

CHAPTER – 19

LETTING OUT OF PREMISES BY INSTITUTIONS

There may be instances where the premises constructed by the various institutions are let out to similar institutions and even to public sector undertakings. The Government has, therefore, decided that:-

- (i) The allottee institutions shall put up the building by fully utilising the permissible FAR;
- (ii) The institution may let out a portion of the built up area to institutions of similar nature after obtaining prior permission of the lessor by furnishing a copy of the certificate of registration and a copy of memorandum and articles of association of the licensee institutions;
- (iii) The institution may also be allowed to sublet a portion of the premises not exceeding 15 % of built up space with prior approval of the lessor for service organisations like banks, on payment of 25% of the licence fee received;
- (iv) The institution may also allowed to utilise a portion of the premises for the purpose of residence of the functionaries of the organisation subject to the condition that the area so used does not exceed 15 % of the built up space subject to a maximum of 150 sq. mts.; and
- (v) The total area sublet under the above categories and the area used for residential purpose shall however not exceed 40 % of the built up area.

In cases where institutions have already sublet a portion of the premises, the above documents shall be furnished to the Land & Development Office within a period of six months for regularising each cases. For this purpose, a general notice shall be issued by the Land & Development Office to all the institutions. However, in cases where subletting is without prior permission of the lessor the same shall attract penalty of 10 % of the commercial land rates for the area sublet.

[M/o UD letter No. 344/94-LD dated 21.3.1994]

