

**Policy Mechanism for implementing the provisions of the Haryana Management of Civic Amenities and Infrastructure Deficient Municipal Area (Special Provisions) Act, 2016.**

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**I. Introduction:**

The Government is declaring the unauthorized colonies falling within limits of municipalities in the State as Civic Amenities and Infrastructure Deficient areas vide notification under the Act. The colonies (found eligible as per parameters issued vide letter dated 10.07.2015) falling within Municipal limits of Faridabad and Gurugram stand notified vide notification dated 06.12.2017 along with the Development charges which is to be levied from the plot owner for regularizing the plot.

The Government has observed from public response on previous notification of unauthorized colonies in year 2004 and 2013-14, i.e. despite of the Government efforts, the response of residents of notified colonies in getting the buildings plans approved and submission of development charges has not been encouraging. This leads to poor collection of development charges, which ultimately causing additional financial load to MCs in providing services in colonies.

**II. Constraints in notified colonies:**

1. Commercial establishments within the notified area/ khasra numbers of colony shall not be regularized.
2. Private institutions, school, religious institution, community buildings, clinics, hospitals, or any other building other than residential shall not be regularized.
3. For effective implementation, it is necessary that the Revenue Department and Town and Country Planning Department be requested to improvise enforcement for discouraging further carving of unauthorized colonies.

**III. The policy mechanism for regularizing plot and construction in notified colonies shall with maximum ease and efficient implementation of the Act is as under:**

1. The Municipality on the basis of layout plan of colony submitted for declaring the same as civic amenities deficient areas shall further prepare a detailed list of plots in that colony along with its owner name, area of plots and number of dwelling units on plots. (Within 2 months from notification of colonies). The municipality shall allot number to Property/ house so that it is identifiable.
2. The Municipality shall immediately issue public notice in Newspaper from the date of notification of colony declared as civic amenities deficient areas asking people to submit building plans and development charges.
3. The MC may simultaneously also issue individual notices to property owners for better recovery of development charges and submission of building plans.
4. All the plot owners who have already constructed houses shall submit as built plans along with scrutiny fees, development charges and compounding fees (if any).
5. In case of vacant plots, the plot owners shall submit its building plans application as prescribed in Haryana Building Code, 2017 along with necessary documents.
6. If the applicant opts to submit the development charge in instalments then building plans shall be first approved provisionally, only after payment of development charges final building plans shall be approved.
7. In case, the identified applicant doesn't submit building plan application within 6 months of issuance of public notice by MC, then the municipality has right to take action (such as sealing and demolishing) against the applicant considering the building as unauthorized under Municipal Acts.

**IV. Financial aspect:**

1. The applicant shall pay scrutiny fee and compounding fee to the MC at the time of submission of building plan.
2. The plot owner is entitled for 10% rebate in Development charges if the development charges are paid in lumpsum before 30.04.2018.
3. Further the applicant is allowed to deposit development charge in 6 equal instalments with 6% interest within period of 3 years to concerned MC.

4. In case, the applicant doesn't pay development charges even in instalments, then MC shall issue notice to pay the development charges within 30 days along with interest+ Penal interest of 3% otherwise the Municipality shall take action as per the provisions of Municipal Act and may also resort to sealing of property.
5. The matter has also been discussed with Nationalised Banks for financial assistance. In case, the applicant takes financial assistance from Nationalised Banks then:
  - a. The applicant shall meet the following conditions:**
    - i. The applicant shall not be defaulter of any bank/ financial institution.
    - ii. The quantum of loan provided shall be upto a maximum of Rs. 3.00 lakhs.
    - iii. The applicant shall submit ITR/Salary Slip/Affidavit of income, as proof of income
    - iv. The repayment period shall remain 5 to 7 years.
    - v. The applicant shall get prepared title-deed of property and shall submit to the Bank for creating equitable mortgage. The property documents shall inform property area in the registry.
  - b. The banks have been empowered to perform following actions while granting loan/ finance.**
    - i. The banks may create equitable mortgage of the house for which development charges are being financed.
    - ii. In case of default of payment by the applicant, the bank shall not take immediate action under Sarfaesi Act, but inform the municipality. The municipality shall take punitive action within three months against the applicant by temporary disconnection of water and sewerage, electricity etc. Thereafter, if need arises the concerned bank may proceed under Sarfaesi Act after informing the District Administration.
    - iii. The banks will create equitable mortgage of the house for which development charges are being financed.
    - iv. The Branch Manager shall examine the borrowing capacity of the applicant based on documents stated at Para-3 (a) above, while approving loan/ finance.
    - v. The rate of interest applicable to these loans shall be at appropriate rate applicable to Housing Loan.
    - vi. Any other term or condition which is necessarily required by the bank to enforce from legal point of view.