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Research and Information Division

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The Land Acquisition, Rehabilitation and Resettlement Bill, 2011

Background

The Central Government and State Governments presently acquire land across the country for setting up infrastructure projects like airports, roads, for setting up universities/scientific institutions, projects of basic amenities, water/sanitation works/hospitals, industry and urban development. The land acquisition process is carried out under the provisions of the Land Acquisition Act, 1894 which is the general law relating to acquisition of land for public purposes, and also for companies and for determining the amount of compensation to be made on account of such acquisition.

Under our Constitution, land is a State subject but land acquisition is a Concurrent subject, that is, both Centre and State can legislate on this subject. The Land Acquisition Act, 1894 has been amended from time to time (in pre-independence and post-independence period). So far, the Act has been amended 17 times by the Central Government as well as by various State Governments. The Act, which is 118 years old does not address the issues of rehabilitation and resettlement of the affected persons and their families.

There has been heightened public concern, in the recent times, on land acquisitions, especially multi-cropped irrigated land. Also, there is no Central law to adequately deal with the issues of rehabilitation and resettlement of displaced persons.

On 6th December 2007, two Bills - the Land Acquisition (Amendment) Bill, 2007, and the Rehabilitation and Resettlement Bill, 2007 - were introduced in the Lok Sabha. These Bills were referred to the Departmentally-Related Standing Committee on Rural Development. The Bills were examined and Reports on them were submitted by the Standing Committee. The Bills were considered and passed by the Lok Sabha on 25 February 2009 and referred to the Rajya Sabha for consideration. However, both the Bills lapsed due to the dissolution of the 14th Lok Sabha.

As land acquisition, and rehabilitation and resettlement are complementary, it was felt to have a single integrated law to deal with the issues of land acquisition and rehabilitation and resettlement. In the 15th Lok Sabha, the Land Acquisition, Rehabilitation and Resettlement (LARR) Bill was introduced in the Lok Sabha on 7th September 2011 by the Minister of Rural Development, Shri Jairam Ramesh. The Bill provides for a unified legislation dealing with acquisition of land and also provides for just and fair compensation and makes adequate provisions for rehabilitation and resettlement mechanisms for the affected persons and their families.

The Bill was referred to the Standing Committee on Rural Development. The Chairperson, Smt. Sumitra Mahajan presented the Report of the Committee on the Bill on 17 May 2012 in the Lok Sabha and it was laid on the same day in the Rajya Sabha.

Land Acquisition in Foreign Countries*	
United States	After the acquisition of land for private companies became highly controversial, and several State Supreme Courts, including those of Oklahoma, South Carolina, Illinois and Michigan, placed bans on the acquisition of land for private companies, the then President George W. Bush issued Executive Order No. 13406 on 23 June 2006 mandating the Government to acquire land only for "the purpose of benefitting the general public and not merely for the purpose of advancing the economic interest of private parties to be given ownership or use of the property taken.
Canada	The Canadian Expropriation Act of 1985 allows expropriation but only on an exceptional case-by-case basis where the "real right is required by the Crown for a public work or other public purpose", but not to further the commercial interests of a private company.
European Union	There is no provision in their laws for the acquisition by the State of land for private enterprises.
Japan	Even for a key infrastructural project that sought to expand Tokyo's Narita International Airport, the primary mode of obtaining land in the surrounding areas was through extensive negotiations and higher compensation packages offered to those who were willing to sell their land.
Australia	There is provision for land acquisition in the Northern Territories but that is primarily aimed at protecting the interests of the local aborigines and their traditional rights to community ownership of land.
China	All land is owned by the State and, therefore, it is allotment by the State rather than acquisition by the State which determines the purposes for, and entities to which, land is made available.
*Report of the DRSC on Rural Development on "The Land Acquisition, Rehabilitation and Resettlement Bill, 2011".	

Key Features of the LARR Bill, 2011
(As introduced on 7 September 2011)

- Single comprehensive Bill to deal with land acquisition and rehabilitation and resettlement.
- "Public purpose" has been comprehensively defined, so that Government intervention in acquisition is limited.
- Defines the term "affected family" which includes land owners and livelihood losers.
- No public consent required for land acquisition for strategic purpose, infrastructure and industry; natural calamities; rehabilitation & resettlement; and for railways, highways, ports, power and irrigation purposes.
- Acquisition under urgency clause has also been limited for the purposes of national defence, security purposes and rehabilitation and resettlement needs in the event of emergencies arising out of natural calamities only.
- Seeks exemption to 16 Central Acts from the provisions of the Bill.
- Enhanced compensation, rehabilitation and resettlement package to displaced.
- Compensation to be 4 times the market value of the land acquired in rural areas.
- Compensation to be 2 times the market value in urban areas.
- Solatium to be 100 per cent of the total compensation.
- At least 80 per cent of the affected families' consent necessary if land acquisition made for private companies and for public private partnership.
- 20 per cent of the developed land in urban areas to be offered to the "affected families".
- Maximum 5 per cent of total multi-crop irrigated land can be acquired in a district with the condition that equal wasteland should be developed.

- Any acquired land if remained unutilised for a period of 10 years would return to the Land Bank of the appropriate Government to use the same for another public purpose project. In such cases, 20 per cent of the appreciated value to be shared with the original land owners.
- Social Impact Assessment to be conducted in all cases where the Government intends to acquire land for public purposes.
- Mandatory employment for one member per affected family where jobs are created through the project or one time payment of ₹ 5 lakh to affected family or ₹ 2000 per month for 20 years to the affected family.
- Each "affected family" should be given a onetime "Resettlement Allowance" of ₹ 50,000 and one time financial assistance of ₹ 50,000 for transportation.
- Each displaced family should be given subsistence allowance @ ₹ 3000 per month for a period of one year from the date of award.
- Timelines introduced to check delays in compensation and rehabilitation and resettlement entitlements.
- In addition to the rehabilitation and resettlement package, SC/ST families would be entitled for various additional benefits.
- 25 infrastructural amenities proposed to be provided in the resettlement area.
- Repeals the Land Acquisition Act of 1894.

**Exemption of Central Acts from the Provisions of the
Land Acquisition, Rehabilitation and Resettlement Bill, 2011**

The proposed Act shall not apply to the land acquisition processed under following 16 Acts:

1. The Ancient Monuments and Archaeological Sites and Remains Act, 1958.
2. The Atomic Energy Act, 1962.
3. The Cantonments Act, 2006.
4. The Damodar Valley Corporation Act, 1948.
5. The Indian Tramways Act, 1886.
6. The Land Acquisition (Mines) Act, 1885.
7. The Metro Railways (Construction of Works) Act, 1978.
8. The National Highways Act, 1956.
9. The Petroleum and Minerals Pipelines (Acquisition of right of User in Land) Act, 1962.
10. The Requisitioning and Acquisition of Immovable Property Act, 1952.
11. The Resettlement of Displaced Persons (Land Acquisition) Act, 1948.
12. The Special Economic Zones Act, 2005.
13. The Coal Bearing Areas Acquisition and Development Act, 1957.
14. The Electricity Act, 2003.
15. The Railways Act, 1989.
16. The Works of Defence Act, 1903.

What is the LARR Bill, 2011

I. Definitions

1. Public Purpose

The term "public purpose" includes:

- (i) land for strategic purposes or national security,
- (ii) land for railways, highways, ports, power and irrigation purposes by Government and public sector companies, or corporations;
- (iii) land for project affected people;
- (iv) land for planned development or the improvement of village sites or urban sites or for residential purposes for the weaker sections in rural and urban areas;
- (v) land for Government administered educational, agricultural, health and research schemes or institutions;
- (vi) land for residential purposes to the poor or landless or to persons residing in areas affected by natural calamities;
- (vii) land in the public interest for:
 - purposes other than those mentioned above where the benefits largely accrue to the general public; or
 - Public Private Partnership (PPP) projects for the production of public goods or the provision of public services;
- (viii) land in the public interest for private companies for the production of goods for public or provision of public services.

The consent of at least 80 per cent of the project affected people shall be obtained through a prior informed process in cases referred to in paras (vii) and (viii).

2. Affected Family

The term "affected family" includes:

Land Owners:

- A family whose land/other immovable property has been *acquired*,
- Those who are *assigned* land by the Central or State Governments under various schemes;
- *Right holders* (tribals and other traditional forest dwellers) recognized under the recognition of Forest Rights Act, 2006.

Livelihood Losers:

- A family of tenants, agriculture labourers; or sharecroppers who *does not own any* land but whose livelihood over the last three years is primarily *dependent* on the land being acquired;
- Family which is *dependent* on forests or water bodies for its livelihoods over the last three years including forest gatherers, hunters, fisher folk and boatmen;
- A family who is *residing* over the last three years on the land being acquired in the urban areas; and
- A family whose livelihood, over the last three years, was primarily dependent on the land being acquired in the urban areas.

3. Agriculture Land

"Agriculture Land" means land used for the purpose of—

- (i) Agriculture or horticulture;
- (ii) Dairy farming, poultry farming, pisciculture, sericulture, breeding of livestock or nursery growing medicinal herbs;
- (iii) Raising of crops, trees, grass or garden produce; and
- (iv) Land used for the grazing of cattle.

II. Safeguarding Food Security

- The Bill provides that multi-crop irrigated land will not be acquired except as a demonstrable last resort measure, which in no case should lead to acquisition of more than 5 per cent of total multi-crop irrigated area in a district.
- Wherever multi-crop irrigated land is acquired, an equivalent area of culturable wasteland shall be developed for agricultural purposes.
- In districts where net sown area is less than 50 per cent of total geographical area, not more than 10 per cent of the net sown area of the district may be cumulatively acquired under all land acquisition projects put together in that district.

III. Social Impact Assessment

Social Impact Assessment (SIA) has been made mandatory in the LARR, Bill. It provides that whenever the Government intends to acquire land for a public purpose, it shall carry out a SIA study in consultation with the Gram Sabha in the rural areas or equivalent body in urban areas.

The preliminary investigation shall *inter alia* include assessment of the nature of public interest, number of affected families, study of socio-economic impact upon the families and overall costs of the project and benefits including the impact that the project is likely to have on various components such as public and community properties, assets and infrastructure particularly roads, public transport, drainage, sanitation, sources of drinking water, public utilities, health care facilities, schools and educational or training facilities, anganwadis, children parks, places of worship, land for traditional tribal institutions and burial and cremation grounds. The SIA Report will then be evaluated by an expert group consisting of two non-official social scientists, two experts on rehabilitation, and a technical expert in the subject relating to project.

In cases, the land to be acquired is above 100 acres, then the report of the expert committee will be further examined by a Committee constituted by the Chief Secretary.

However, the Bill provides exemption of SIA Study whenever land is proposed to be acquired by invoking the urgency clause.

Urgency Clause

The urgency clause can only be invoked when the land is acquired for national defence and security purpose; or rehabilitation and resettlement needs in the event of emergencies arising out of natural calamities.

It is stipulated that 80 per cent of the compensation shall be paid before taking possession of the land under urgency clause. An additional compensation of 75 per cent of the market value of the land shall also be paid in respect of the land and property for acquisition of which proceedings are initiated under this clause.

IV. Notification and Acquisition

Whenever the Government intends to acquire any land, it must publish the preliminary notification within 12 months from the date of the appraisal of the Social Impact Assessment Report.

Any person interested in any land may make objection to the Collector within 60 days from the date of publication of preliminary notification to avail an opportunity for hearing. Thereafter, if the Government is satisfied that the particular land is needed for a public purpose it shall make a declaration to that effect. The declaration shall be conclusive evidence that a land is required for a public purpose and after making such declaration the Government shall acquire the land.

V. Determination of Market Value of Land

The Collector shall make an award within a period of 2 years from the date of publication of the declaration under section 19 and if no award is made within that period, the entire proceedings for the acquisition of the land shall lapse.

To determine the market value of the land, the Collector shall assess:

- (a) the minimum land value, if any, specified in the Indian Stamp Act, 1899 for the registration of sale deeds;
- (b) the average sale price for similar type of land situated in the nearest village or nearest vicinity area and whichever is higher shall be computed. ***The market value so calculated shall be doubled for the rural areas.***

After determining the market value of the land to be acquired, the total amount of compensation to be paid to the land owner shall be calculated by including all assets attached to the land. Thereafter, the Collector shall determine the total compensation to be paid to arrive at the final award. On this compensation amount, a 'Solatium' amount equivalent to 100 per cent of the compensation amount shall be imposed. Solatium amount shall be in addition to the compensation payable to any person whose land has been acquired.

The Collector shall issue individual awards detailing the particulars of compensation payable and the details of payment of the compensation as specified in the Schedule I.

VI. Rehabilitation and Resettlement Entitlements

A Comprehensive Rehabilitation and Resettlement (R&R) package has been provided in Schedule II of the Bill, for landowners and livelihood losers (including landless) which is in addition to the compensation provided in Schedule I for land acquired.

- If a house is lost in rural areas, a constructed house shall be provided as per the 'Indira Awas Yojana' specifications.
- If a house is lost in urban area, a constructed house shall be provided, which will be not less than 50 sq. mts. in plinth area.
- In either case the equivalent cost of the house may also be provided *in lieu* of the house as per the preference of the project affected family.
(This benefit will also extend to those who are homeless and living in that area continuously for the last three years)
- If land is acquired for an irrigation project then, a minimum one acre of land to each affected family in the command area of the project shall be allotted.
- Each affected family which is displaced shall get ₹ 50,000 for transportation as a one-time financial assistance.
- A one-time 'Resettlement Allowance' of ₹ 50,000 shall also be provided to each affected family.
- Subsistence allowance at ₹ 3000 per month per family for a period of one year shall be provided.
- In addition, the affected families shall also be entitled to choose one of the following options:
 - (a) where jobs are created through the project, mandatory employment for one member per affected family; or
 - (b) one time payment of ₹ 5 lakh per affected family; or
 - (c) ₹ 2000 per month per family as annuity for 20 years, with appropriate index for inflation.
- Where land is acquired for urbanization, 20 per cent of developed land will be reserved and offered to the land owners proportionate to their land acquired.

VII. Rehabilitation and Resettlement Award

The Collector shall pass Rehabilitation and Resettlement Award for each affected family in terms of the entitlements provided in the Schedule II.

The Rehabilitation and Resettlement Award shall include all of the following, namely:—

- (a) rehabilitation and resettlement amount payable to the family;
- (b) bank account number of the person to which the rehabilitation and resettlement award amount is to be transferred;
- (c) particulars of house site and house to be allotted, in case of displaced families;
- (d) particulars of land allotted to the displaced families;
- (e) particulars of one time subsistence allowance and transportation allowance in case of displaced families;
- (f) particulars of payment for Cattle Shed and petty shops;
- (g) particulars of one-time amount to artisans and small traders;
- (h) details of mandatory employment to be provided to the members of the affected families;
- (i) particulars of any fishing rights that may be involved;
- (j) particulars of annuity and other entitlements to be provided;
- (k) particulars of special provisions for the Scheduled Castes and the Scheduled Tribes to be provided.

Time Lines

The Bill ensures that full payment of compensation as well as rehabilitation and resettlements entitlements are paid to the entitled persons within the following timeframe:

- Compensation be given within a period of 3 months from the date of the award;
- Monetary R&R entitlements to be provided within a period of 6 months from the date of the award;
- Infrastructure R&R entitlements to be provided within a period of 18 months from the date of the award;
- No involuntary displacement should take place without completion of R&R;
- In irrigation or hydel projects, R&R shall be completed 6 months prior to submergence of lands.

VIII. Rehabilitation and Resettlement in case of private purchase of land

Where a private company is purchasing land for a project which is more than 100 acres in rural areas or more than 50 acres in urban areas, through private negotiations, the company shall file an application with the District Collector notifying him of: (a) intent to acquire; (b) purpose of purchase; and (c) particulars of lands to be purchased.

The Collector shall then refer the matter to the Commissioner R&R for the satisfaction of all relevant provisions. Thereafter, based upon the Scheme approved by the Commissioner R&R, the Collector shall pass individual awards.

IX. Special Provisions for SCs/STs

In addition to the above-mentioned R&R package, the SC/ST families will be entitled to the following additional benefits as per Schedule II of the Bill:

- 2.5 acres of land or extent of land lost to each affected family in every project and in case of irrigation project, 1 acre in the command area.
 - One time financial assistance of ₹ 50,000 per family.
 - Families settled outside the district shall be entitled to an additional 25 per cent R&R benefits.
 - Payment of one-third of the compensation amount at very outset as first installment.
 - Preference in relocation and resettlement in area in same compact block.
 - Free land for community and social gatherings.
 - In case of displacement, a *Development Plan* shall be prepared.
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X. Institutional Structure

The following authorities are inherent in the 2011 Bill for rehabilitation and resettlement purposes:—



Any person who has not accepted the award may refer the matter to LARR Authority through the Collector. Thereafter, the Collector shall file the statement for the information of the LARR Authority. The Authority shall cause a notice be served on the applicant or persons interested in the objection. The proceeding of the Authority shall take place in public.

The Bill provides that any person aggrieved from the award passed by the Authority can file appeal in the High Court within 60 days of the award of the Authority.

XI. Special Provisions for the States

The Bill allows all States to enact any law or policy related to the LARR, Bill provided the same does not contradict or reduce the entitlements provided under this Bill. Any State can, however, confer higher compensation or make provisions for rehabilitation and resettlement which enhance or go beyond those provided for under the Bill. If any existing State policy or law provides for entitlements that are greater than those listed in the LARR Bill, then the State is free to continue with those. The proportion in which States can acquire land for private parties has been left entirely to the discretion of the States, that is, States can step in and acquire land for private parties after any percentage of total acquisition has taken place.

Recommendations of the Standing Committee on the LARR Bill, 2011

The Standing Committee in its Report on the LARR Bill, 2011 presented on 17 May 2012 recommended the following suggestions:—

Acquisition of land for public purpose, PPP, private companies, etc.

The Committee have recommended that the Central/State Governments can acquire lands for infrastructure projects and projects for public purpose, but not for private companies, private enterprises or for PPP models. The infrastructure projects include projects relating to generation, transmission, electricity, telecommunication, construction of roads, highways, defence, airports, rail mining, educational, agro, water supply, irrigation, sanitation, water treatment, etc. Similarly, the appropriate Government can acquire land for public purposes to be decided by the appropriate Government.

Sale/purchase of land

Considering that the sale/purchase of land is a State subject, the Committee have recommended that the State Legislatures, bearing in mind the provisions of the Act, may by law provide for R&R provisions on sale/purchase of land. Limits/ceiling for the purpose shall be fixed by the respective State keeping in view the availability of land and density of population.

Definitions

The Committee recommended certain changes in the following definitions:—

(i) *Public Purpose:*

- The definition of 'public purpose' should be limited to linear infrastructure and irrigation, including multipurpose dams and social infrastructure, such as schools, hospitals and drinking water/sanitation projects constructed at State expense.

(ii) *Affected family:*

- 'Tribals' to be substituted by 'Scheduled Tribes'.
- 'Traditional rights' to be substituted by 'forest rights'.
- The maximum period of three years for livelihood purposes may be raised to three years or more.
- 'Affected people' to be changed to 'affected families'.

(iii) *Family:*

- In the definition of 'family'—widows, divorcees and women abandoned by families should be considered separate families and every person in a joint landholding should be considered a separate family.

Role of Local Self Government

The Committee have emphasized the role of local institutions of self Government in the process of land acquisition, R&R implementation, etc. The role of Gram Sabhas should be of *consent* and not mere *consultation*.

Special provisions to Food Security

The Committee have recommended that instead of irrigated multi-crop land, Government should consider any land under agriculture cultivation so as to ensure safeguard for food security in full measure. As regards the proposed 5 per cent district-wise limitations of acquisition of land, the Committee have recommended that the State Government may fix the percentage restrictions district-wise or State as a whole.

Exemption of Central Acts from Provisions of the Bill

The Committee have recommended that the 16 Central Acts may not be exempted from the purview of the Bill and necessary amendments may be brought in these 16 Acts to bring at par with LARR Bill.

Determination of Market Value

The Committee have recommended for constitution of multi-member Land Pricing Commission or authority to finalise the cost of land acquisition/compensation State-wise/area-wise.

State Monitoring Committees for R&R

The Committee have recommended the setting up of the State Monitoring Committees for monitoring R&R thereby restricting the role of the National Monitoring Committee.

Return of unused land

The Committee have recommended that the land should be returned to the owners of the same if not utilized within 5 years from the date of possession instead of 10 years as proposed in the Bill.

Power of Government to amend the Schedules

The Committee have not agreed to the provisions under Clause 99 of the Bill which provides that the Central Government may amend or alter any of the Schedules to this bill by issuing a notification. Accordingly, the Government would have to bring amendment bills before the Parliament for amending any of the Schedules of the Bill. The Schedules deal with compensation, R&R provisions and infrastructural facilities to the land losers.

LARR Bill Revisited

In the wake of recommendations of the Parliamentary Standing Committee, the LARR Bill was revised and referred to the Group of Ministers (GoM) on 28 August 2012. Thereafter, the Bill was presented to Cabinet in October 2012.

In the Winter Session of Parliament on 18 December 2012, the Government circulated a list of 154 amendments to the Bill. However, the Bill could not be taken for consideration as several members requested that since it was an important Bill, it may be brought in the beginning of the Budget Session.

Amendments suggested by the Government to the LARR Bill, 2011

On 18 December 2012, the Government circulated a list of 154 amendments to the LARR Bill which was introduced on 7 September 2011. Some of the important amendments are as follows:—

Long Title

The amended long title of the Bill reads as to ensure that the process of land acquisition is in consultation with institution of local self Government and Gram Sabhas established under the Constitution.

Short Title

The Short title of the Bill has been proposed to change to read as “the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2012”.

Application of Act

The definition of public purpose and applicability of the Act have been suggested to be clubbed together and the definition of public purpose has been expanded to also include *inter alia* infrastructure projects, which includes the following namely:—

- (i) all activities or items listed in the notification of the Government of India in the Department of Economic Affairs (Infrastructure Section) number 13/6/2009-INF, dated the 27 March 2012, excluding private hospitals, private educational institutions and private hotels;
- (ii) projects involving agro-processing, supply of inputs to agriculture, warehousing, cold storage facilities, marketing infrastructure for agriculture and allied activities such as dairy, fisheries, and meat processing, set up or owned by the appropriate Government or by a farmers' cooperative or by an institution set up under a statute;
- (iii) project for industrial corridors or mining activities, national investment and manufacturing zones, as designated in the National Manufacturing Policy;
- (iv) project for water harvesting and water conservation structures, sanitation;
- (v) project for Government administered, Government aided educational and research schemes or institutions;
- (vi) project for sports, health care, tourism, transportation or space programme;
- (vii) any infrastructure facility as may be notified in this regard by the Central Government and after tabling of such notification in Parliament.

The amendment proposes that the prior consent of 80 per cent of the affected families will be mandatory in case acquisition is for private companies. However, in case of PPP projects, the consent of 70 per cent of the affected families will be required along with the SIA Study.

Affected Family

The recommendations of the Standing Committee in respect of the definition of affected family have been suggested as amendments.

SIA Study

For the SIA Study, the Government shall consult the concerned Panchayat/Municipality/Municipal Corporation and ensure their adequate representation during the Study which should be completed within 6 months from the date of commencement. The Report of the SIA Study should be made available in the local language to the concerned Panchayat/Municipality/Municipal Corporation and offices of District Collector, SDM and the Tehsil and also published in the affected area besides uploading on the website.

The Environment Impact Assessment Study, if required, shall be carried out simultaneously with the SIA Study.

Appraisal of SIA Study by Expert Group

Two representatives of Panchayat/Gram Sabha/Municipality/Municipal Corporation have been proposed to be included in the Expert Group to evaluate the SIA Study apart from two non-officials scientists, two experts as rehabilitation and a technical expert on the subject of the project.

Constitution of Committee to examine proposal for land acquisition

The provision relating to constitution of a Committee to examine proposal for land acquisition has been deleted. Instead, the appropriate Government has been authorised to ensure that (i) there is legitimate and *bonafide* purpose for the acquisition of land; (ii) the potential benefits and said public purpose shall outweigh the social costs and adverse social impact; (iii) there is no unutilised land which has been previously acquired in the area; and (iv) if there is such unutilized land, it shall be used for the said purpose.

Lapse of SIA Report

The Bill provides that if the SIA preliminary notification is not issued within 12 months from the date of the approval of SIA Report, then the Report shall be deemed to have lapsed. The amendment empowers the Government to extend the period of 12 months, if the existing circumstances justify.

Land Acquisition Process under the 1894 Act

The amendment specifies that:

- (i) in case no award has been made under the Land Acquisition Act of 1894, then all provisions of the LARR Act relating to determination of compensation and R&R shall apply;

- (ii) in case award has been made under the Act of 1894, then the provisions of the 1894 Act shall apply;
- (iii) in case land acquisition proceedings have initiated and award has been made under the 1894 Act, but possession of the land has not been taken or the compensation has not been paid for 5 years or more, then such proceedings shall be deemed to have lapsed and afresh proceedings under the LARR Act shall be initiated.

The amendment further clarifies that the *compensation* that has not been accepted by the individuals or accepted under protest shall be deemed to be *unpaid* and the *compensation*, if credited in the bank account of the individual whose land is sought to be acquired, shall be deemed to have been *paid*.

Award of Solatium

The Bill provides that the Collector shall determine the compensation and impose a solatium equivalent to 100 per cent of the compensation amount which shall be in addition to the compensation payable to a person whose land has been acquired. The new amendment suggests that in addition to the market value of the land determined by the Collector, an amount calculated at the rate of 12 per cent per annum on such market value shall also be awarded for the period commencing from the date of the publication of the notification of the SIA Study till the date of the award or date of taking possession of land, whichever is earlier.

Additional compensation in case of multiple displacements

A new clause 37A has been inserted to provide that as far as possible, the Collector shall not displace any family which has already been displaced for the purpose of acquisition. And if necessary, an additional compensation shall be paid in case of second or successive displacements.

Special powers under Urgency Clause

The Bill gives special powers to government to acquire land for the defence of India or national security or for any emergency arising out of natural calamities and to pay an additional compensation of 75 per cent of the market value of the land. The amendment widens the scope of the urgency clause to add "any other emergency with the approval of Parliament". However, no additional compensation shall be paid when the land is acquired for the project that affects the sovereignty and integrity of India, the security and strategic interests of the State or relations with foreign States.

Special provisions for the Scheduled Castes and Scheduled Tribes

Special provisions for the SCs and STs were listed in the Second Schedule to the Bill. Two new clauses 38A and 38B have been inserted as amendments to bring these provisions in the main body of the Bill. It has been specifically mentioned that the acquisition of land in the Schedules Areas should be made only as a last resort with the prior consent of the concerned Gram Sabha or Panchyat or the District Council and that too before the issue of notification.

State Monitoring Committee for R&R

In addition to the National Monitoring Committee for R&R, the amendment inserts a new clause 44A in the Bill to provide for the establishment of State Monitoring Committee for reviewing and monitoring the implementation of R&R.

Return of unutilised land

The Bill originally provided that an acquired land that remained unutilized for 10 years will be returned to the "Land Bank" of the Government. The amendment reduces the period from 10 years to 5 years and proposes to return the land to the original owner(s) or their legal heirs or to the "Land Bank" which has been specifically defined in the Bill to mean "a governmental entity that focuses on the conversion of Government owned vacant, abandoned, unutilised acquired lands and tax delinquent properties into productive use".

Prepared by Smt. Manju Sharma, Additional Director and Smt. Urmila Sharma, Deputy Director under the supervision of Shri P.K. Misra, Joint Secretary for the use of Members of Parliament in support of their parliamentary work. It is based on the Report of the Parliamentary Standing Committee on Rural Development with inputs from the Ministry of Rural Development and is intended to serve as a background aid. Feedback is welcome and may be sent to lca-lss@sansad.nic.in.