

CHENNAI METROPOLITAN DEVELOPMENT
AUTHORITY, CHENNAI-600 008.
(ADMINISTRATION DIVISION)

OFFICE ORDER NO. 14 /2015

DATED: 23.06.2015

Sub: Establishment - CMDA – Area Plans Unit – Issue of Planning Permission – Remittance of Security Deposit – Acceptance of Bank Guarantee in lieu of cash – Approval of Authority – Proposal sent to Government for amendment of Development Regulations – Govt. orders awaited - Instructions – Issued.

Read: Authority Resolution No.137/2014 dt.24.12.2014.

Planning Permission is being issued after Collection of security deposit for MSB, special building and Group development and Institutional buildings. Apart from Security Deposit for building Chennai Metropolitan Development Authority also collects Security Deposit for Sewage Treatment Plant (STP) and Display deposit for Display board. In this regard, the Authority in its A.R. No.137/2014 dt.24.12.2014 resolved to accept the Bank Guarantee in lieu of cash towards Security Deposit for the building, display board and Sewage Treatment Plant (STP) provided the applicant remits 9% of interest for the total Bank Guarantee amount for a period of 3 years. (PP validity period) in cash along with the Bank Guarantee. The Government in H&UD.dept has been addressed for approval of amendment in the Development Regulation for accepting Bank Guarantee towards Security Deposit.

2. In this regard, the following guidelines are issued for adherence while processing the Planning Permission applications for MSBs, Special Buildings and Group Development and Institutional Buildings in respect of Security Deposit for Building, Display Board and Sewage Treatment Plant/Septic Tank with up flow filter:

(i) The Security Deposit towards building, Sewage Treatment Plant (STP) / Septic Tank with upflow filter can be accepted in the form of Bank Guarantee also instead of Cash deposit. If the Security Deposit is made by way of Bank Guarantee, the applicant must

a) furnish Bank Guarantee for the Security Deposit amount from any of the Nationalised Bank / Scheduled Bank in the format prescribed.

and

b) must pay interest at 9% for the Security Deposit amount in cash in advance for the Planning Permission validity period (validity for 3 years)

c) If Completion Certificate is not obtained and Bank Guarantee is not released, till the applicant obtains Completion Certificate, interest must be collected by the Finance division before release of Bank Guarantee.

- (ii) The Security Deposit towards Sewage Treatment Plant (STP) / Septic Tank with upflow filter provision can be made in the form of Bank Guarantee along with 9% interest at the time of remittance of various charges as outlined in Security Deposit for Building.
- (iii) The Security Deposit towards Display Board must be collected in the form of cash and Bank Guarantee is not acceptable.

This order takes immediate effect.

A. KARTHIK,
MEMBER-SECRETARY

To

All APs in APU/Reg Unit/EC
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G. 29/6/15
ADMINISTRATIVE OFFICER.

29/06/15