

FIRST SCHEDULE

(See section 17)

Principles for determination of the net average monthly income

1. The Competent Authority shall first determine the gross rent actually derived by the owner of the land acquired including any building on such land during the period of five consecutive years referred to in sub-section (4) of section 17.

2. For such determination the Competent Authority may hold any local inquiry and obtain, if necessary, certified copies of extracts from the property tax assessment books of the local authority concerned showing the rental value of such land.

3. The net average monthly income referred to in sub-section (4) of section 17 shall be sixty per cent. of the average monthly gross rent which shall be one-sixtieth of the gross rent during the five consecutive years as determined by the Competent Authority under paragraph 1.

4. Forty per cent. of the gross monthly rental referred to above shall not be taken into consideration in determining the net average monthly income but shall be deducted in lieu of the expenditure which the owner of the land would normally incur for payment of any property tax to the local authority, for collection charges, income-tax or bad debts as well as for works of repair and maintenance of the buildings, if any, on the land.

5. Where the land or any portion thereof has been unoccupied or the owner has not been in receipt of any rent for the occupation of the land during the whole or any part of the said period of five years, the gross rent shall be taken to be the income which the owner would in fact have derived if the land had been leased out for rent during the said period, and for this purpose the rent actually derived from the land during a period prior or subsequent to the period during which it remained vacant or from similar land in the vicinity shall be taken into account.