ABSTRACT

Land Alienation - Alienation of lands for the formation of Industrial Estate and etc., - Enter upon permission granted - Request of fix the land cost based on the rate prevailing at the time of granting enter upon permission instead of fixing the land cost based on the present market value or guide line value whichever is higher at the time alienation - Orders issued.

Revenue Department, Land Disposal Wing, LD.5(1) Section

G.O.(Ms) No.172 **Dated 09.05.2017**
ஹேவிளம்பி வருடம், சித்திரை 26
திருவள்ளுவர் ஆண்டு 2048

Read:

1) G.O. (Ms) No.907, Revenue Department, dated 13.12.1994.
2) From the Managing Director, TANSIDCO letter No.N1/4597/13, dated 4.10.2013.
3) From the Principal Secretary and Commissioner of Land Administration D.O. letter No.B1/12634/2013, dated 24.10.2013 and 19.8.2014.

ORDER:-

In the reference first read above, the Principal Secretary and Commissioner of Land Administration has stated that, during the review meeting convened by the Micro, Small and Medium Enterprises Department on 3.10.2013, in the presence of Hon'ble Minister for Rural Development and Hon'ble Minister, Revenue Department, the Secretary to Government, Micro Small and Medium Enterprises Department has raised the issue of revising the policy of fixing the land cost for Tamil Nadu Small Industries Development Corporation Limited (TANSIDCO) based on the rate prevailing at the time of issue of alienation orders, especially where TANSIDCO has been granted "Enter Upon-Permission" and has allotted the plots to small entrepreneurs. Hence, it was decided that the Managing Director, TANSIDCO would send a proposal to Revenue Department to fix the land cost at the time of granting enter upon-permission with notional increase of 12% per annum as prescribed in the G.O.(Ms) No.907, Revenue Department, dated 13.12.1994.

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2. Accordingly, the Managing Director, TANSIDCO has sent a proposal to the Government in the Revenue Department in this regard wherein he has stated that considering the lengthy process of alienation and the urgency involved in the formation of Industrial Estates, there are instances in which enter upon permission has been granted by the District Collector or the Government, depending on the classification of the lands identified. TANSIDCO, in turn, has developed the land and allotted it to the needy entrepreneurs. However, the proposals for alienating the land in favour of TANSIDCO are often delayed for various reasons. As a result of this delay, the requisitioning body, i.e. TANSIDCO is put in, a fix in terms of payment of land value which increases manifold from the date of advance entry to the date of payment of value for the alienated lands. TANSIDCO also cannot collect the differential cost from the allottees who have already made initial payment, based on the tentative land value at the time of entering upon the land.

3. The Managing Director, TANSIDCO has also quoted five such cases in which the land value has gone up from two to fifteen times as a result of this valuation. He has further stated that, the general principle in land acquisition is that land value is fixed only with respect to date of publication of preliminary notification with addition of suitable interest, and not on the date of award.

4. The Managing Director, TANSIDCO has therefore suggested that, considering these difficulties and the fact that TANSIDCO is a non profit organization, the Government may consider fixing the market value based on the date of filing Land Plan and Schedule with the addition of notional increase on the modalities of G.O.(Ms)No.907, dated 13.12.1994. He has also suggested that, this may be followed for all cases from the date on which the enter upon permission has been given as well as for future cases, based on the date of filing the Land Plan Schedule.

5. The proposal of Managing Director, TANSIDCO has been examined in detail and found to be a reasonable one. It is however to be noted that these arguments would apply not only to SIDCO but also to SIPCOT, TNHB etc., where the alienated land is developed and transferred to further allottees. Hence, the Principal Secretary and Commissioner of Land Administration, Chennai has recommended that, the Government may issue orders in the case of alienation to State Government Bodies such as SIDCO, SIPCOT, TNHB, etc., fixing the land cost based on the rate prevailing at the time of granting enter upon permission, including the notional increase on the modalities of G.O.(Ms).No.907, dated 13.12.1994 also applicable to past cases where "Enter Upon Permission" has already been granted, where orders of

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alienation are yet to be issued, where orders of alienation for such cases have already been issued, they may be taken up for review based on an appeal by the requisitioning agency.

6. The Government, after careful examination, have decided to accept the proposal of Additional Chief Secretary/ Commissioner of Land Administration and accordingly order to fix the land cost based on the rate prevailing at the time of granting enter upon permission, including the notional increase on the modalities of G.O.(Ms).No.907, dated 13.12.1994 to TANSIDCO, TNHB, SIPCOT etc., and also applicable to past cases where "Enter Upon Permission" has already been granted, where orders of alienation are yet to be issued, where orders of alienation for such cases have already been issued, they may be taken up for review based on an appeal by the requisitioning agency.

(BY ORDER OF THE GOVERNOR)

CHANDRA MOHAN. B,
SECRETARY TO GOVERNMENT

To
The Principal Secretary and Commissioner of Land Administration, Chepauk, Chennai-5.
All District Collectors.
All Departments of Secretariat, Chennai-9.

Copy to:
The Hon'ble Chief Minister Office, Chennai-9.
The Special Personal Assistant to Hon'ble Minister (Revenue), Chennai-9.
The Special Personal Assistant to Hon'ble Minister (Rural Industries), Chennai-9.
The Special Personal Assistant to Hon'ble Minister
(Housing and Urban Development Department), Chennai-9.
The Special Personal Assistant to Hon'ble Minister (Industries), Chennai-9.
The Special Personal Assistant to Hon'ble Minister (Fisheries, Finance and P&AR), Chennai-9.
The Private Secretary to Secretary to Government, Revenue Department, Chennai-9.
Revenue (L.D.V, and LD.7) Department, Chennai-9.
The Managing Director, TANSIDCO, Thiru. Vi. Ka Industrial Estate, Guindy, Chennai-32
The Chairman, Tamil Nadu Housing Board, Chennai-35.
The Managing Director, SIPCOT, Chennai-8.
The Chairman and Managing Director, TANGEDCO, Chennai-2.
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//Forwarded by Order//

Section Officer

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