

SLUM REHABILITATION AUTHORITY

Circular No. 33
1999-2000

SRA/Eng/4304
Date : 14.12.1999

C I R C U L A R

Sub : Levy of Development Charges /imposing interest on deferred part/balance payment.

Ref : Circular No.16 dtd. 8/8/98.

As per Section 124E-3 of M.R.T.P.Act 1966, there is clear mention that "the amount of development charges as shown in the notice of assessment shall be paid within 30 days of the date of receipt thereof by such person and where the amount has not been so paid or has been partly paid, an interest at the rate of eighteen percent per annum upon any amount out standing shall be payable from the date immediately following the date of payment of such amount".

It is also observed that the Govt. directions U/s. 154 of M.R.T.P. Act and Memorandum dtd. 29.6.94 is allowing to pay the development charges in two stages; 50% at the time of plinth C.C. and 50% at the time of further C.C.

It means that we have to recover 50% of the development charges at the time of plinth C.C. and 50% at the time of further C.C. Rate of interest however, continues to be 18% as per M.R.& T.P.Act 1966 on the charges due but not paid. However, the 1st installment of development charges i.e. 50% of the total has to be paid before grant of C.C. above plinth, where as second installment has to be paid before grant of sale OCC or TDR whichever is earlier.

As regards development charges against the land component, since development charges are not applicable to slum schemes, land component proportionate to sale area on site shall be worked out and development charges shall be recovered against such land component at the time of grant of plinth CC.

In view of the above Circular No.16 dtd. 8.8.98 issued by SRA stands modified accordingly.

Staff working in Engineering Section and Finance Section shall take note of above decision.

Sd/
CEO(SRA)