

**GOVERNMENT OF INDIA
URBAN DEVELOPMENT AND POVERTY ALLEVIATION
LOK SABHA**

UNSTARRED QUESTION NO:3085
ANSWERED ON:23.12.2003
INTEREST ON INSTALMENTS BY DDA
NARESH KUMAR PUGLIA

Will the Minister of URBAN DEVELOPMENT AND POVERTY ALLEVIATION be pleased to state:

- (a) whether it is a fact that Delhi Development Authority (DDA) charges interest on the instalments due from prospective buyers of flats for the period lapsed due to the negligence of DDA where possession of flat is not given by DDA immediately after making payment as per the Demand Note of the DDA;
- (b) if so, the rate of interest charged and the reasons for burdening the poor people for fault of DDA;
- (c) whether any action has been taken against any officer of DDA;
- (d) if so, the details thereof; and
- (e) the measures taken to ensure early possession of flats to the allottees after their making payment?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF URBAN DEVELOPMENT AND POVERTY ALLEVIATION (SHRI BANDARU DATTATRAYA)

(a)to(e): Under the present terms & conditions of allotment on hire-purchase, the payment of instalment starts from first month (Payable by 10th) after the expiry of three months from the date of issue of demand letter. The allottee is liable to deposit the instalment on due date mentioned in demand letter irrespective of fact whether possession of the flat is given/taken or not. In case an allottee fails to pay instalments on due dates, he is liable to pay interest @ 12% p.a. for 1st month and 18% p.a. for subsequent months.

However, the Delhi Development Authority (DDA) has reported that it is committed to issue possession letter within 60 days after completing all the codal formalities by the prospective allottee such as submission of affidavit, undertaking, photographs, etc. including payment as per demand letter. All concerned units have been advised by DDA to adhere to the time limit for issue of possession letter to the allottees after receipt of payment and completion of all formalities.