

## **AZAMABAD INDUSTRIAL AREA (TERMINATION AND REGULATION OF LEASES) RULES, 1992**

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## **AZAMABAD INDUSTRIAL AREA (TERMINATION AND REGULATION OF LEASES) RULES, 1992**

In exercise of the powers conferred by Section 21 of the Azamabad Industrial Area (Termination and Regulation of Leases) Act, 1992, the Governor of Andhra Pradesh hereby makes the following Rules

### **1. Short title and commencement :-**

These rules may be called the Azamabad Industrial Area (Termination and Regulation of Leases) Rules, 1992.

### **2. Definitions :-**

In these rules unless the context otherwise requires,

(a) 'Act' means the Azamabad Industrial Area (Termination and Regulation of Leases) Act, 1992.

(b) 'Application' , ' Form' or ' Notice' means an application, a form or notice appended to these rules;

(c) 'Premium' in relation to any demised plot of land or portion thereof means the levy of amount for development and maintenance of the infrastructure facilities of the area apart from collection of rentals;

(d) 'Rent' in relation to any demised plot of land or portion thereof means the consideration payable for the authorised occupation of the demised plot of land or portion thereof;and

(i) any charge for electricity,water or any other services in connection with the occupation of the demised plot of land or portion thereof;

(ii) any tax (by whatever name called) payable in respect of the demised plot of land or portion thereof where such charge or tax is payable.

(e) 'Section' means a section of the Act;

(2) The Competent Authority shall exercise the powers and performs the following duties:

(i) to enter into lease, order, collection of premium and rentals and credit the same to the relevant head of account of the Government.

(ii) to terminate the lease deeds for breach of any of the terms or conditions of lease deed or any provisions of the Act or if the demised plot of land or portion thereof is utilised for non industrial or unauthorised uses or residential purposes and collecting rentals or charges from other persons;

(iii) to order.

(a) entry upon the demised plot of land or portion thereof and make any inspection, survey, measurement, valuation or enquiry or taking levels of such land or structures;

(b) to examine and determine whether the demised plot of land or portion thereof is utilised for industrial purpose or whether there is any authorised portion of any plot or portion thereof without any industrial activity so as to accommodate another industry on such unutilised plot of land or portion thereof;

(c) to set out the boundaries of the unutilised portion of any demised plot of land or portion thereof and to do all other acts necessary for the purposes and for the efficient administration of the Act.

(d) to permit any person to be represented by an advocate or attorney or pleader or agent who should file an authorisation from the said person in writing;

(e) to record or cause to be recorded of the evidence tendered before him and the summary and any relevant documents filed before him shall form part of the records of the proceeding.

(iv) The Competent Authority shall have the powers to add or delete the persons and legal representatives of the deceased persons to the proceeding;

(v) The Competent Authority shall, for the purpose of eviction of any person who is not eligible for grant of fresh lease and who is continuing to occupy the demised plot of land or portion thereof without any authority, evict the person as per the procedure provided under the Act;

### **3. . :-**

If the Competent Authority is satisfied that the person authorised to occupy any demised plot of land or portion thereof in the Azamabad Industrial Area, Hyderabad (hereinafter in these rules called the Industrial Area).

(i) has not paid rent lawfully due from him in respect of such demised plot of land or portion thereof for a period of more than sixty days, or

(ii) has sub let the whole or any part of such demised plot of land or portion thereof or if the demised plot of land or portion thereof is utilised for non industrial or unauthorised uses or residential purposes and collecting rentals or profits or charges from other persons;

(iii) has failed to utilise the demised plot of land or portion thereof or is not likely to utilise the unutilised portion of land for industrial purposes;

(iv) is in unauthorised occupation of any demised plot of land or portion thereof;

(v) at his own instance or at the instance of any other person undertakes or carries out constructions of or alterations to any structure or portion thereof in contravention of the terms or conditions on which such structure or portion thereof or the land on which it stands is held or granted under the Act or such structure or portion thereof is constructed or put up without permission and approval in writing from the Competent Authority as well as the Municipal Corporation of Hyderabad or in violation of the Rules

under the relevant statutes;

(vi) committed or is committing such acts of waste as are likely to diminish materially the value or impair the utility of such demised plot of land or portion thereof.

(vii) otherwise acted in contravention of any provisions of the Act or any of the terms or conditions, express or implied, under which he is authorised to occupy such demised plot of land or portion thereof; the Competent Authority, shall, notwithstanding anything contained in any other law for the time being in force, issue in the manner hereinafter provided a notice in writing calling upon such persons to show cause why an order of eviction should not be made.

#### **4. Application for fresh lease :-**

(1) The person in occupation as on the appointed date may apply on his own option for a fresh lease to the Competent Authority in Form A appended to these rules;

(2) Grant of Lease :- Subject to the provisions of sub section (2) of Section 4 of the Act, the Competent Authority shall grant fresh lease to the person in occupation in Form B and in accordance with the terms and conditions of lease deed in Form G appended to these rules.

#### **5. Manner of service of notice :-**

The notice shall

(i) specify the grounds on which the order of eviction is proposed to be made; and

(ii) require such persons concerned, that is to say, all persons in occupation who are, or may be, in occupation of or claim interest in the demised plot of land or portion thereof, to show cause, if any, against the proposed order of eviction on or before such date as may be specified in the notice.

(iii) The Competent Authority shall cause the notice to be served on every such person under a certificate of posting or by registered post or by having it affixed on some conspicuous part of his last known place of residence or business or is given or tendered to some adult member of his family or is affixed on some conspicuous part of the demised plot of land or portion thereof or structure to which it relates and thereupon the notice shall be deemed to have

been duly served on all the persons in occupation;

(iv) Every such notice given under the Act or any rule made thereunder shall be in writing over the signature of the Competent Authority or the officer authorised in this behalf by him and shall be widely made known in the locality to be affected, thereby affixing copies thereof on some conspicuous part of the demised plot of land or portion thereof or structure to which it relates within the said locality or by publishing the same by advertisement in a local newspaper.

(v) If a person in occupation of the demised plot makes an application in writing to the Competent Authority for extension of the period specified, the Competent Authority may extend the same for a further period not exceeding thirty days.

(vi) No order under sub section (1) of Section 5 shall be made against a person in occupation until after the issue of a notice in writing to the person in occupation calling upon him to show cause within the original period of thirty days or the extended period of thirty days, why such order of eviction should not be made, and until his objections, if any, and any evidence he may produce in support of the same, have been considered by the Competent Authority.

## **6. Manner of Eviction :-**

(i) If, after considering the cause, if any, shown by any person in occupation in pursuance of a notice under sub section (1) of Section 5 and any evidence he may produce in support of the same and after giving him a reasonable opportunity of being heard by himself or by advocate, attorney or pleader, the Competent Authority is satisfied that there is no justifiable cause to allow the person or persons in occupation to be in the demised plot, he may make an order of eviction, indicating reasons to be recorded therein, directing the demised plot of land or portion thereof shall be vacated on such date as may be specified in the order, by all persons who may be in occupation thereof or any part thereof and cause a copy of the order shall be served in the manner prescribed for serving notices;

(ii) Where an order is served rejecting grant of fresh lease under sub section (2) of Section 4 or otherwise, the person shall vacate and deliver vacant possession of the demised plot of land or portion thereof as required under sub section (1) of Section 5 of the Act to

the Competent Authority or any other person authorised by him. If after the expiry of the period stipulated in the notice under Section 5, the person in occupation fails to comply with the requirements of the notice, the Competent Authority shall serve an order of eviction under sub section (1) of Section 6 of the Act in Form (D) calling upon the person in occupation to hand over the demised plot or portion thereof within the time specified therein, which shall not exceed thirty days;

(iii) If any person in occupation refuses or fails to comply with the notice within the original period of thirty days or within the extended period of thirty days granted under sub section (1) of Section 5, the Competent Authority or any other officer duly authorised by the Competent Authority in this behalf may evict that person in occupation and take possession of the demised plot of land or portion thereof and if the Competent Authority or the officer authorised by him is resisted in the exercise of such power or discharge of such duty, he may direct in writing any Police Officer not below the rank of a Sub Inspector of Police to render such assistance as may be necessary to enable the Competent Authority or the officer authorised by him to exercise such power or discharge such duty.

(IV) Where a person who has been ordered to vacate any demised plot of land or portion thereof for the reasons specified in subsection (2) of section 4, the competent Authority is satisfied that refusal to grant fresh lease has resulted in hard ship to the person in occupation as he has been utilising the demised plot of land or portion thereof for industrial purpose and running an industry on the said land may ,without prejudice to the public interest ,allow such person to continue on the demised plot of land or portion thereof as a licensee for such a period on payment of such rent and subject to such conditions as may be specified .

## **7. Manner of auctioning the Articles or Property :-**

(i) Where a building is forced open and an inventory of the articles is prepared under clause (a) of the proviso to sub section (3) of Section 6 of the Act in the presence of two or more witnesses ,the articles so taken possession of shall be kept in a separate room duly locked and sealed . A notice in Form(E) shall be given to the persons of the above auction;

(ii) Where any persons have been served with eviction orders or

have been evicted from the demised plot of land or portion thereof under Sections 5 ,and 6 of the Act , the Competent Authority or an officer authorised by him shall , after giving thirty days notice to the persons from whom possession of the demised plot of land or portion thereof has been taken and after publishing the notice in Form (E)in atleast one news paper having circulation in the locality, dispose of by public auction the articles or any property remaining on such demised plot of land or portion thereof;

(iii) Where any property is sold under clause (b) of the proviso to subsection (3) of Section 6, the sale proceeds, after deducting the expenses of the sale and the amount, if any, due to the State Government or any other authority on account of arrears of rent or taxes, charges, damages or costs, and after crediting the same to the relevant account of the State Government, shall be paid by the Competent Authority to such person or persons as he deems entitled to the same.

#### **8. . :-**

Manner of Collection of Rent or Expenses or Damages or Mesne Profits :-

(i) Without prejudice to the provisions of Section 4 of the Act, where any person is in arrears of rent payable in respect of any demised plot of land or portion thereof, the Competent Authority may, by issuing a notice to him, require that person to pay the same within thirty days time;

(ii) If any person refuses or fails to pay the arrears of rent payable or the expenses payable under Section 6 or the penalty or damages or mesne profits payable under Section 7 of the Act, the Competent Authority shall issue a certificate for the amount due to the Collector and District Magistrate who shall proceed to recover the same as an arrear of land revenue.

(iii) Where any person against whom any proceeding for the determination of arrears of rent or for the assessment of expenses under Section 6 or penalty or damages or mesne profits is to be or has taken, dies before the proceeding is taken or during the pendency thereof, the proceeding may be taken or continued against the heirs or legal representatives of that person by the Competent Authority.

#### **9. Manner of Levying Penalty or Damages or Mesne Profits for Unauthorised Occupation :-**

Where any person is, or has been in unauthorised occupation of any, demised plot of land or portion thereof, the Competent Authority may, in addition to prosecution that may be instituted under the Act, by order require that person to pay the penalty or damages or mesne profits for each day of such unauthorised occupation as provided under Section 7 of the Act. The Competent Authority shall take into consideration the following principles in assessing the damages or mesne profits for unauthorised use and of the occupation of the demised plot together with any structure thereon., namely.

(a) The rent including any enhancement rate of rent that would have been reasonably realised if the demised plot or portion thereof had been leased out on rent for the period of unauthorised use or occupation;

(b) the prevailing rates of rents of similar industrial areas in the Hyderabad City:

(c) The nature, size and standard accommodation made available with amenities;

(d) Any unauthorised structures on the demised plot of land or portion thereof given on rent or let out to any person and collection or earning of income or profits or other charges from the occupiers of the said land;

(e) Any damage caused or done to the demised plot or portion thereof resulting in diminishing its utility and further value during the period of such unauthorised use or occupation;

(f) Any inconvenience caused to the general public and loss sustained by the Government on account of such unauthorised occupation.

**10. Manner of Utilising unutilised Demised Plots or Portions thereof :-**

(i) For the purpose of enabling the Competent Authority to determine whether there is any unutilised demised plot of land or any portion thereof in the Industrial Area and whether such portion is capable of sub division so as to make it useful for accommodating any other industry after sub division, the Competent Authority, after surveying and setting out the boundaries of the unutilised plot of land or portion thereof in the Industrial Area, resume such



unutilised portion by issuing a notice. When such a notice is issued by the Competent Authority, the land shall vest absolutely from the date of such notice in the State Government free from all encumbrances;

(ii) If any person refuses or fails to comply with an order made above, the Competent Authority shall take possession of the land and for that purpose use such force as may be necessary under sub section (2) of Section 6 of the Act.

### **11. Compensation payable :-**

(i) Where the amount of solatium is determined under Section 11 of the Act, the Government shall tender payment of the solatium through a cheque to the persons entitled thereto within thirty days from the date of taking possession of the demised plot, of land or portion thereof or from the date of disposal of articles or property remaining on such land through public auction as per Rule 7, as the case may be, after deducting the amounts due and payable to the Government as per rules;

(ii) If the persons entitled to solatium according to the decision of the Competent Authority do not consent to receive it or if there be no person competent to receive it or if there be any dispute as to the title to receive the solatium the Government, upon receipt of a report with details, shall deposit the amount of the solatium so determined in the Government Treasury;

(iii) Where any amount of solatium has been deposited in the Government Treasury, it may, on the application made by or on behalf of any person interested or claiming to be interested in such amount, order the same to be invested such Government or other securities approved by the State Government and may direct the interest or other proceeds of any such investment to be accumulated and paid in such manner to the parties interested therein.

### **12. Finality of Orders :-**

Save as otherwise expressly provided in the Act, every decision made or order passed or proceeding taken by the Competent Authority or the Government under the Act shall be final and shall not be called in question before a civil court in any suit, application or other proceeding and no injunction shall be granted by any court in respect of any proceeding taken or about to be taken by the Competent Authority or the Government in pursuance of any power

conferred by or under the Act.