

Last and Final Settlement Scheme (LFSS)-2022

1. The scheme shall remain open from 17.08.2022 to 30.09.2022 and will be applicable only in respect of those allottees who have outstanding amount in excess of Rs.1000/- under the head "Additional price alongwith interest/delayed interest thereon" only and under no other heads as on 31.07.2022. It is reiterated that the said Last and Final Settlement Scheme-2022 is a final opportunity for defaulters to clear their outstanding dues and does not intend or imply provide similar benefits to those who have already paid their entire dues including under the head "Additional price along with interest/ delayed interest thereon," similarly it will not apply to the future defaulter.
2. The scheme shall be applicable to the allottees of residential plots, Group Housing Sites, Industrial plots and Institutional plots. Earlier, in cases of the residential plots where floor wise registration has been done, their allottees were not eligible to avail the benefit of the scheme, now these allottees will also be the part of the new scheme. The scheme is to be launched for the following three types of the beneficiaries:-
 - (i) Defaulter Allottees who have not availed the Last and Final Settlement Scheme with effect from 03.03.2021 to 01.07.2021.
 - (ii) Defaulter Allottees for the sectors, which are not included in the earlier Last and Final Settlement Scheme with effect from 03.03.2021 to 01.07.2021.
 - (iii) Balance Defaulter Allottees for the sectors where the enhancement are issued prior to 01.04.2015 (only 3% rebate on delayed interest of 12% instead of 15%).
3. The benefit of the LFSS scheme under the head additional price alongwith interest/delayed interest will be available to those allottees who will clear the entire dues in the PPM System as on the date prior to implementation of LFSS i.e. 31.07.2022 tentatively.
4. The benefit of the scheme will not be available to those allottees who have already availed the benefit of "One Time Settlement Scheme" (OTSS) or "Full and Final Settlement Scheme" (FFSS) and Last and Final Settlement Scheme (LFSS) and have settled their dues under the head "Additional price alongwith interest/delayed interest thereon" when these schemes were introduced. The benefit of the scheme will also not be available to those allottees who have on their own accord has already paid the dues under the head "Additional price alongwith interest/ delayedinterest thereon".
5. The PPM account of the eligible allottees covered under the scheme shall be frozen by HSVP on 31.07.2022 and will remain so until 30.09.2022 or where the allottee has made the payment of the amount outstanding towards additional price alongwith interest/delayed interest thereon as calculated under this scheme then until the date of such payment has been made, whichever occurred earlier.

6. Since the PPM account will be frozen on 31.07.2022 and the scheme will remain in operation from 17.08.2022 till 30.09.2022, therefore, the principal amount of additional price calculated under the scheme shall not be subject to any interest during the period from 17.08.2022 to 30.09.2022 for allowing the allottees to calculate the settlement amount under the scheme. However, allottees who will not opt the benefit under the scheme, interest as applicable shall be charged for the period 17.08.2022 to 30.09.2022 after unfreezing the PPM account.
7. The benefit of the scheme will not be available to those allottees who have already deposited the amounts due under the head of "Additional price alongwith interest/ delayed interest thereon" and settled their said account prior to the date launch of the present scheme i.e. at any time on or before 31.07.2022.
8. The amount of additional price under the scheme has been re-calculated plot wise where the demand of additional price is related to the period after 01.04.2015 following certain parameters as laid down in instruction No. 63 dated 22.08.2019 and instruction No. 67 dated 04.12.2020 where the demand of the first instalment of the additional price was raised after that date.
9. The benefit of instruction No. 63 dated 22.08.2019 and instruction No.67 dated 04.12.2020 will not be given to the allottee where the demand of the first instalment of the additional price was made at any time prior to 01.04.2015.
10. The Method of calculation of settlement amount of additional price followed under the scheme is annexed as **Annexure 'X'**.
11. The scheme is voluntary and optional at the instance of allottees covered under the scheme and accept its conditions. However, where the benefit of the scheme has been availed by the allottee, it shall constitute settlement of all the disputes, issues, litigations pertaining to the demand of additional price. The allottee desires to avail the benefit of this scheme shall have to give an unconditional undertaking that he will withdraw the litigation pending in any court of law either individually or through any association or society and he will not dispute the calculations of additional price in future. In case, an unconditional undertaking is not provided by the allottees then it shall be presumed that the allottee has not opted for the scheme and will not be considered for the benefit of the scheme.
12. Any payment made by the allottee towards the entire settlement amount of additional price calculated under this scheme shall be considered and treated as settlement of the current amount as on date as shown in the PPM account under the additional price and interest/delayed interest thereon.
13. The settlement amount under the scheme will cease to be available after 30.09.2022 and in case the allottee does not opt for the benefit of the scheme, the allottee shall be liable to pay the entire outstanding amount towards additional price alongwith interest/delayed interest thereon as per the original calculations prior to the date of commencement of the LFSS and interest added thereon for the period of the scheme.

14. The scheme shall not apply to the additional price, the calculations of which has not been conveyed to the allottee after the Scheme concludes or which may arise in future due to the orders of the competent court of law.
15. Once the benefit of the scheme has been availed and amount towards the additional price alongwith interest/ additional interest thereon, has been paid by the allottee, the allottee shall not be entitled to any refund whatsoever.
16. Where any dispute or issue arises as to the manner of implementation of the scheme, the said dispute issue shall be decided by the committee under the Chairmanship of Chief Administrator, HSVP and comprising Administrator (HQ), CITO, HSVP, Legal Remembrancer, HSVP, Chief Town Planner, HSVP and Chief Controller of Finance, HSVP as member.
17. There will be committee of Zonal levels where aggrieved persons may lodge their complaints. The committee shall decide the matter in 15 days from receipt. If the issue is not addressed at this level then it shall be resent to committee at Sr. No.16.

ANNEXURE 'X'

Method of calculation of additional price under Last and Final Settlement Scheme.

- i. HSVP is aware of the existing litigation that had accelerated post- 2015 on the issue of additional price demanded from allottees due to enhancements in land prices awarded by different courts of law. Several schemes were introduced by HSVP in the past and which while moderately successful, have not enabled HSVP to settle the litigations and outstanding amounts under this head. There a need was felt to bring forth a settlement scheme that would follow principles different from the principles followed while introducing the earlier settlement schemes to resolve the issue.
- ii. A policy regarding calculation of additional price on account of enhanced compensation from allottees in case of sale or lease of land or building by allotment was approved by the Pradhikaran in its 111th meeting held on 27.07.2016 which was circulated to all the Zonal Administrators vide letter dated 16.08.2016. Thereafter, a number of notices of enhancement (Additional Price) were issued to plot owners of various HSVP sectors. This resulted in increase in the number of defaulters who started contesting the delay in conveying the additional price; rate of interest to be charged particularly in casewhere HSVP has delayed in conveying the additional price; disputes of saleable area calculations; loading of additional price of common areas; etc. To resolve the matter, issue regarding common area was referred to a committee of Hon'ble High Court Judges (Retd.) constituted vide notification no. 197601 dated 01.10.2018. As per the recommendations of Judges Committee, enhancement compensation of 43 facilities shall not to be recovered from the allottees. Accordingly, instructions no.63 dated 22.08.2019 were issued and the Zonal Administrators of HSVP were requested for re-calculation of enhancement. Under LFSS such allottees are being offered rebate in terms of instructions no.63 dated 22.08.2019, further modified as instruction no.67 dated 04.12.2020. However, the principles contained in the instructions of 2019 and modified in 2020 were to be applicable to future enhancement cases only where the additional price demand is raised by HSVP after the issue of the instructions of 2019 and not to earlier demands.
- iii. It was felt that the principles of instruction no. 63 dated 22.08.2019 and instruction No.67 dated 04.12.2020 could be considered in the ibid scheme for settlement of pending disputes and unpaid dues of payment of additional price (enhancement) which have been raised after 01.04.2015 and where it has been alleged that HSVP delayed in taking action to charge the additional price (Enhancement) thereby causing excess interest levy on the allottees that

too @15%.

- iv. The calculation of additional price shall be done in two parts i.e. prior to 01.04.2015 (**Part-A**) and after 01.04.2015 i.e. (**Part-B**). In Part-A no benefit of re-calculation of additional price shall be given. In Part-B, benefit of re-calculation of additional price extending the principles of Instruction No. 63 dated 22.08.2019 and instruction No.67 dated 04.12.2020 for the purposes of settlement of outstanding dues was considered with suitable modification.
- v. The day after the last date of payment prior to 28.02.2021 under the head of additional price shall be considered as the date on which the dispute arose leading to the default and shall be taken as per PPM data including the date of adjustment of any excess amount overflowing from payments under other heads into the enhancement head.
- vi. The time period prescribed in the table under para No. 2 (vi) of instruction No.67 dated 04.12.2020 is on the pattern of slab system followed by the Income Tax Department for grant of rebate and is to be followed as such, i.e., from the date of issue of notice of additional price (Enhancement) for first 30 days no interest shall be payable by the allottee. Further, from 31st day to 180th day, interest @ 7% shall be payable and so on. The interest table would read as under:-

Sr. No.	Period of delay from the date of issue of notice	Existing rate of interest (in %)	Proposed rate of interest (in %)
1	2	3	4
1	Upto 30 days	0	0
2.	From 31 st day to 180 th day	15	7
3.	From 181 st day to 365 th day	15	9
4.	From 366 th day to 730 th day	15	10
5.	From 731 st day to 1095 th day	15	11
6.	Beyond 1095 th day	15	12

- vii. Prior to 01.04.2015 while conveying the additional price (Enhancement), HSVP has conveyed the less amount in some sectors to the allottees. This amount shall be made part of the settlement amount to be charged in LFSS.
- viii. Till the last payment prior to 31.07.2022, it has been assumed that the allottee was in agreement with the demand raised and the dispute leading to the default arose thereafter. With the primary intention of giving an

opportunity to defaulters to settle the dispute without re-opening the past payments or issues, the interest calculation of Part-A & Part-B shall be done as under:-

- a. If an allottee has made payment before the last date of instalment of any demand for additional price raised prior to 1.04.2015 i.e. Part-A then interest in Part-A shall be charged @ 15% till the last date of instalment of Part-A. After the date of last instalment, the interest on outstanding principal amount till the date of launch of the scheme shall be charged @12%.
- b. If an allottee has made payment after the last date of instalment of any demand for additional price raised prior to 1.04.2015 i.e. Part-A, but before the issue of demand of additional price in Part-B, then interest in Part-A shall be the same as earlier i.e @ 15% till the date of payment. After the date of last payment by the allottee, the interest on outstanding principal amount till the date of launch of this scheme shall be charged @12%.
- c. If an allottee has made payment of additional price of Part-A after 01.04.2015 and also after the date of issue of demand of new additional price (Part-B), then in that case, interest shall be charged the same as earlier i.e. @ 15%, till the date of last payment. The earlier conveyed rate of additional price shall remain the same, till the date of such payment and date of default whichever is later. After the date of last payment/date of default by the allottee, the new rate shall be applicable on the balance principal amount and interest on outstanding principal amount till the launch of the scheme shall be charged as per interest table given in instruction No.67 dated 04.12.2020.
- d. If the allottee does not make any payment in Part-A and Part-B, interest @ 15% shall be charged till last date of instalment in Part-A. Thereafter, interest @ 12% shall be charged till the date of launch of the scheme. In Part-B, the new additional price shall be as calculated by Zonal Committee under Instruction No. 63 read with Instruction No.67 till the launch of the scheme and interest shall be charged as per interest table given in para (vi) above.
- e. The less conveyed amount which is to be charged under LFSS is to be calculated by taking the pro-rata/ percentage of the less conveyed rate to the total rate basis in Part A. The percentage so arrived be used for calculating the revised rate of less conveyed on pro-rata basis by applying the principles of instruction No. 63 read with Instruction No.67 on the enhancement conveyed

before 01.04.2015. The rate so derived shall be added in the revised rate of Part B and the resultant total amount shall be payable by allottees. The same is illustrated as under:-

Sr. No.	Head of Account	Rate in Rs.per Sq. Mtr.
Part A (Before 01.04.2015)		
1.	Original Enhancement	6500
2.	Enhancement conveyed on 01.01.2010	5000
3.	Less conveyed rate of enhancement conveyed on 01.01.2010	1500 (23.07 %)
Part B (Less Conveyed) (After 01.04.2015)		
4.	Enhancement by applying principles of LFSS.	4500
5.	pro rata less conveyed chargeable (23.07%of Rs. 4500 Sq.mtr) is	1038.15
Part B (Fresh Enhancement)		
6.	Fresh Enhancement conveyed on 01.01.2017 (Without less conveyed).	4000
7.	Enhancement by applying principles of theLFSS	2000
Total Part B		
8.	Thus the total amount payable by allotteeunder LFSS will be (5+7)	1038.15+2000 =3038.15

- ix. The purpose of the Last and Final Settlement Scheme is to realize the dues of additional price (Enhancement) from the defaulting allottee and no refund shall be admissible. In other words maximum rebate to be given to a defaulting allottee shall be to the extent of the amount shown as outstanding in the enhancement head in the allottees account on HSVP Portal.
- x. Where a sector has been acquired in multiple awards, planned and floated in parts and the Hon'ble Courts have also granted enhancements award wise, in such peculiar situations enhancement shall be calculated part wise instead of treating complete sector as one unit as clarified vide Instruction No.67 dated 04.12.2020.