

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

To

1. All Chief Administrators,
Of Urban Development Authorities.
2. The Chief Town Planner,
Punjab, Chandigarh

Memo No: 9/49/08-3HG2/4733-34
Dated: Chandigarh, the 15.07.08

Subject: Recovery of CLU/EDC and Licence/Permission fee at new rates in accordance with Notification No. 17/17/01-5HG2/4623 dated 19-9-2007 for areas falling in GMADA Jurisdiction and Notification No. 17/17/01-5HG2/7639 dated 19-9-2007 for the entire State of Punjab (excluding GMADA area).

Reference subject cited above.

Some of the Urban Development Authorities have been raising frivolous queries in respect of certain promoters regarding the chargeability of CLU/EDC/ Licence/Permission fee at new rates. Such references to the Government only amount to helping these developers at the cost of State exchequer. The Notification themselves make it abundantly clear about the date of effect of new charges in respect of different types of cases. Since the earlier EDC Charge was on "account basis", it clearly implied that as and when EDC gets revised the developer/promoter shall be liable to pay the same Notifications dated 19-9-2007 clearly mentioned the final rates of EDC which are no more on "account basis." Thus, all previous developers/promoters having paid EDC on "account basis" are obviously liable to pay the current EDC charges. It will not be out of place to mention here that many of the big builder have already paid this amount running into crores of rupees. Therefore, there is no confusion anywhere. It has also been repeatedly clarified by the Government to the UDAs in various meetings of Chief Administrators.

As regards the CLU, this is to be charged on the date of grant of CLU. However if previously the sanction order slated the CLU charges shall be payable when levied, then, in such cases the new CLU charges are obviously leviable.

As regards the Licence/Permission fee, the rate is to be charged on the date of grant of Licence/Permission. This clarifies once again the position.

All the Competent Authorities were responsible for serving the demand notices on the concerned developers within 30 days of the receipt of the Government notification in their officers. Any delay in serving the demand notices by the concerned UDAs amounts to loss of revenue to the State exchequer and is thus recoverable from the concerned officer/official. A special audit in this regard shall be conducted by the A.G. Punjab where after all such discrepancies/irregularities on this account shall lead to recoveries from the concerned officer/official.

Additional Secretary