

**Government of India
Ministry of Urban Development
Land & Development Office
Nirman Bhawan, New Delhi.**

No.23(108)/90-Pt.

Date: 04.01.1991

Office Order No. 1/91

SUB: Recovery of Interest on various types of arrears.

The question as to whether interest on interest can be charged or not has been under consideration for sometime. It has now been decided in consultation with the Ministry of Law and Finance Division that interest on interest will not be charged.

2. In cases of multi-storey Buildings the rate of penal interest will be on the actual outstanding amount payable on a particular date and also for the actual period of delay.

3. In cases of future allotment and execution of leases thereof, a provision will be made for charging interest on belated payment of land revenue at the Govt. borrowing rate of interest fixed from time to time.

(Krishan Gopal)
Public Relations Officer

All Officers/Sections.

Presents:

1. M.S.Raddy, Secretary
2. V.Pillai, A.S.(P)
3. R.Dharamrajan, JS(UD)
4. Pankaj Aggarwal, Director(Lands)
5. G.V.Krishna Rau, L&DO
6. L.D.Ganotra, EO(L&DO)
7. B.R.Dhiman, US(Lands)
8. P.C.Jain, Director(APB),DDA
9. P.K.Khanna, SE(MCD)
10. H.S. Bindra, Dy.Chief Arch. NDMC.

In the light of the background note circulated Secretary, enquired about the definition of the Group Housing and related provision in the building bye-laws.

2. It emerged that in accordance with the provisions contained in the Master Plan Delhi as well as MPD-2001. Group Housing Development (Multi-storeyed) involves construction of apartments or low cost Housing Scheme which cannot be sub-divided into the customary streets and plots and is governed by good designs standard to ensure common open space and community facilities. The net density on these plots are intended to be higher than that stipulated in the plan, provided the average gross residential of the area under the development, of which the Group Housing is part, is in accordance with the density requirements of the plan. Also no limits on the number of floors is stipulated except those as may be imposed in areas near monuments, airport etc. Minimum plots size for this sort of development is 4000 sq.mtrs.. Such type of development are specifically indicated in the Zonal Plan/ Layout Plan for Group Housing purposes. The local body while sanctioning the building plans in respect of construction on such plots also indicates that the same has been approved as Group Housing Scheme.

3. It also emerged that the construction on individual plots is governed by the local building-bye-laws which specifically provide for ground coverage and FAR as available on plotted development in which process even the number of units permissible are prescribed in the Zonal Plan as well as building bye-laws. Therefore, there may be cases, where on a plot measuring about 3000 sq. meters independent residential units to the extent of 9 to 13 may be approved by the local body keeping in view the permissible ground coverage and FAR and this type of construction cannot be termed as Group Housing.

4. As regards provisions of the Urban Land Ceiling Act, wherein the concept of Group Housing for the purpose of determining the content of vacant surplus land has been defined the construction even if termed as Group Housing for the application of the UDC Act no charges should be levied by lease administering authorities unless the construction is defined as Group Housing as mentioned supra.

5. The assumption that due to certain amendments to the Master Plan, the intensive utilisation of plot by adding additional units should be termed as Group Housing, it was felt that Master Plan being a statutory document, any other instruction issued by the Lease administering authorities would convince the matter and therefore and therefore for the purposes of group Housing, the conversing charges should be levied only in cases where the property development conforms to the provisions of Master Plan and plot in question is earmarked for such development or Group Housing has been allowed on the same under the provisions of the relevant laws by the Competent Authority. In cases, where lease terms provide for construction of single unit and subsequently additional construction, due to increase in FAR is permitted and property redeveloped, such situation can be dealt with by levy of additional ground rent or any other charges which can be incorporated by amending the lease or making a supplementary lease. The lessees of such properties will be liable to pay unearned increase and revised ground or sale of such properties/units.
6. The meeting ended with Vote of thanks to the Chair.

Government of India
Ministry of Urban Development
(Lands Division)
Nirman Bhavan, New Delhi-110 011.

No.J-20011/5/77-LIII Dated the 22nd June,1993.
To
All Present.

Sd/.
(B.R. DHIMAN)
UNDER SECRETARY TO THE GOVT. OF INDIA