

The Land Acquisition, Rehabilitation and Resettlement Bill, 2011 was introduced in Lok Sabha on September 7, 2011. On March 5, 2013, the government circulated a list of amendments to the Bill. The following table compares the Land Acquisition, Rehabilitation and Resettlement Bill, 2011 as introduced, with the amendments suggested by the government.

LARR Bill, 2011	Amendments
<b>Clause 1(1)-Short title</b>	
The Bill is called the Land Acquisition, Rehabilitation and Resettlement Act, 2011.	The amendment proposes to change the name of the Bill to The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Bill, 2013.
<b>Clause 3(za)(i) to (vii)-Public Purpose and acquisition for private companies and PPPs</b>	
<p>Public purpose has been defined to include defence and national security; roads, railways, highways, and ports built by government and public sector enterprises; land for the project affected people; planned development; and improvement of village or urban sites and residential purposes for the poor and landless.</p> <p>Public purpose includes provision of land in the public interest for use by: a) the government for purposes other than those mentioned above; and b) public-private partnerships and private companies for production of public goods and services.</p>	<p>The definition of public purpose has been expanded to include infrastructure projects which include: (i) all activities listed by the government as infrastructure projects in its notification dated March 27, 2012, excluding private hospitals, private educational institutions and private hotels; (ii) projects related to agriculture, agro-processing, cold storage facilities; (iii) industrial corridors or mining activities, national investment and manufacturing zones as designated in the National Manufacturing Policy; (iv) government administered or government aided educational and research institutions; (v) sports, health care, transport or space programme projects; and (vi) any other infrastructural facilities notified by the central government after tabling the notification in Parliament. Public purpose includes acquisition of land for use by: (a) public-private partnership projects (PPPs), where ownership of land continues to vest with the government for the purposes mentioned above; and (b) private companies for the purposes mentioned above.</p>
<b>Proviso to Clause 3(za)(vi) and (vii)- Requirement of Consent</b>	
The Bill requires the consent of 80% of the <i>project affected people</i> in case of acquisition of land for use by: (a) the government for purposes other than those mentioned in Clause 3(za)(i) to (v), and (b) use by public-private partnerships, and (c) use by private companies.	The amendment requires the consent of 80% of the land owners in case of use of land by private companies. Consent of 70% of the land owners is required in case of use of land by PPP's. The process of obtaining consent shall be carried out along with the Social Impact Assessment study.
<b>Clause 2(2)(a)- R&amp;R for private purchase of land</b>	
The Bill provides that R&R provisions are mandatory for all private purchases if the land purchased is equal to or more than 100 acres in rural areas and 50 acres in urban areas.	The threshold for applying R&R provisions for all private purchases may be notified by each state government.
<b>Clause 4(1)- Social Impact Assessment</b>	
The Bill requires an SIA to be conducted for every acquisition. The	The SIA has to be conducted in consultation with the Panchayat at the village level

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SIA has to be conducted in consultation with the Gram Sabha at the village level or the equivalent body in the urban areas.

The SIA shall include the following: (a) assessment of the nature of public interest involved; (b) estimation of the number of affected families; (c) study of socio-economic and social impact of the project upon the families; and (d) the overall costs and benefits of the project *vis a vis* the social and environmental costs.

The SIA study shall consider, among others, the impact of the project on: (a) public and community projects; (b) drainage and sanitation; and (c) sources of drinking water.

and at the Municipality or municipal corporation at the urban level. The SIA has to be completed within six months from the date of its commencement.

The amendments propose to delete the clauses regarding inclusion of the socio-economic impact of the project upon the families. The SIA study should include the study of the social impact of the project on the overall costs of the project *vis a vis* the benefits of the project.

The SIA study should also consider the impact of the project on the livelihood of affected families, among other factors.

The Environmental Impact Assessment should be carried out simultaneously along with the SIA.

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**Clause 6: Publication of the SIA**

The SIA has to be published in the affected area. It should also be uploaded on the website.

The SIA report should be made available in the local language at the offices of the Panchayat, Municipality as the case may be. It should also be published in the office of the District Collector, Sub-Divisional Magistrate and Tehsil and also be uploaded on the website of the appropriate government.

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**Clause 7: Appraisal of the SIA by an Expert Group**

The SIA has to be evaluated by an Expert Group. The Expert Group should consist of (a) two non-official social scientists; (b) two experts on rehabilitation; and (c) a technical expert.

The Expert Group should also consist of two representatives of the Panchayat, Gram Sabha or the Municipality as the case may be.

The Expert Group has to look at whether: (a) the project serves the stated public purpose; and (b) the project is in the larger public interest; and (c) the costs and adverse impacts of the project outweigh the potential benefits.

The Expert Group should look at whether: (a) the project serves *any* public purpose; or (b) the *social costs and adverse social impacts* outweigh the potential benefits. The amendment removes the requirement to evaluate if the project is in the larger public interest. The Expert Group has to make its recommendation within two months of its constitution. The government may go ahead with the project despite the recommendations of the Expert Group. However, the government has to record its reasons in writing.

No time period is prescribed for the Expert Group to make its recommendation. If the Expert Group recommends not going ahead with the project, then the project shall be abandoned immediately.

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**Clause 8: Examination of the proposal by a committee constituted by the government**

If the land to be acquired is 100 acres or more, the government shall constitute a committee to examine the proposals for land acquisition. The committee shall ensure that : (a) there is a legitimate public purpose for the proposed acquisition; (b) the public purpose shall be in the larger public interest in the long run; (c) only the minimum area of

The amendments delete the constitution of committee.

The amendments state that the government shall ensure: (a) that the potential benefits and public purpose shall outweigh the social costs and adverse social impact; (b) there is no unutilised land which has been previously acquired in the area; and (c) if there is

land has been acquired; (d) the collector has explored the possibilities of acquiring barren and waste land and that the acquisition of agricultural land has been undertaken as a last resort.	any such land it should be used for the stated public purpose. The decision of the government shall be made available in the local language to the Panchayat, Municipality or the District Collector.
<b>Clause 10: Provisions regarding food security</b>	
The Bill provides that in any district a maximum of 5% of the total irrigated multi crop land may be acquired as a last resort. The Bill also provides that when such land is acquired, an equivalent area of cultivable wasteland shall be developed for agricultural purposes.	The limit of multi crop irrigated land that may be acquired in a district should be notified by the government. The amendment provides an option to deposit an amount equivalent to the value of the acquired cultivable land to the government for investing in agriculture in order to enhance the food security.
<b>Clause 14: Lapse of SIA within 12 months</b>	
The Bill provides that if the preliminary notification is not issued within 12 months from the date of the appraisal of the SIA by the Expert Group then the SIA report shall be deemed to have lapsed.	The government has been given the power to extend the period beyond 12 months, if there are circumstances justifying the extension. The reasons have to be recorded in writing, notified and uploaded on the website of the concerned authority.
<b>Clause 17: Preparation of the R&amp;R Scheme</b>	
The Bill provides if the affected areas involves more than one Gram Sabha or Municipality then a public hearing of the draft R&R scheme shall be conducted in every Gram Sabha and Municipality.	The public hearing has to be conducted in only those Gram Sabhas and Municipalities in which more than 25% of the land is being acquired.
<b>Clause 18: Review of the R&amp;R Scheme</b>	
The Bill provides that the R&R Scheme has to be submitted to the Commissioner of R&R for his approval.	The Commissioner has to make the approved R&R scheme publicly available in the local language.
<b>Clause 19: Publication of declaration of R&amp;R</b>	
The Bill provides that the government shall make a public declaration of the area to be acquired and the area identified as the area for R&R after considering the R&R scheme.	If the declaration is not made within 12 months from the date of the preliminary notification, then the notification shall be deemed to be revoked. This period may be extended by the government for reasons given in writing, if it believes that there are reasonable circumstances to do so.
<b>Clause 24: Retrospective application of the Act</b>	
The Bill provides that in case a notification has been issued under the Land Acquisition Act, 1894, but no award has been made, then the process shall be deemed to have lapsed and the acquisition shall be made in accordance with the provisions of the new Act.	The amendments provide that: (a) where no award has made under the 1894 Act, then all the provisions of the Bill relating to compensation and R&R shall be made applicable to the acquisition; (b) where an award has been made, then all the provisions of the 1894 Act shall be applicable. However, if the possession of the land has not been taken or compensation not been paid for 5 years or more, then the acquisition proceedings under the 1894 Act shall deem to have lapsed.

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Compensation shall also be deemed to be unpaid, if it is accepted under protest.  
Compensation shall be deemed to have been paid only where it is credited in the bank account of the individual whose land is sought to be acquired.

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**Clause 25: Period for making the award**

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The Bill provides that the Collector has to make the award within a period of two years from the date of the publication of the declaration for land identified for acquisition. If no award has been made, the entire acquisition proceedings shall be deemed to have lapsed.

The Collector has to make an award within 12 months from the date of the publication of the declaration of land identified for acquisition.

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**Clause 26: Determination of Market Value of Land**

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The market value of the acquired land shall be based on the higher of:  
(i) minimum land value specified in the Indian Stamp Act, 1899 for the registration of sale deeds in the area where the land is situated; or (ii) the average of the top 50 % of all sale deeds in the previous three years for similar type of land situated in the vicinity or village.

The market value of the acquired land shall be based on the higher of (i) *market value* specified in the Indian Stamp Act for the registration of sale deeds; or (ii) average of the top 50% of all the sale deeds in the similar type of land situated in the vicinity; or (iii) the amount agreed upon as compensation for acquisition of land for private companies or PPPs.

While determining the market value of land, the compensation paid for acquisition of land under the provisions of this Bill shall not be taken into consideration.

While determining market value and the average sale price, the Collector shall have the discretion not to take into account any sale price which in his opinion is not indicative of the actual prevailing market value of the land

Prior to initiating the acquisition process, the Collector shall take necessary steps to revise and update the market value of the land based on the prevailing market value.

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**Clause 27: Parameters to be considered while determining the amount of compensation**

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The amount of compensation shall be determined by adding the costs of all the assets attached to the land to its market value.

The amendments insert a new Clause 27(A) which provides the parameters to be considered by the Collector to determine the compensation amount.

These parameters include: (a) the market value as determined under clause 26; (b) damage sustained on the land due to the acquisition of the crops and trees on the land; (c) damage if any caused due to severing acquired land from other land; (d) damage sustained to movable, immovable or other property, or owner's earnings at the time of taking possession of the land; (e) any expenditure incurred due to a change in the residence or place of business of the interested person as a consequence of the acquisition; (e) any loss due to the diminution of the profits of the land between the time of publication of declaration under clause 19 and the time of taking possession of the land; and (f) any other ground which may be in the interest of equity, justice and beneficial to the affected families.

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**Clause 29: Determination of Solatium**

The Bill provides that the final amount of compensation shall be arrived at by adding a 100% solatium to the final award.

The amendments propose that the Collector is required to award an amount calculated at the rate of 12% interest per annum on the market value for the period commencing from the date of the publication of the SIA study till the date of the award by the Collector or the date of taking possession of the land, whichever is earlier.

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**Clause 30: R&R award**

The Bill provides that the R&R award should include: (a) R&R amount payable to each family; (b) particulars of the house and land allotted to the displaced families; and (c) particulars of the annuity and entitlements to be provided.

The government may increase the R&R amount to be paid to the affected families taking into account the price rise.

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**Clause 37: Possession of the acquired land and multiple displacement**

The Bill provides that after the completion of all the conditions for R&R, the Collector shall take possession of the land. The land shall be free from all encumbrances.

This clause has been deleted.  
A new clause 37 A has been inserted. The clause states that the Collector shall as far as possible not displace any family which has already been displaced before for the purpose of acquisition. In case such displacement is necessary, then an additional compensation shall be paid to the displaced family.

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**Clause 38: Urgency provisions**

The Bill gives the government certain powers to acquire land in cases of urgency. The urgency clause may be invoked in cases for defence, national security, and in the event of a natural calamity.

The urgency provision has been expanded to include 'any other emergency with the approval of Parliament'.

Land owners whose property is acquired using the urgency provisions shall be given an additional 75 % of the market value of the land.

No additional compensation shall be required to be paid in case land is required for any project that affects the sovereignty, integrity and strategic relations of the State.

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**Clause 38A: Special provisions for SC's and ST's**

The Second Schedule of the Bill provides certain special provisions for acquisition of land belonging to SCs and STs. It requires the government to consult with the Gram Sabha or the Panchayat or the Council as the case may be before publishing the notification of acquisition.

A new Clause 38 A and B has been inserted. It provides that acquisition of land in the Scheduled Areas shall only be made as a last resort. In such cases, prior consent of the Gram Sabha, Panchayat or the District Council as the case may be is required to be obtained before publishing the notification of acquisition.

The other provisions of the Second Schedule have been incorporated in these clauses.

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**Clause 42: R&R in case of private purchase**

The Bill provides that R&R is mandatory for all private purchases if the land purchased is over 100 acres in rural areas, or 50 acres in urban areas. In such cases, an application has to be filed with the District Collector.

The threshold has been removed. The limit for which R&R may be required in case of private purchase may be notified by each state government.

<b>Clause 44A: Monitoring Committee for R&amp;R</b>	
The Bill provides for the constitution of a National Monitoring Committee for reviewing the R&R schemes.	The amendments inserts a new clause (Clause 44A) that provides for the establishment of a State Monitoring Committee, which shall review and monitor the implementation of the R&R schemes under this Bill.
<b>Clause 47: Land Acquisition, Rehabilitation and Resettlement Authority</b>	
The presiding officer of the Authority has to be: (a) a present or former High Court judge; or (b) a present or former District Judge for at least five years.	The presiding officer shall be: (a) a present or former District Court Judge; or (b) a qualified legal practitioner for at least 7 years.
<b>Clause 68: Appeal to the High Court</b>	
An appeal may be filed before the High Court against the decision of the Land Acquisition Authority.	The High Court shall endeavour to dispose of the appeal within six months from the date of filing of the appeal.
<b>Clause 75: Temporary occupation of land</b>	
The Bill provides that the government may temporarily occupy any waste or arable land for any public purpose or for use by a company.	The land may be temporarily occupied only for a public purpose.
<b>Clause 78: Penalties</b>	
The Bill provides a maximum imprisonment of one month for producing any false or misleading information.	The imprisonment has been increased to six months.
<b>Clause 90: Exemption from Stamp duty/Income Tax</b>	
The Bill provides that any award or agreement made under this Bill shall be exempt from the payment of any stamp duty.	The award or agreement made under this Bill shall be exempt from stamp duty and Income Tax and fees.
<b>Clause 93: No change in public purpose</b>	
The Bill provides that no change in the public purpose for which the land was originally acquired shall be permitted.	If the land is rendered unusable for its original purpose, then the government may use it for any other public purpose.
<b>Clause 95: Return of unutilised land</b>	
The Bill provides that any acquired land which has been unused for 10 years from the date of possession shall be returned to the Land Bank of the government. If any unused acquired land is transferred to another individual, 20% of the appreciated land value shall have to be shared amongst the original land owners.	If the acquired land has been unused for 5 years from the date of the possession, then it shall be returned <i>to the original owner or owners or their legal heirs</i> or to the Land Bank.  Land Bank has been defined as ‘a governmental entity that converts vacant, unused, abandoned acquired lands and tax-delinquent properties into land for productive use’.
<b>Clause 96: Change in ownership</b>	
The Bill provides that if any unused acquired land is transferred to	If any unused acquired land is transferred to another individual within 5 years of it

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another individual, 20% of the appreciated land value shall have to be shared amongst the original land owners.

being acquired, 40% of the appreciated land value shall have to be shared amongst the original land owners or their legal heirs.

The profits shall have to be transferred only in the case of the first sale after the acquisition.

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**Clause 98: Provisions of do not apply in certain cases/ apply with modification**

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The Bill the central government may, by notification, add or omit to the list of legislations which are exempt from the provisions of the Bill.

The notification has to be issued within one year of the commencement of the Act.

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