## **GOVERNMENT OF ODISHA**

## **REVENUE AND DISASTER MANAGEMENT DEPARTMENT**

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## No. GE(GL)-S-3/2014- 32783 / R&D.M Dated the 27MNovember, 2015

From

Sri Avaya Kumar Nayak Joint Secretary to Government

To

Vice Chairman, Cuttack Development Authority Arunodaya Bhawan, Link Road, Cuttack

Sub: Grant of Rights for allowing sub-sub lease for commercial purpose in respect of Govt land leased out in favour of CDA

Ref: Your letter No. 1772/CDA dated 9.02.2015 and No. 6750 dated 12.06.2015.

Sir,

In inviting a reference to the subject cited above, I am directed to say that Government land at various places has been leased out to Cuttack Development Authority (CDA) from time to time for development of housing schemes. However, due to restrictive clause in the lease deeds executed between State Government and CDA, the Development Authority was unable to further sub-lease the land. Subsequently, the State Government vide this Department Notification No.566 dated 07.01.2014 has relaxed the restrictions contained in the original lease deed and allowed the sub-sub lease by the sub-lessee housing bodies in favour of individual end-user beneficiaries.

- 2. The CDA or any other Development Authority is mandated under the ODA Act,1982 to undertake and ensure planned and systematic development within the Development plan area through approved need-based layouts earmarking different space for different purposes like housing colonies, shopping centres, markets, schools, hospitals etc. for catering to the growing needs of the local public. The CDA (Planning and Building Standard) Regulation provides for mixed land use and permits for commercial and other ancillary uses up to 1/3rd of the total built up area within residential use area.
- 3. However, no permission has been granted in favour of CDA for sanction of sub-sub lease right of commercial/institutional/mixed use plots in full or in parts to its Sub-lessee for commercial purposes. It is reported that CDA has allotted large parcels of

land belonging to Group Housing, Commercial and Institutional Category to various agencies like LIC, SBI, Cooperative Societies and individuals. CDA has also allotted large-size plots to different firms, companies and individuals through public auction for commercial purposes. Even CDA plans to sublet the leasehold land to commercial establishments to develop the property commercially on PPP/ SPV mode. Due to restrictive provisions in the original lease deed, these agencies and individuals fail to put the property for sub-lease, sub-sub lease or subsequent lease for commercial exploitation of the property.

- 4. Keeping above in view, the Government, after careful consideration have been pleased to relax the restrictions contained in the original lease deed executed between State of Odisha and the Development Authority and to allow CDA to grant permission for sub-lease, sub-sub lease and subsequent lease of the leasehold land for commercial purposes up to the extent as permissible under the CDA (Planning and Building Standard) Regulation, subject to following conditions;
  - I. The sub-lease/sub-sub lease/ subsequent lease of the plots in full or in part, shall be within the overall terms and conditions of the original lease deed executed between the Government and the Development Authority, subject to above alteration.
  - II. The land shall be utilized broadly for the purpose for which it is envisaged.
- III. The Development Authority shall furnish a certificate to this Department to this effect at the end of every financial year indicating the details of such sublease/subsequent lease granted by it.
- IV. A supplementary lease deed/ fresh lease deed in the modified format, as the case may be shall be executed between Government and the CDA indicating the permission to sub-lease, sub-sub lease and subsequent lease for commercial purposes.
- V. The Sub lessees, sub-sub lessees and subsequent lessees shall execute similar supplementary lease deeds/ fresh lease deeds in the modified format with CDA or the respective sub-lessor, subsequent lessor, as the case may be.
- VI. In all the supplementary lease deeds/ fresh lease deeds, this letter number may be specifically indicated.

Any lease given by CDA in favour of any individual or agency is sub-lease. Any transfer/lease given by the Sub-lessee in favour of any individual/agency/end user may be treated as Sub-sub lease and further transfer from sub-sub lessee to any other beneficiary end user may be treated as subsequent lease.

Yours faithfully,

Joint Secretary to Government

Memo No. 32784RDM Date: 27-11-15

Copy forwarded to Commissioner cum Secretary, Housing and Urban Development Department for information and necessary action.

oint Secretary to Government

Memo No. <u>32785</u>/RDM

Date: 27:11:15

Copy forwarded to Secretary, Board of Revenue, Cuttack/RDC (CD), Cuttack/Collector, Cuttack for information and necessary action.

Joint Secretary to Government