

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Buildings – Private Buildings occupied by Government Departments – Revision of rates of rent for the Private Buildings taken on lease by the Government Departments – Orders – Issued.

FINANCE (FMU-TR&B) DEPARTMENT

G.O.Ms.No.37

Dated:07-03-2016.

Read the following:

- 1.G.O.Ms.No.601, G.A. (Accommodation) Dept., Dt.29-08-1979.
- 2.Govt. Memo.No.791/Accom.A2/82-1, G.A. (Accom.A) Dept., Dt.30-09-1982.
- 3.G.O.Ms.No.269 TR&B Dept., Dt.06-08-1985.
- 4.Cir.Memo.No.133/Accom.A2/96-2, G.A. (Accom.A) Dept., Dt.29-03-1996.
- 5.G.O.Ms.No.35, Fin. &Plg. (FW-EBS-PWD) Dept., Dt.27-02-1997.
- 6.Govt.Memo.No.127/R&E/97 Fin. &Plg. (FW-R&E) Dept., Dt.09-06-1997.
7. G.O.Ms.No.63, Fin. (EXPR.PW) Dept., Dt.18-04-2011
8. G.O.Rt.No.2120, Fin. (EBS-XI) Dept., Dt.28-07-2015

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ORDER:

Government have issued instructions from time to time about the procedure and norms for taking Private Buildings on lease by Government Departments and fixation of rent thereof. But it was noticed that rent fixation in practice has become quite cumbersome and leading to wasteful expenditure. Therefore, Government have issued comprehensive orders in the G.O. 5th read above fixing the rent for the Private Buildings taken on lease by the Government Departments duly classifying the areas in to six categories. Again in the G.O. 7th read above, rents for the Private buildings were revised as detailed below:

Sl.No	Classified Area	Sft. in Rupees.
1.	Greater Hyderabad Municipal Corporation.	Rs.10.00
2	Greater Visakhapatnam Municipal Corporation and Corporation of Vijayawada, Guntur, Tirupathi and Warangal.	Rs.7.00
3.	All other Corporations and Special grade and Selection grade Municipalities.	Rs.5.50
4.	All Grade-I Municipalities.	Rs.4.50

5.	All other Municipalities & Mandal Headquarters.	Rs.3.00
6.	All other Rural areas.	Rs.2.50

2. The above rates were fixed during the year 2011 and there has been considerable increase in the cost of land and buildings over a period of 5 years. It was expressed by various Departments that the Building owners are not coming forward now to lease or to rent their Buildings for the Government Departments at the rates prescribed by the Government in the G.O. 7th read above. Moreover, the Buildings owners are also pressing to vacate the Buildings already occupied by the Government Departments or to enhance the rent as per the local market valuations of the buildings. Number of proposals from various Departments are also coming up to this Department for enhancement of the rent.

3. Keeping in view of circumstances explained above, there is an imperative need to modify the rates fixed in the G.O. 7th read above, due to steep increase in the cost of the lands and buildings in various classified areas in the State. In the G.O.8th read above Government have constituted a committee for review and recommendations of appropriate terms and conditions for lease of Private buildings by the Government Departments. The committee have recommended the following revised rates for fixation of rents of Private buildings taken on lease by the Government Departments.

Sl.No	Classified Area	Recommended for fixation of rent per Sft. in Rupees.
1.	a). Corporation of Vijayawada and Guntur	Rs.15.00
	b). Corporation of Vijayawada and Guntur buildings having all facilities such as power Backup, AC, WIFI Network facilities for the entire premises.	Rs.18.00
2.	Greater Visakhapatnam Municipal Corporation.	Rs.12.00
3.	Corporation of Tirupathi and all other Corporations.	Rs.10.00
4.	Special Grade and Selection Grade Municipalities and All Grade-I Municipalities.	Rs.8.00
5.	All other Municipalities & Mandal Headquarters.	Rs.6.00
6.	All other Rural Areas.	Rs.5.00

4. Government after careful examination, has decided and hereby order to revise the rent fixed in G.O.7th read above, for the Private Buildings taken on lease by the Government Departments as detailed below:

Sl.No	Classified Area	Revised rate
1.	a). Corporation of Vijayawada and Guntur.	Rs.15.00
	b). Corporation of Vijayawada and Guntur buildings having all facilities such as power Backup, AC, WIFI Network facilities for the entire premises.	Rs.18.00
2.	Greater Visakhapatnam Municipal Corporation.	Rs.12.00
3.	Corporation of Tirupathi and all other Corporations	Rs.10.00
4.	Special Grade and Selection Grade Municipalities and All Grade-I Municipalities.	Rs.8.00
5.	All other Municipalities & Mandal Headquarters	Rs.6.00
6.	All other Rural Areas.	Rs.5.00

5. The above amount would be payable only for net usable area which cannot be more than net carpet area plus 10%.

6. The requirement of the Building by any office is to be advertised in the District edition of local newspaper with large circulation, indicating requirement of space which will be decided as per the R&B norms.

7. In response to the above advertisement, Building owner having vacant space have to quote a specific lease rent per month they want as rent.

8. A team consisting of the Head of the Office in need of the Building space and local EE/Dy.EE/AE of R&B Department will check the suitability of the building starting from the lowest offer. If due to any reason to be recorded in writing the lowest offeror's Building is not suitable, the second lowest offeror's premises will be inspected and evaluated for selection.

9. Once the Building is selected accepting the rent within the maximum ceiling indicated in para (4) above, it can have an escalation factor of 5% for block of every two years thereafter.

10. All Heads of Departments are therefore requested to inform all the Heads of Offices under their control to follow the above revised rates for fixing up of rent of Buildings to be taken on hire. The revised rates are applicable with effect from the 1st of March, 2016.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

Dr.P.V.RAMESH
PRINCIPAL FINANCE SECRETARY

To,
All the Heads of Departments / All Collectors.
The C.E., R&B, Hyderabad. All the Departments of Secretariat.
The PAO, Hyderabad.
The Director of Treasuries and Accounts, Hyderabad.
The Director of Works Accounts, A.P., Hyderabad.
The AG,AP, Hyderabad.
SF/SC.
Copy to:
G.A. (Accommodation) Dept.

//FORWARDED BY ORDER//

SECTION OFFICER