of file. | T0+105 |
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Note:

- (1) Month wise Calendar of one year will be prepared alongwith the details of due EDC. Accordingly, before due date of EDC, reminder will be issued in advance (before 30 days from due date) for deposition of EDC. The Assistant Town Planner (Hq) shall maintain and update the such details with themself for ready reference.
- (2) When EDC is paid by applicant the same shall be first entered in the data sheet of the EDC and after entry in date sheet the demand draft forwarded to the HUIDB.
- (3) On first day of every month the cases in which EDC are due shall be apprised on file to the CTP (HQ).
- (4) In the beginning of every financial year, the audit of the EDC shall be done under the chairmanship of CTP, ULB (Hq).

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Annexure-A

To

Name and address of applicant.

Memo no.

Date:

Subject: Reagrding non compliance of the demand letter issued in case of change of land use permission for setting up.....falling in the revenue estate of.....(Sector....., land use Zone) Distt.....

Ref: This office memo no.....dated

This office vide memo reffered above requested you despoit the external Development charges i.e. Rs.....as per the condition no.of permission letter within a period of 30 days from the issuance of demand letter.

But you have not submitted compliance of the demand letter, therefore another opperutnity to deposit the EDC as demanded in the demand letter dated..... within 15 days from issuance of this reminder/warring letter alongwith inteest @ Rs. 15% for delayed period.

If you have not submitted the demanded EDC within the said period then no futher oppertunity shall be granted and procedding towards cancellation of CLU permission shall be initiated.

(Stamp of Concerned ATP)