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# ANDHRA PRADESH HOUSING BOARD (SHOPS) RENTAL REGULATIONS, 1975

#### **CONTENTS**

- 1. <u>.</u>
- 2. <u>.</u>
- 3. <u>.</u>
- 4. <u>.</u>
- 5. .
- <u>٠</u> . .
- 6. <u>.</u>
- 7. <u>.</u>
- 8. <u>.</u>
- 9. .
- 10. .
- 10A. <u>.</u>
- 11. .
- 12. \_
- 13. <u>.</u>
- 14. .
- 15. <u>.</u>
- 16. .
- 17. <u>.</u>
- 18. <u>.</u>
- 19. <u>.</u>
- 20. <u>.</u>
- 21. <u>.</u>
- 22. <u>.</u>
- 23. <u>.</u>

# ANDHRA PRADESH HOUSING BOARD (SHOPS) RENTAL REGULATIONS, 1975

In exercise of the powers conferred by Section 71 of the Andhra Pradesh Housing Board, 1956 (Act XLVI of 1956), the Andhra Pradesh Housing Board, with the previous approval of the Government, makes the following regulations.

## **1.** . :-

These regulations made be called the Andhra Pradesh Housing Board Shops Rental Regulations 1975.

## **2.** . :-

They shall apply to all classes of shops constructed by the Andhra

Pradesh Housing Board or any shop under the control of Andhra Pradesh Housing Board.

# <u>3.</u> . :-

- (1) In these regulations, unless the context otherwise requires.
- (a) "Act" means the Andhra Pradesh Housing Board Act, 1956 (Act XIVI of 1956).
- (b) "Allottee" means the person to whom a shop is allotted under these regulations and includes his legal heir established by an affidavit executed by the Legal heir on stamped paper (non judicial) of the value of Rs. 4.-50 duly verified by the Magistrate (the Deputy Collector having competent jurisdiction) or by a Civil Court decree where the Chairman deems such decree necessary declaring him to be the heir of the deceased allottees against the person disputing the fact of allotment or a nominee who is a member of his family.
- (c) "Form means form appended to these regulations.
- (d) "Shops" means a building or a part of the building intended for sale of articles of food and of personal, domestic and house hold use and consumption and goods of any kind which are ordinarily retailed.
- (2) The words used but not defined in the regulations shall have the same meaning as assigned to them in the Andhra Pradesh Housing Board Act, 1956 (Act XLVI of 1956).

# 4. . :-

As soon as shops are ready or vacant, the Board may subject to the provisions of these regulations, allot them on rent in the manner provided in the regulations.

## 5. . :-

The Board shall issue a notice inviting applications specifying the localities of the shops available for allotment on rental basis, the monthly rent of the shop, the amount payable as earnest money, the last date for receipt of the applications, the date on which and the place where public auction will be held and such other particulars as the Chairman may consider necessary.

# **6.** . :-

The shop shall be leased out and the right to occupy the shop on

rental basis shall be put to public auction. The public auction shall be held on such terms conditions as are specified in Form. I.

## <u>7.</u> . :-

- (1) The notice shall be published in not more than three daily news papers having wide circulation in the State in the main languages ie., English, Telugu and Urdu. In addition to the publication in the daily news papers, wide publicity shall be given locally in the manner specified by the Chairman.
- (2) Printed or cyclostyled copies of these regulations and the lease deed attached thereto shall be made available separately, if deemed, to the public at a price fixed by the Chairman.

## 8. . :-

- (1) A person desirous of seeking allotment of shop shall apply in Form 2 obtained from the Board or any other place specified by the Chairman and on payment of such cost as may be fixed by the Chairman, which is not refundable.
- (2) Every applicant, shall deposit or cause to be deposited earnest money, equal to two months rent as may be specified in of the State Bank of Hyderabad situated in GRUHAKALPA Mukarramjahi Road, Hyderabad or some other place which the Chairman may specify in the notice. The earnest money can also be remitted by means of a Demand draft in favour of the Secretary, Andhra Pradesh Housing Board, Mukarramjahi Road, Hyderabad obtained from any Schedule Bank in Andhra Pradesh. The Challan or Demand draft obtained to cover up the earnest money may be enclosed in the application Form.
- (3) On receipt of the application seeking allotment, the Board shall pass a receipt to the applications in the order in which each applicant is received in token of having received them.
- (4) The Chairman shall first scrutinise and list out the eligible applications from the total number of applications received before the specified date.
- (5) Any application which is incomplete in any respect is liable to be rejected.
- (6) The earnest money shall be refunded to the applicant if no allotment is made in his favour.

## 9. . :-

- (1) The Chairman, shall allot shops on following procedure laid down in regulation 10 and the rest of the shops if any will be notified.
- (2) An allotment letter shall be issued to the allotted in Form 3 informing the allottee that the shop is allotted to him on terms and conditions specified in the letter asking him to call at the Office of the Housing Board or any other place as may be specified therein and complete the formalities within the period specified in the letter.

## **10.** . :-

- (a) The Chairman, shall hold public auction and determine which of the bid at the public auction shall be accepted, Where the bid accepted is not the highest bid, the reasons for rejecting a bid or bids higher than the one accepted shall be recorded in writing. The shop shall be allotted to the bidder whose bid has been accepted by the Chairman.
- (b) The applicants as well as other persons shall be eligible to bid in the public auction.

Provided that no person shall bid in the auction unless he satisfies the terms and conditions as specified in Form I.

(c) In case there is no bid, the Chairman may at his discretion either postpone the auction to some other date or allot the shop to any one of the applicants who may come forward to take shop on rent on terms and conditions as notified dispensing with auction.

## 10A. . :-

In case no applications in response to the notice issued under Regulations 5, is received, the Chairman shall subject to Clause (c) of Regulation 10, put to auction the right to occupy shop on rental basis.

#### 11. . :-

The bidder whose bid has been accepted (hereinafter referred to in these regulation as "bidder") Shall pay 50% of the bid amount immediately after it is knocked down by the Officer holding the auction. The balance shall be paid within a period of fifteen days from the date of auction.

## **12.** . :-

- (a) If the bidder fails to pay the balance 50% of bid amount within the specified time, the bid shall be cancelled, and 25 of the bid amount paid together with the E.M.D. shall be forfeited to the Board and the right of occupation of that particular shop shall be re auctioned.
- (b) In case the shop is allotted under Clause (c) of the Regulation 10 and the allottee fails to accept the allotment within 3 days the allotment shall be cancelled and 25% of the bid amount paid togather with the earnest money deposit shall be forefeited.

## **13.** . :-

After the balance of 50% of the bid amount is paid under Regulation 11, the Chairman shall issue an allotment letter informing the bidder that the shop is allotted to him on terms and conditions specified in the letter asking him to call at the Office of the Housing Board or any other place as may be specified therein and complete the formalities within the period specified in the letter.

# **14.** . :-

- (1) Within 15 days from the date of receipt of allotment letter the bidder shall
- (i) deposit or cause to be deposited at the Office of the Chairman or other place as may be specified by him a sum equal to 4 months rent of the shop allotted as security deposit. In case the allotment has been made without auction the earnest money deposit paid along with the application shall be adjusted towards the security deposit.
- (ii) furnish such additional security as the Chairman may demand for the payment of monthly rent and
- (iii) execute the rental deed in Form 4. The rental deed shall be got registered at the bidder s cost.
- (2) In case the bidder fails to comply with the requirements as specified in sub regulation (1), the allotment shall be cancelled and all the amounts paid by him shall be forefeited to the Board.

#### 15. . :-

After complying with the formalities specified in Regulations 13 and

14, possession of the shop shall be given to the bidder without undue delay and the bidder shall be issued handing over letter in From: 5, for receiving possession as set out in the letter.

## **16.** . :-

The period of lease will be for five years from the date of execution of rental agreement.

## **17.** . :-

The Board may renew the lease for another term not exceeding five years without conducting public auction, if the present lessee agrees to renew the lease in his favour at an amount which shall not be less than 50% over the existing monthly rent in which case a fresh rental agreement in Form 4 shall be executed. For this purpose, the Board shall get the willingness of the occupying tenant within three months before the expiry of the existing lease. If a reply is not received within 15 days from the date of receipt of intimation by the tenant , the Chairman shall take steps for leasing out the same through public auction before the expiry of the existing lease.

# **18.** . :-

The rent shall be charged from the date of execution of rental agreement.

## 19. . :-

The bidder shall pay advance of one month rent if he executes the rental agreement on or before 15th of calendar month or half a month rent if executes the rental agreements after 15th of the said calendar month.

## **20.** . :-

The lessee shall be liable to pay interest as may be revised from time to time on overdue rent.

# **21.** . :-

- (1) Notwithstanding anything in these regulations the Chairman shall have a right to cancell the allotment on a month s Notice.
- (i) When there is a violation by the lessee of any of the provisions of these regulations or the terms of rental deed executed under these regulations.
- (ii) When the period under regulation 16 expires.

- (iii) If the tenant defaults in the payment of rent lawfully due from him for a period of four months.
- (2) The Chairman may notwithstanding anything contained in these regulations, allot the shop to any one of the family members of the lessee, on his death.
- (3) In case of cancellation of allotment under Clause (iii) of sub regulation (1) the Chairman may restore the tanancy on payment of arrears of rent together with such interest thereon and subject to such conditions as he may lay down regarding payment of penalty which may extend to six months rent.

# **22.** . :-

Notwithstanding anything contained in these regulations, the Chairman may accord permission on the request from lessee to fix up electric connection, water supply connection or drainage connection or in the shop at the expense of the lessee and in which case the lessee shall execute an agreement to the effect, that whenever he vacates the shop, be shall not either claim ownership over these connections or remove them or claim the costs of the aforesaid connection.

## 23. . :-

Notwithstanding anything contained in these regulations, the Chairman may with the approval of the Board allot in deserving case as on alternate accommodation to each occupant of the Board premises who has voluntarily surrendered the existing premises for execution of development scheme undertaken by the Board, such allotment shall be subject to usual terms and conditions.