

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

L&DO No./11-3(15)/2000-CDN

Date: 19.04.2000

Office Order No. 5/2000

SUB: Charging of interest on revised ground rent.-Reg.

It has been observed that in some leases under Appendix XII, interest is charged on Revised Ground Rent even though the amount of Revised Ground Rent was not conveyed to the lessee.

2. Interest can be charged only if there is any delay in payment of the dues by the lessee. Whereas interest can be levied for delay in payment of Ground Rent which the lessee is required to pay without any formal notice, in case of Revised ground Rent interest can be charged only if there is delay in payment of the same after the rate of Revised Ground Rent is communicated to the lessee. Therefore, it should be ensured that interest on A.G.R. is demanded only in cases where the rate of A.G.R. is conveyed to the lessee and if there is delay in payment of the same.

3. This issues with the approval of L&DO.

(V. SREEKUMAR)
PUBLIC RELATION OFFICER

All Officers/Sections.