

**No. Fin. I.C(3)2/83
Government of Himachal Pradesh
Department of Expenditure Section-E.**

From

**The F.C.-cum-Secretary)Fin)to the
Govt. of Himachal Pradesh,**

To

**All the Administrative Secretaries/
Heads of Department/
Deputy Commissioners/
Registrar, H. P. High Court.**

Dated : Shimla-2

23 April, 1988.

Subject:-

**Reassessment /revision of rent of buildings hired by
Government at H.P. for housing its offices.**

Sir,

In continuation of this department letter of even No. dated 31.0.1988 on the subject cited above, I am directed to inform you that consequent upon the enactment of the Himachal Pradesh Urban Rent Control Act 1987 all the cases of revision/ Re-assessment of tent of building hired by the Govt. for hosing its offices are required to be examined in accordance with Section 5(2) and Section 6 of the said Act which supersedes the existing procedure laid down in the above referred letter.

Provision of revision of fair rent in certain cases is contained in Section 5 (2) of the said Act which says that “Not with standing anything contained in any law for the time being in force or any contract, a land lord shell, in addition to the increase in rent provided in this Act, be entitled to increase the rent of a building or land at the rate of 10% (Percent) of the fair rent or agreed rent, as the case may be, after every five years and such increase shall be----

- (a) In a case where such a building or land has been let out for a period of 5 years or more immediately preceding the commencement of this Act-----**
- (a) first with effect from the date of such commencement &**
- (ii) again with effect from the expiry of the period of every five years from such commencement and where such a building or land has been let out before such commencement for a period.**
- (b) Where such a building or land has been let out before such commencement for a period.**

Shorter than five years and the maximum period within such building or land remains let out extends beyond 5 years form the date of the commencement of such a tenancy—

(b) first with effect from the date of expiry of five years from the commencement of such tenancy.

(ii) again with effect from the date of expiry of the period of every 5 years from the date on which revision made under Clause-(I) takes effect.”

As regards admissibility of increase in rent i.e. re-assessment, it has been provided in Section 6 of the said act that no further increase in such fair rent shall be permissible except in cases where some addition, improvement or alteration has been carried out in the building or rented land at the landlords expense & if the building or rented land is in the occupation of a tenant, at his request.

Provided that the fair rent as increased under this section shall not exceed the fair rent payable under this Act for similar building or rented land in the same locality with such addition improvement or alteration and it shall not be chargeable until such addition, improvement or alteration has been completed.

These provisions of the Act authorize the land lord the increase their rent @ 10% after the commencement of these provisions of Act of after the every 5 years period of tenancy as the case may be. In such cases the arrears of rent are payable from the due dates unlike the previous instructions under which no arrears were admissible and increased rent was allowable from the date of sanction by the Finance Department. It is however, further clarified that under the Act, arrears are payable only w.e.f. 18.8.87 and not for the period before that date. These provisions of Act have come into force w.e.f. 18-8-87.

You are requested to examine the cases of revision/ reassessment of rent in the light of these provisions and all the Administrative Secretaries may decide such cases at their level without any reference to Finance Deptt.

**Yours faithfully,
Sd/-**

**For Finance Commissioner-cum-
Secretary (Finance) to the
Government of Himachal Pradesh**

Copy forwarded to:-

- 1. All the Chairmen /Managing Directors of the Boards & Corporation for information and necessary action.**