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GOVERNMENT OF ODISHA
REVENUE AND DISASTER MANAGEMENT DEPARTMENT

No: LA (A)-46/13 (Misc) 4080 /R&DM, Dated: 07.02.14

From:

Dr. Taradatt, IAS
Additional Chief Secretary
Revenue & D.M Department

To

All Collectors
All Spl LAOs/LAOs

Sub: Coming into force of the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013-Making of Award in LA Cases initiated prior to 31.12.2013.

Sir/Madam,

This is regarding coming into force of the RFCTLAR&R Act-2013 w.e.f 01.01.2014 and continuance of certain LA proceedings already initiated under the LA Act-1894. In accordance with the provisions u/s-24(1) (a) of the new Act, this Deptt. has already issued clarifications to all Collectors/Spl LAOs/LAOs vide letter No. 1862 dt. 24.01.2014 that the LA proceedings initiated under the LA Act-1894 in which 4(1) Notification & 6(1) Declaration have been issued but where no award has been passed as on 31.12.2013; the provisions of the new Act. in relation to determination of compensation and award shall apply.

Now in those cases where no award has been passed as on 31.12.2013; the question of determination of compensation to make the award under the new LA R&R Act. is being clarified as follows.

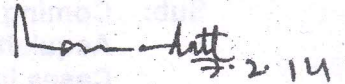
- Sec 23 - Provides for enquiry and land acquisition award by Collector. This provision is almost similar to the provision under Sec 11 of the old LA Act.-1894.
- Sec-26 - Provides the criteria for assessment and determination of market value of land. Collector, while determining market value under this Section, shall also calculate additional market value @ 12% per annum on such market value as per provisions u/s-30(3) of the Act.
- Sec -27 Provides for calculation of total amount of compensation including all assets attached to land viz- structure, trees, other immovable properties.
- Sec-28 gives about the details of the considerations which the Collector should take into account while determining the amount of compensation.

Sec- 30 under this section the Collector shall give award of solatium equivalent to one hundred percent of the compensation amount.

As per new Act, the date for such determination of market value shall be the date on which the preliminary notification u/s-11 (1) was issued. The new Act. does not indicate any 'cutoff date' for those cases already initiated under the old Act. In such a situation it would be most appropriate to accept the date of coming into force of the RFCTLAR&R Act. 2013 i.e 01.01.2014 as the 'cutoff date' for determination of market value for assessment of Land Compensation in those LA cases initiated prior to 31.12.2013.

The illustration for determination of compensation is enclosed for your information, necessary guidance and action.

Yours faithfully


7.2.14

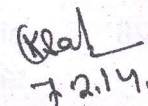
Memo No. 4031 /R&DM Dt. 07.02.14 Additional Chief Secretary
Copy to All Departments of Govt. for information and necessary action.

Memo No. 4032 /R&DM Dt. 07.02.14 Joint Secretary
Copy to Secretary, Board of Revenue Odisha, Cuttack & All RDCs for information and necessary action.

Memo No. 4033 /R&DM Dt. 07.02.14 Joint Secretary
Copy to CMD, IDCO, Bhubaneswar for information and necessary action.

Memo No. 4034 /R&DM Dt. 07.02.14 Joint Secretary
Copy to Private Secretary to Hon'ble Minister, Revenue & DM for kind information of Hon'ble Minister.

Memo No. 4035 /R&DM Dt. 07.02.14 Joint Secretary
Copy to All Officers / All Branches / IMU Cell of Revenue & DM Deptt. for information and necessary action.


7.2.14.
Joint Secretary

IMU cell

Determination of Compensation

1. Sec-26 - Determination of market value of land –

(a) Cutoff date for determination-

- (i) For LA cases to be initiated under the new LA R&R Act. 2013 – **Date of Preliminary notification u/s-11(1) of the Act.**
- (ii) LA proposals already initiated under LA Act. 1894 (old Act).- **Apparently the date of coming into force of the New LAR&R Act.2013 i.e 01.01.2014.**

(b) Assessment of Market value

- (i) Market value of land as mentioned in the Official Sales Statistics maintained as per registration of sale deeds under Indian Stamp Act-1899, in the area where the land is situated or market value of land as per approved **Bench Mark Valuation (BMV)** whichever is higher.
- (ii) Average of highest sale price of 50% of sale deeds for similar type of land in vicinity immediately preceding 3 years;
- (iii) Consented amount of compensation as agreed upon in case of acquisition for Private Companies or PPP Projects as per Sec- 26(1)(c) of the Act.

NB:-Out of the above three rates whichever is higher- multiplied by the factor specified in First Schedule of the Act (Sec-30(2)).

- a) Factor by which the market value is to be multiplied in the case of rural areas. \longleftrightarrow 1.00(one) to 2.00(Two) based on the distance of project from Urban area, as may be notified by the Govt.
- b) Factor by which the market value is to be multiplied in the case of urban areas. \longleftrightarrow 1(one)

Illustrative Sliding Scale

The multiplier factor will gradually rise from 1 to 2 as we move away from urban locations to **rural areas**

Radial Distance from Urban area (Kms)	Multiplier Factor
0-10	1.00
11-20	1.20
21-30	1.40
31-40	1.80
Above 40	2.00

Illustration for Determination of Market value of land

Kisam of land	Value as mentioned in sales statistics as on cutoff date	Average sale price during preceding 3 years	Consented Amount	Whichever is higher
Sarad 1	Rs. 20 per acre	a) There are 8 transactions in preceding 3 years b) 50% documents i.e 4 highest sale instances c) RSD-1 Rs.18 RSD-2 Rs.16 RSD-3 Rs. 20 RSD-4 Rs. 22 Rs. 76/4= Rs. 19 is average sale price	Rs.22	1. Rs. 22 in case of private or PPP Project 2. Rs. 20 in case of other projects

2 Computation of compensation in Rural Area

- (i) Market value (Other than Private /PPP project) -Rs. 20/-
- (ii) To be multiplied by a factor 1.40
(say the distance is 30 kms from urban area) -Rs. 8/-
- (iii) Addl. Market value @12% per annum (20+8x12) -Rs. 3.36 paisa
- iv) Cost of Structure -Rs 5.64 paisa
- v) Cost of tree -Rs. 3.00
- vi) All total -Rs. 28+ Rs. 3.36+ Rs. 5.64 + Rs. 3= Rs. 40.00
- vii) Add 100% solatium =Rs.40+Rs. 40= Total compensation Rs. 80/-

3. Computation of compensation in Urban Area

- i) Market value (Other than Private /PPP project) -Rs. 20/-
- ii) To be multiplied by a factor 1(one) 20x1= -Rs. 20/-
- iii) Addl. Market value @12% per annum (20x12) -Rs. 2.40 paisa
- iv) Cost of Structure -Rs 7.60 paisa
- v) Cost of tree etc. -Rs. 3.00
- vi) All total -Rs. 20+ Rs. 2.40 + Rs. 7.60+ Rs. 3= Rs. 33.00
- vii) Add 100% solatium =Rs.33+Rs. 33= Total compensation Rs. 66/-