

The Business Standard, Mumbai, 07 Dec 2007

Cos kept out of R&R, land acquisition Bills

The government today introduced the much-awaited Land Acquisition (Amendment) Bill and Resettlement and Rehabilitation (R&R) Bill, 2007 in the Lok Sabha a day before the winter session of Parliament is scheduled to close.

Both Bills are critical given the growing controversies over land acquisition by the private sector and the lack of clarity over compensation to land losers.

The Land Acquisition (Amendment) Bill seeks to limit the government's role in land acquisition to government projects narrowly defining "public purpose" as government projects.

The Resettlement and Rehabilitation (R&R) Bill seeks to set up a land acquisition compensation disputes settlement authority and delineate the compensation packages to be awarded when land is acquired.

Companies have been kept outside the purview of both Bills. The R&R Act will, however, be applicable to the private sector if the land is acquired by the government for a private party to meet land contiguity norms.

A National Rehabilitation Commission will also be set up under the R&R Bill.

RIGHTS OF PASSAGE

THE LAND ACQUISITION (AMENDMENT) BILL, 2007

- Compensation according to market value of the land determined by the district collector
- Land-for-land a priority; Premium of 60 per cent over the market value permitted if this is not passible
- Part of compensation can be through shares, debentures
- Land Acquisition Compensation Disputes Settlement
- Land acquired under the Act cannot be transferred to any other purpose except public purpose
- If unutilised for five years It will return to appropriate governments by reversion

Apart from land owners, both Bills give rights of compensation to tenant farmers, agricultural labourers and even non-agricultural labourers whose livelihood will be impacted by the acquisition of land and displacement.

Under this, every time the government acquires land, it will be required to undertake a

RESETTLEMENT AND REHABILITATION BILL, 2007

- Provides for R&R for people impacted by the acquisition of land for projects of public purpose or involuntary displacement for other reasons (such as natural calamities)
- Apart from land losers, tribals and other traditional forest dwellers, people with tenancy rights will also be covered
- The acquiring body will take care of stamp duty and other fees payable for registration of the land or house allotted to the affected families

social impact assessment by a multi-disciplinary experts group.

Where the government is initiating the involuntary displacement of more than 400 families in the plains and over 200 families in hilly or tribal areas, an officer of the rank of district collector will be appointed as administrator for rehabilitation and resettlement.

Each project will have a committee headed by a rehabilitation commissioner.

The government has widened the ambit of the kind of compensation that can be offered to land-losers to up to 60 per cent over the market value of the land which is to be determined by the district collector.

Other schemes include land-for-land, if such land is available, of up to 250 square metres in rural areas and 150 square metres in urban areas for dwelling units. The stamp duty and registration fee for this will be paid by the acquiring authority.

Landless would get compensation only if they have lived in the area for five years.

In land acquired by the government for private parties for contiguity, 50 per cent of the compensation can be paid in shares and debentures in the company for which the land is acquired in lieu of payment.

This offer, however, will be allowed only after 20 per cent of the compensation has been paid upfront through other means.

The R&R Bill also provides that land not used for the purpose it was acquired within five years has to revert to the government from any other government or private body that acquired it.