Copy of G.O.Ms.No. 036)R.D. & L.A. department) dt.5.3.1973 is communicated to the Heads of departments, section heads, all Mpper division clerks . Assistant Revenue Officers, all clerks in Revenue section, Assistant Town Planning Officers, all clerks in town planning section, Special Officer ("udit), Special Officer(collection) for information and guidance.

/T.C.F.B.O./ Sd.R.Lenin, For Commissioner.

Manager.

MG/21/3/-To

All concerned, Record keeper for stock tile, Copy to the Commissioner for kind information.

Government of Tam11 Nadu Abstract.

RULES - TAMILNADU District Municipalities Act, 1920 - receipts and expenditure to Municipal councils- Rule 12 - amended.

RURAL DEVELOPMENT AND LOCAL ADMINISTRATION DEPARTMENT

G.O.Ms.No.436

Dated the 5th March, 1973 Read:-

G.O.Ms.No.786 Rural Development and Local
Administration dt.24.3.66 and G.O.Ms.682
R.D.&LA dt.11.4.69.
From the Director of Municipal Administration, letter
K.dis.20540/72 dt.29.9.72

ORDER:

Of late, it has become regular on the part of the municipal councils to send proposals to Government for renewal of the lease of municipal properties to the existing lessees dispensing with public auction. Representations are also being received often from the existing lessees on the ground that their existing business will suffer, if renewal is not ordered. As there is some force in the argument that a person who takes a land or property for lease should be allowed to continue for some considerable time to make up his investments in the property by way of fittings etc. the Government consider it necessary to give a right to the lesseds to ask for renewal of lease and allow such renewal subject to certain conditions.

2. The appended notification will be published in the Tamilnadu Covernment Gazette, extra ordinary dated 5.3.1973.

(By order of the Governor)

E.C.P. PRABHAKAR, Secretary to Government.

AME NDME NTS.

In the said rules (1) sub-rule (3) of rule 12 the two provisos the reunder and the explanation thereof shall be omitted and the following shall be substituted:

- of sur rule (1) as well as other Municipal properties like bunks and stalls,
- (a) the auction shall be conducted and the leases effected in the manner laid down in rule 6 so far as it is not inconsistent with this rule or any other rule on the subject; and if, at a public auction held, the bid is found to be lower than that obtained in the previous year's lessee desires the continuance of the lease at the old rate, the municipal council may, notwithstanding the public auction held, grant the lease to him.
- (h) the lease by public auction shall be held and given effect to for a period of not exceeding three years at a time in the first instance so as to have the lease amount at a rate not less than a reasonable value and if the existing lesses desires the continuance of the lease in favour of him by declaration in writing to be given to the Executive Authority sufficiently in advance not less than 60 years before the exp of the existing period, the lease shall be renewed according for a period not exceeding three years at a time, subject to the condition that the total duration of the lease to the same lease should not in any case exceed a continuous period of 9 years from the date of commencement of the lease as granted under this sub rule or from 1.4.66 whichever is earlier and the lease amoung shall be calculated at the rate for the proceeding year with a premium of not-less than 5 per cent and not more than 10 per cent as shall be fixed by the Municipal Council sufficiently in advance every year for the purpose and communicated to the lessee in writing with an acknowledgement duly obtained and kept in the record for each succeeding year during the period of such renewal.

Provided that in the case of leases expiring on or before \$1.3.1973 and for which public auction might have already been held and confirmed by the Municipal Council or public auction might have been held and not confirmed by the Council only the successful bidder at the auction shall be allowed to have the lease for 1973-74 or the succeeding periods as the case may be.

Explanation: The reasonable annual value of the property concerned shall be derived with reference to the prevailing annual rental value of similar property in the adjacent or similar locality in the municipal area.

- (4) Notwithstanding the provision contained in the above sub rules the overnment may permit, in special cases, the Municipal Council to lease out the lands and muildings including banks and stalls dispensing with public auction in such a manner as may be specified for the purpose.
- 2. The sub rules (4) and (5) under the said rules shall be renumbered as sub sules(5) and (6) repectively.

E. P. P. PRABHAKAR, Secretary to Government.

/ True copy /