

Government of Punjab
Department of Housing & Urban Development
(Housing - 2 Branch)
Notification

Dated: The 1/September 2017

No. 17/17/2001-5HG2/4650 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.

Now, in order to encourage development in the satellite towns, to reduce congestion in bigger towns, to make it more realistic to salvage the real estate project and to boost real estate investors under PAPR Act, 1995/Mega/ Super Mega Project, Hon'ble Governor of Punjab is pleased to partially modify the notification No. 17/17/2001-5Hg2/P.F. dated 22-06-2010, 17/17/2001-5Hg-2/Part file/203 dated 22-06-2011, and 17/17/2001-5Hg-2/P.F./4255 dated 31-12-2013 as under:-

1)

i.

Particulars	Percentage of Upfront Payable	Balance 90% payable alongwith interest @ 10% p.a. in
EDC	10%	10 equal half yearly installments
License Fee	10%	6 equal half yearly installments
SIF	10%	6 equal half yearly installments
EWS Fund	10%	6 equal half yearly installments
PR-4 & PR-7 Case	10%	6 equal half yearly installments

ii. Promoter shall submit the bank guarantee or hypothecation of property for all type of dues after depositing upfront fee as per hypothecation policy being separately notified @ 75% of collector rate as applicable.

2) Apart from above, for the existing promoters who have not been covered or have not taken the benefit under the moratorium policy dated 15-12-2016, 04-01-2017 & 17-05-2017, they shall make the payment as per following policy:-

i. Promoters shall deposit 10% of the total defaulted amounts of EDC, License fee, EWS Fund and P.R. 4 & 7 Cess outstanding as on 31-07-2017 (alongwith upto date penal interest @ 10% p.a. +3% p.a. compounded annually). Further on the balance 90% of the defaulted amount moratorium upto 31-12-2017 may be allowed.

ii. During moratorium period i.e. from 01-08-2017 to 31-12-2017, interest @ 9.5% p.a and penal interest @ 1% p.a. (compounded annually) shall be payable on balance 90% defaulted amount in two installments at the end of financial quarter i.e. first payable on 30-09-2017 and second payable on 31-12-2017.

iii. With effect from 01-01-2018, balance 90% of the defaulted amount shall be payable in 6 quarterly installments along with interest @ 10% p.a. plus penal interest @ 3% p.a. (compounded annually).

iv. Moratorium shall also be allowed on the principal amount of regular installments of EDC, License Fee, EWS Fund and P.R. 4 & 7 Cess falling due from 01-08-2017 to 31-12-2017 as per demand notices originally issued, whereas the interest component in regular installments shall be payable as on due dates. Principal amount of regular installments shall be payable on 01-01-2018 alongwith interest @ 10% p.a. After that penal interest @ 10% p.a. +3% p.a. (compounded annually) shall also be charged on the defaulted principal amount.

v. Under this policy, no fresh demand notices would be issued. Promoters are expected to calculate their up-to-date dues on the basis of demand notices already issued under previous notifications and deposit them with 45 days from the issue of this notification to avail benefits under this policy.

Dated: 21-08-2017
Chandigarh

Vini Mahajan, I.A.S.
Addl. Chief Secretary,
Department of Housing and Urban Development.

Endst. No. 17/17/2001-5hg2/4651 Dated: 1/9/2017
A copy with a spare copy is forwarded to the Controller, Printing & Stationery, Punjab, SAS Nagar with a request to publish this notification in the Punjab Govt. Gazette (Ordinary) and 50 copies thereof may be supplied to this Department for official use.


Special Secretary