



Applying for a flat under a DDA scheme?

Author: Navin Kumar, Advocate | Published in: MAIL TODAY

MAIL TODAY

NEW DELHI Saturday, April 5, 2008 www.mailtoday.in

Vol. 1 No. 141 | Pages 56 | Rs 2.00

Applying for a flat under a DDA scheme? Remember, only one in a family can do so. Read the terms and conditions carefully

Q. I am about to enter into an agreement to sell a property at Rajender Nagar. Since, the registration requires payment of stamp duty, I want to avoid it. What will be its implications?

— **Shyam Rajbeer**

A. In view of the bar imposed by Section 17 of Indian Registration Act, an unregistered agreement to sell cannot be enforced in a court of law, in case of default by the seller. The stamp-duty payable on an agreement to sell gets adjusted while executing the sale deed. The sale deed is the concluding part of an agreement to sell.



Q. I am buying a flat in Noida initially allotted by New Okhla Industrial

Development Authority to the seller. But the seller insists on executing power of attorney and other documents instead of a sale deed. What should I do?

— **Abhimanyu Talukdar**

A. Most of the properties initially allotted by the New Okhla Industrial Development Authority are lease-hold. A lease-hold property cannot validly be transferred without the previous permission of lessor in writing. To avoid this and also to avoid the payment of transfer-fee to Noida, sometimes the seller insists on the execution of attorney. But it is always advisable to obtain appropriate permis-

ion in the form of Transfer-Memorandum.

Q. My wife and I applied for two flats under a Delhi Development Authority's Scheme. Later on, the DDA forfeited our money. Is DDA legally correct in doing so?

— **Aditya Garg**

A. Just read the brochure carefully. The terms and conditions in the brochure of this particular scheme would make things clear. Normally, DDA prohibits application by more than one person. The said terms also provides forfeiture of the initial deposit.



Write to Navin Kumar, Advocate, Naashree Associates, for any queries on real estate issues at legalqueries@mailtoday.in