



Terms & Conditions of VMRDA:

1. The Allottee for the shop premises shall be granted license for a period of 3 years and the allottee shall execute license agreement. This will form part of this allotment proceedings.
2. The Allottee shall pay monthly licence fee plus applicable taxes to VMRDA.
3. The Allottee shall pay interest free security deposit (equal to 6 months rent) and 12 months Bank Guarantee before handing over the possession of the shop/office space. The allotment is deemed to be cancelled, if the Allottee fails to pay the security deposit and Bank Guarantee within the due date, thus dispensing with the issue of notice of cancellation notwithstanding the other terms and conditions in this proceedings.
4. The monthly license fee payable by the Allottee shall be effective from date of handing over possession of the shop / Office spaces .
5. The Allottee shall pay ₹20,000/- towards electrical caution deposit to VMRDA. The Allottee shall bear the electrical charges, water charges if any as per consumption.
6. The Allottee shall not carry out any activities related to Restaurant, bar i.e., Store/Stock/hold and or consumption of alcohol, Flour Mill and explosives business in the shop allotted.
7. The Allottee shall pay monthly rent on or before 10th of every succeeding month, failing which, the late fee at ₹2/- per ₹100/- per month will be charged.
8. If the Allottee fails to pay monthly rent for 3 months consecutively or at random, the license and allotment of the shop will be cancelled along with forfeiture of the Security Deposit without any notice treating the licensee as a defaulter. No intimation is required for a deemed defaulter.
9. The Allottee should execute a License agreement which will be duly registered as per the provisions of the Registration Act 1908, within 07 days after payment of security deposit. If the registration is not done within the specified time then the security Deposit shall be forfeited.
10. The VMRDA has the right to cancel at any time the allotment at the requirement of VMRDA for any of its purpose. No compensation with respect to any loss or loss of business or profits shall be paid to the Licensee.
11. If the Allottee wishes to vacate the premises within the license period or if the VMRDA requires the allotted premises for its purposes, one month notice shall be issued on either side for cancellation of allotment.
12. The Licensor shall issue one month notice to cancel the agreement in the event of any violations of conditions committed by the licensee in the license agreement or if the licensed premises is required for VMRDA use. In both the cases, no claim shall be entertained of whatever nature it is.
13. The advance amount towards rental deposit, if any, paid by the Allottee, carries no interest and it shall be paid upon the expiry of the license agreement.
14. The Allottee shall not carry out or perform any benami transactions in the shop allotted or sublease/sublet in the space allotted in his/her name. If the same is found on enquiry, the security deposit or any amount paid by the Allottee shall be forfeited and credited to the VMRDA account and the allotment will be cancelled without any further notice.
15. The minimum lock in period for the License shall be for a period of 6 months from the date of signing of the agreement or on the date of occupation of premises, whichever is earlier. If the Allottee has cancelled the allotment within the lockin period, the interest free security deposit paid by the Allottee shall be forfeited to VMRDA.

16. The Goods Service Tax (GST) @ 18% on monthly rent shall be paid by the Allottee.
17. A fine of ₹10,000/- will be charged, if on periodical inspections by the authorized officials of VMRDA it is noticed that the premises allotted to the Allottee is not maintained as per the conditions.
If any damages are noticed, necessary repairs will be carried out and charges / expenses there to will be recovered from the security deposit of the Allottee with the VMRDA.
18. The Allottee is not permitted to change his business in the allotted shop. If any changes to be made, it has to be done with the prior approval of the VMRDA Authority.
19. The Licensee shall take all safety precautions in the licensed premises in preventing any mishaps viz.. fire accidents, riots by unruly mob to the property, ransack etc., and in the event of any damage or loss to the property of the licensee in the licensed shop, the licensee is liable for such loss and the VMRDA shall not have any liability for the same. The security of the licensed premises is the sole responsibility of the licensee.
20. The Licensee shall not carry out any anti social activities prohibited by law in the licensed premises. If any such occurrence is found, the license granted will be cancelled forthwith and possession taken back by the VMRDA Authority and forfeit the security deposit.
21. The Licensee shall keep and valid all the respective statutory licenses for running the business in the allotted premises and if it is found or if any adverse report is brought to the notice of the Authorities concerned at any time in this regard, the licensed premises will be cancelled and its possession will be taken by the Licensor (VMRDA Authority) without any notice.
22. In case of violation of any of the above conditions, the license issued in favour of the Licensee shall be cancelled and the Licensor is empowered to resume possession of the licensed premises without any further notice to the Licensee.
23. Only Licensee has the right to enter the premises for which license was granted.
24. All the rules/orders issued by either Government of Andhra Pradesh or by VMRDA from time to time are applicable with respect to the issue of licenses / allotment of shops etc.
25. The Metropolitan Commissioner is the competent Authority to act on behalf of VMRDA.
26. The Allottee shall submit Fire NOC from GVMC, Visakhapatnam for the shop allotted, he/she intends to take up cooking related activity in the licensed premises.
27. The Allottee shall abide by the terms and conditions of VMRDA.