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Government of West Bengal
Land and Land Reforms Department
Requisition Branch
Writers' Buildings, Kolkata-700001.

24/1
b/s
Jr (0)
28/05/13

No- 2126(80)-LL/N/1R-49-2012

Date-29.04.2013.

To

1. Additional Chief Secretary/Principal Secretary/Secretary.....Department. *Excise*
2. Divisional Commissioner.....Division.
3. Director of Land Records & Surveys, 35 Gopalnagore Road, Alipore, Kolkata-27.
4. District Magistrate,District.
5. 1st Land Acquisition Collector, 5, Bankshal Street, Kolkata-700 001.

Sub:- Assessment of revision of rent in respect of Private premises hired for public purposes

The principles for certifying reasonableness of rent in respect of private premises hired for public purposes were laid down in this Department Order No. 590(96)-LR. dated 03.08.1993. for simplification of the procedure as well as for removal of certain anomalies in following the procedure laid down in the said circular, it is felt necessary to replace this order. After careful examination it has been decided by the Government that certificate regarding reasonableness of rent/or revision of rent should be issued by the concerned Land Acquisition Collector with following guidelines.

1) (a) for assessment of rent of a premises the market rate of rent prevalent in the area should be ascertained by the Land Acquisition Authority issuing rent reasonableness certificate. Such enquiries may be made taking into account the rent being paid for premises taken on hire/lease by the Central Government, State Government or Government Undertakings for similar accommodation in the locality. L.A. Collector should ascertain figures of prevalent market rent and collect authentic data, preferably based on documents, taking into account conditionalities of lease deed/tenancy agreement of premises taken for consideration and should also keep in view the relative area/size of premises and relative advantages and disadvantages. The premises should be comparable in specification, provision of amenities and nature of construction. They should also make sure that the factors for which the landlord is responsible like Municipal Taxes, maintenance and repairs etc, are also comparable.

(b) Land Acquisition Authorities are required to take into account of the covered and un-covered spaces of the premises including latrine, bath-room etc. as follows:-

- i) 50% of the covered latrine, bathroom, varandah etc. should be included as floor space for assessment of reasonable rent.
- ii) 25% of un-covered latrine, bathroom, varandah etc. should be included as floor space for assessment of reasonable rent.

(c) when the vacant land within the compound of the premises is proposed to be hired along with the premises, 10 percent of the present valuation of such land may be added with the annual rent of the premises, but care should be taken so that land which does not enhance the utility of the property, for example, behind building having no access for parking or for any other utilisation etc. should not be considered while assessing rent of the premises. The fact should be indicated while issuing rent reasonableness certificate so that the hiring department can decide whether to take on hire any vacant land or portion thereof. The reasonable rent thus fixed will be inclusive of occupiers' share of taxes.

2. Considering the rapid hike of rate of rent in the market, the rent shall be enhanced upto 20% of the present rent after every three years instead of existing 20% after every five years. Enhancement of rent shall be made automatically after expiry of every three years from the date of possession. Application from the house owner for enhancement of rent is not mandatory. The maximum permissible limit of increase of rent after expiry of a period of three years shall be 20% .The enhancement of rent may be made three times consecutively and then the rent shall be assessed afresh after 9 yrs.(three consecutive terms) if the same hiring department continues occupying the same premises.

3. Cases where all the covered and uncovered spaces like varandah, latrine, bath-room etc. as well as the vacant land had not been taken into consideration at the time of assessment of rent, such un-assessed areas should be assessed a fresh and added with the 'revised rent' at the time of revision of rent. Such assessment should be on the basis of the procedure as laid down in paras 1(b) and 1(c), for example:
Say an amount of Rs.600/- per month was assessed as 'reasonable rent' of a premises of an area of 500 Sq.ft. in the year 2008 where room spaces was 300 sq.ft., covered area 100 sq.ft. and un-covered area 100 sq.ft.
For revision after expiry of three years (in accordance with para2 above), at first, both the covered and un-covered spaces is to be converted into floor space taking into account the 50% of the covered space and 25% of the un-covered space as room space. Thus the total area after conversion would be 375 Sq. ft. as floor space.
For an overall enhancement of 20% the rent now comes to Rs. (600+20% of 600) i.e. Rs. 720/- for the said 375 Sq. Ft. Say an extra 100 Sq. ft. un-covered area is required to be considered now. So for the said 100 Sq. ft. an area of 25 Sq. ft. Is to be added afresh and so the total area now comes to (375 sq. ft. + 25 sq. ft.) i.e. 400 sq. ft. Therefore , for a total area of 400 sq. ft. the rent of the said premises would be Rs. (720+720/375 *25) i.eRs.768/-.
4. Before 'revision of rent ' of a premises necessary certificate may be obtained from the occupier concerned/ requiring body to the effect that the premises is maintained properly.
5. At the time of issuing 'reasonable rent' certificate/revised rent certificates referred to above, the actual measurement in respect of spaces (covered/un-covered/open) under assessment should be separately computed and shown henceforth. The District Authorities are instructed to issue Reasonable Rent Certificate within fifteen working days positively after getting information from the hiring Department.
6. Cases where fixation and/or revision of rent in respect of a premises already settled and accepted by the Government in a manner other than the manner mentioned above should not be re-opened for re-determination of such rent in respect of the said premises during the period of validity of such fixation/revision of rent
7. Rate chart of the locality must be updated on regular basis in every three years by the District Authorities and they should prepare it with the help of Assistant Engineer/Sub Assistant Engineer as Technical Person . Current market rate of rent should be considered while updating the rate chart.
8. In case of assessing the rent for the premises hired 30 years back we generally follow the G.O. No. 1831(96) L.R. dated 23.11.1994. In those cases we may assess it as fresh one.
9. This order issues in supersession of this department's G.O. No. 590-L.R. dated 03.08.1993.

B. Karim

Deputy Secretary to the Government of West Bengal
Land & Land Reforms Department