

SUBJECT NO. 21

Sub:- VUDA – Defaulters in payment of instalments by the allottees of Housing Schemes – Constructed by VUDA – Introduction of One time settlement Scheme – Proposals – Reg.

The VUDA has constructed a no.of Housing Schemes in Visakhapatnam, Vizianagaram, Anakapalli and Vicinity areas of Visakhapatnam City for the benefit of the public and allotted the houses to the needy people. These houses are allotted to the applicants on hire purchase basis and the allottees are paying the amount in instalment basis.

As per the existing procedure if an allottee fails to pay the instalment amounts, penal interest at 18% is being charged on the due amount of instalments which includes normal interest also.

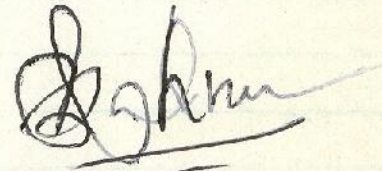
In view of the existing system of payment of instalments and penal interest there on, there are a no.of defaulters where huge amounts are due and in some cases of such huge amount of defaulters, the due amount is becoming more than the original cost of the house. As such it is considered that in such cases of defaulters it may not be possible to recover such huge amounts even under process of recovery act, mostly in the housing schemes of Sagar Nagar, Kurmannapalem, Anakapalli etc., schemes constructed by VUDA.

In view of the above difficulties it is felt desirable to introduce one time settlement scheme suitable to the houses constructed by VUDA, duly examining the schemes introduced by A.P.Housing Corporation, Financial Corporation etc., in the A.P.State to recommend to the Government for approval for implementation of a suitable one time settlement scheme to the Housing Colonies of VUDA.

The matter is placed before the VUDA Board for approval of the above proposal.

VUDA Resolution No.21 dated 2.4.2002

Resolved to recommend to the Government to introduce one time settlement scheme to the houses allotted by VUDA in all cases of defaulters where it is not possible to recover such huge amounts from the defaulters. The Vice Chairman is authorized to examine the modalities of various schemes introduced by A.P.Housing Corporation, A.P.Financial Corporations etc., or any other modality that suits to be a viable one time settlement scheme and send the proposals to Government for approval accordingly.



CHAIRMAN