

**ANDHRA PRADESH MUNICIPALITIES (GRANT OF
REMISSION TO CONTRACTORS AND LEASES OF MUNICIPAL
COUNCILS) RULES, 1965**

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In exercise of the powers conferred by sub-section (1) of Section 326 of the Andhra Pradesh Municipalities Act, 1965 (Act No. 6 of 1965), the Governor of Andhra Pradesh hereby makes the following rules for the grant of remissions to persons who have entered into leases and contracts with the councils, the same having been previously published at pages 84-85 of Rules Supplement to Part 1 of the Andhra Pradesh Gazette dated 22nd April, 1965 as required under clauses (a) and (b) of sub-section (1) of Section 327 of the said Act.

1. . :-

These rules may be called the Andhra Pradesh Municipalities Grant of Remissions to Contractors and Leases of Municipal Councils Rules, 1965.

2. . :-

All lessees of remunerative enterprises of Municipal Councils, all lessees of immovable property, belonging to or vested in Municipal Councils, and all persons who have entered into contracts with Municipal Councils shall be held strictly to the terms of their leases or contracts and no remissions shall be granted to them except in accordance with the provisions of Rule and 4.

3. . :-

The grant of remissions by the Municipal Council to lessees and contractor shall be subject to the following restrictions and control

namely:-

(a) remission shall be granted only in cases in which the lessee or contractor is prevented from carrying out his part of the leases or contract by reason of the occurrence of some extraordinary event which could not have reasonably been anticipated, for example, the compulsory closing on account of the outbreak of an epidemic of a market which has been leased out;

(b) the remission granted shall bear a reasonable proportion to the loss actually sustained on account of such extraordinary cause; and

(c) the Municipal Councils may sanction remissions as laid down below:-

<i>Municipalities</i>	<i>Amount of a remissions</i>
Special and Selection Grade Municipalities	Not exceeding Rs. 1,000
I Grade Municipalities	Not exceeding Rs. 750
II and III Grade Municipalities	Not exceeding Rs. 500

Provided that the remissions exceeding the said limits and not exceeding Rs. 5,000 may be granted with the prior approval of the Director of Municipal Administration;

Provided further that for all remissions exceeding Rs. 5,000 the prior sanction of the Government shall be obtained.

4. . :-

Penalties provided in the lease or contract shall be strictly enforced in accordance with the terms of the lease or contract. Penalties for late payment of the amount due to the Municipal Council under the lease or contract shall not be permitted except in cases where the payments of instalments of the amount due are in the opinion of the Municipal Council, fairly regular and the whole amount due to the Municipal Council under the lease of contract is paid before end of the period to which the lease or contract, relates.