From Financial Commissioner & Principal Secretary to Government Haryana, Town & Country Planning Department.

To The Director, Town and Country Planning, Haryana, Chandigarh.


Subject: Levy of interest on the fee and charges to be deposited for the extended period of Letter of Intent.

Whereas the Government issued the instructions vide Financial Commissioner and Principal Secretary to Government Haryana, Town and Country Planning Department memo no.5/4/09-2TCP dated 19/23.03.2009 informing the decision of the Government to amend Rule-10(1) of the Haryana Development and Regulation of Urban Areas Rules, 1976 for extending the period from thirty days to sixty days for complying with the terms and conditions of the letter of intent to be issued under Rule 11 of the Rules ibid. The Rule further provides for extension of 30 days period in case of applicant fails to fulfill the above terms and conditions but satisfies the Director about the reasons for delay.

2. As per practice, the Department levies the interest wherever any request for extension is received from any applicant and this interest at applicable rates (presently 12% per annum) is charged from the date of issuance of Letter of Intent (LOI) instead of extended period.

3. This issue has been re-examined and it has been decided that the Act/Rules provides for a 60 days grace period to the applicant for complying with terms and conditions of LOI and it would not be fair and reasonable to charge interest on this grace period. Instead, the interest shall be levied only for the permissible extended period for complying with the terms and conditions of LOI.

This policy shall come into force with immediate effect and will be applicable for all those cases where interest is demanded and/ or deposited after coming into affect of this policy. No refund of money shall be made on this account in respect of past cases under any circumstances.

Superintendent, for Financial Commissioner & Principal Secretary to Government Haryana, Town & Country Planning Department.