

Circular

Circular no – B88123

Date – 07/06/2019

Subject: Regarding approval of building plans within one year from taking possession of the plot.

Entrepreneurs in the Corporation's industrial areas construct buildings as per the approved plans, obtain building completion certificates, and commence production. However, some entrepreneurs do not undertake any development activity even after the plot is allotted. After the expiry of the stipulated development period, they request an extension of time without obtaining approval for the building plan on the allotted plot. In such cases, as per the revised guidelines in the Corporation's Circular dated 06.03.2013, since approval of the building plan is not obtained—being one of the concrete steps required for plot development—the plot holder is not eligible for grant of extension. In these instances, the plot holder does not promptly obtain approval for the building construction plans after taking possession of the plot or executing the primary agreement. Therefore, it is necessary to make it mandatory for the plot holder to obtain approval of the building plan within one year from the date of possession of the plot. This subject was discussed in the 379th meeting of the Board of Directors held on 11.02.2019, and Resolution No. 5848 was passed. Accordingly, as per the said resolution, the following policy is hereby issued regarding obtaining approval of building construction plans.

1. It shall be mandatory for newly allotted plot holders to obtain Building Plan Approval within one year from the date of taking possession of the plot. A corresponding condition to this effect shall be incorporated in the primary agreement.
2. In the case of plot holders who have executed the primary agreement prior to this policy and have not obtained Building Plan Approval within one year from the date of possession of the plot, it shall be mandatory for them to obtain Building Plan Approval within a period of six months. Further, this condition shall be incorporated in the primary agreement and a revised agreement shall be executed accordingly
3. Plot holders who fail to obtain Building Plan Approval within the period of one year/six months as stipulated in Clauses 1 and 2, or who have commenced production after carrying out construction without obtaining Building Plan Approval, shall be liable to pay additional charges at the rate of 5% per annum of the prevailing rate of the concerned industrial area. Such additional charges shall be levied on a monthly basis (for one month/two months/three months, as applicable) until the Building Plan Approval is obtained.
4. No extension of time under Clause 3 shall be granted for obtaining Building Plan Approval after the expiry of the stipulated development period of the plot holder.

5. In cases where the primary agreement is yet to be executed, the said condition shall be incorporated in the primary agreement.
6. The Regional Officers shall inform all plot holders accordingly.

This policy shall come into effect from the date of issuance of this circular. All concerned are requested to take note of the revised policy and take action accordingly.

This circular shall be displayed prominently on the notice board of the Regional Office as well as on the notice boards of the offices of the Deputy Engineer / Executive Engineer / Special Planning Authority / District Industries Centre, at a place clearly visible to all.

This circular is being issued with the approval of the Hon'ble Chief Executive Officer.