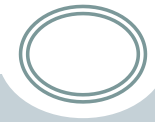




# Civil and Electrical Maintenance Fund



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# Broad Concept of Escrow Account

- For any Escrow Account, all connected parties give instructions to neutral intermediary(bank), called the “escrow agent” or “escrow manager” whose duty it is to assure that no funds will be transferred until instructions prescribed under the document have been fully complied with
- An escrow is beneficial to the connected parties as an escrow agent will be processing all regular payments, maintaining an accounting of all transactions and providing the required reporting
- Escrow is a way of transferring or exchanging money using a neutral third party (bank). Escrow provides for protection in the handling of funds

# Documents Required for opening Escrow Account



- Account Opening Forms duly filled up Alongwith requisite documents
- Tripartite Agreement between Bank, RWA and Executive Engineer of DDA
- Articles of incorporation and bye laws and Board Resolution of the RWA
- Govt. Issued ID for each signatory

# Advantages and Disadvantages of Escrow Account



## **Advantages:-**

- Provides greater security and comfort
- Ease of monitoring

## **Disadvantages: -**

- Money in Escrow account would not earn any interest

# Operational Guidelines for opening of Civil and Electrical Maintenance Accounts



For the smooth execution of maintenance works:-

- An escrow account will be opened in nominated Nationalized bank.
- The Escrow Account to be operated jointly by the nominated/authorized representatives of the concerned RWA and the Executive Engineer of concerned division of DDA.
- Maintenance of Common Areas would be undertaken by the concerned Engineering Division by appropriately utilizing the fund transferred to Escrow Account.

# Maintenance Clause under Housing Scheme 2010



AS PER PROVISION CONTAINED IN HOUSING SCHEME 2010, DDA WOULD UNDERTAKE MAINTENANCE OF COMMON AREAS FOR 30 YEARS FOR NEW HOUSING POCKETS AS PER FOLLOWING SCHEDULE. HERE, NO ELECTRICAL MAINTENANCE WOULD BE CARRIED OUT.



Items	Periodicity
Grit Wash	Once in 10 years
Stair Wall (Plaster+White Wash)	Once in 3 years
Railing(St. case+Common Landings)	Once in 3 years
Flooring (St. case+Common Landings)	Once in 5 years
Mudphaska (Roof+Mumty)	Once in 2 years
Sanitary Lines (Drainage+Sewarage)	Once in 3 years
Repair of Window Chajjas	Once in 10 years
Repair of Balconies	Once in 10 years

# Maintenance Clause under HS 2014 & 2017

- These Schemes provide for Civil as well as Electrical Maintenance
- Under Housing Scheme 2014 and 2017, no specific items for maintenance have been provided for
- So, the specific maintenance to be carried out will be decided by DDA in consultation with the respective RWA

# Treatment of Maintenance Fund



- The entire maintenance fund collected would be placed in a corpus as an Escrow Account.
- The fund will be managed by a Committee in which DDA will be represented by the nominated Executive Engineer.
- The Civil and Electrical Maintenance (Running and Capital) would be carried from the interest earned out of the Corpus.
- In case of shortfall, the concerned RWAs registered with DDA will have to bridge the gap through contribution from the allottees and DDA will not contribute for the purpose.



# Total Maintenance Fund collected by DDA

- Total amount collected against OTM

## i) OTM Civil

HS-2010	Rs. 275.56 Cr.
HS-2014	Rs. 124.91 Cr.
HS-2017	Rs. 2.90 Cr.
<b>Total</b>	<b>Rs. 403.37 Cr.</b>

## ii) OTM Electrical

HS-2014	Rs. 44.50 Cr.
HS-2017	Rs. 1.04 Cr.
<b>Total</b>	<b>Rs. 45.54 Cr.</b>

## Interest accrued against OTM

i) Interest on OTM Civil	Rs. 183.76 Cr.
ii) Interest on OTM Electrical	Rs. 8.81 Cr.
<b>Total</b>	<b>Rs. 192.57 Cr.</b>



**THANKS**