

**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 (EXPR. PW) DEPARTMENT

G.O.Ms.No. 63

Dated:18-04-2011.

Read the following:

- 1.G.O.Ms.No.601, G.A. (Accommodatin) 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.

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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 as detailed below:

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|---|------------------------|
| a) Corporation of Hyderabad and Secunderabad | Upto Rs.5.00 per sft. |
| b) Corporation of Visakhapatnam and Vijayawada | Upto Rs.3.50 per sft.: |
| c) All other Corporations and Special grade and
Selection grade Municipalities | Upto Rs.2.75 per sft. |
| d) All Grade-I Municipalities | Upto Rs.2.25 per sft. |
| e) All other Municipalities | Upto Rs.1.50 per sft, |
| f) All other rural areas | Upto Rs.1.25 per sft. |

2. The above rates were fixed during the year 1997 and there has been considerable increase in the cost of land and buildings over a period of 14 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. 5th 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 as demanded by the owners of the Private Buildings.

3. Keeping in view of circumstances explained above, there is an imperative need to modify the rates fixed in the G.O. 5th read above, due to steep increase in the cost of the lands and buildings in various classified areas in the State.

4. Government after careful examination, has decided and hereby order to revise the rent fixed in G.O.5th read above, for the Private Buildings taken on lease by the Government Departments as detailed below:

<u>Classified Area</u>	<u>Revised Rate</u>
a) Greater Hyderabad Municipal Corporation	Upto Rs.10.00 per sft.
b) Greater Visakhapatnam Municipal Corporation and Corporation of Vijayawada, Guntur, Tirupathi and Warangal	Upto Rs.7.00 per sft.
c) All other Corporations and Special grade and Selection grade Municipalities	Upto Rs.5.50 per sft.
d) All Grade-I Municipalities	Upto Rs.4.50 per sft.
e) All other Municipalities & Mandal Headquarters	Upto Rs.3.00 per sft,
f) All other rural areas	Upto Rs.2.50 per sft.

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. This G.O. is applicable with effect from 01-04-2011.

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

**S.E. SEKHAR BABU
SECRETARY TO GOVERNMENT (W&P)**

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.