

Subject: Professional Practice-II

Topic: Land Acquisition

Presented by: Anika Singh



Land  
Acquisition

# What is land acquisition?

- Land acquisition is the process by which the government acquires private property for public purpose.
- Till 2013, land acquisition in India was governed by Land Acquisition Act of 1894 .

# Land Acquisition Act 2013

- The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013, which came into force from 1 January 2014.
- The title of the old law conveyed that its primary purpose was to expedite the acquisition of land. However, the principle objective of the new Bill is fair compensation, thorough resettlement and rehabilitation of those affected, adequate safeguards for their well-being and complete transparency in the process of land acquisition. The title has been amended to reflect this.
- **Retrospective operation:** To address historical injustice it applies retrospectively to cases where no land acquisition award has been made. Also in cases where the land was acquired five years ago but no compensation has been paid land acquisition process will be started afresh

# Salient features of LAA-2013

- Social impact assessment
- Consent of families (70-80%)
- Increase in market rates by 2 to 4 times
- Additional relief to ST/SC
- Restriction on fertile land
- Dispute settlement mechanism

# Salient features of LAA-2013

- Social impact assessment
- Consent of families (70-80%)
- Increase in market rates by 2 to 4 times
- Additional relief to ST/SC
- Restriction on fertile land
- Dispute settlement mechanism

# Important provision of new law

- \* **Compensation for livelihood losers:** In addition to those losing land, the Bill provides compensation to those who are dependent on the land being acquired for their livelihood. To qualify for benefits under this Act the time period has been reduced to three years of dependence (on the acquired land) from five
- \* **Fishing rights:** In the case of irrigation or hydel projects, affected families may be allowed fishing rights in the reservoirs.
- \* **Share in appreciated land value:** Where the acquired land is sold to a third party for a higher price, 40% of the appreciated land value (or profit) will be shared with the original owners.
- \* **Multi-cropped, irrigated land** cannot be acquired unless it is for defense or emergency caused by natural calamity

## Contd.

- Land should be returned to *original owner* or the *State Land Bank* if not used in **five years** for the purpose for which it is acquired
- The government will not acquire land for private companies for private purpose
- **Exemption from income tax and stamp duty:** No income tax shall be levied and no stamp duty shall be charged on any amount that accrues to an individual as a result of the provisions of the new law.



**COMPREHENSIVE AND  
COMPENSATION PACKAGE**

# Comprehensive Compensation Package

## □ (A) Minimum Compensation for Land Acquisition (First Schedule):

- 
- (a) Market Value of Land: If Any, Specified in Indian Stamp Act 1899 for Registration of Sale Deeds in the area where acquisition land is situated
  - (b) Average of the Sale Price for similar type of land situated in the immediate vicinity of Acquisition Land ascertained from 50% of sale deeds registered during preceding three years

Whichever is higher, Provided the market value so calculated for Rural Areas shall be multiplied by a factor of up to Two.

# Comprehensive Compensation Package

- (B) Valuation of Assets attached to land :  
Buildings/Trees/Wells/Crop will be valued by  
Relevant Government Authority

Total Compensation= A+B

(C) Solatium : 100% of Total Compensation

(D) If Land is acquired for Urbanization, 20% of the Developed land will be reserved for Land Owning Project Affected Families. If they agree, then Cost of Land Acquisition + Development will get deducted from the Compensation Package

# Comprehensive Compensation Package

- (D) If land is acquired for Private Companies, they may offer shares up to 25% of Compensation Amount to Project Affected Families . Subject to their agreeing, an Equivalent amount will be deducted from The Compensation Package.
- Multiplier Factor for Rural Areas will rise from 1 to 2 as we move away from urban locations into rural areas . Precise Slabs to be fixed by the State Governments.

## Minimum R & R Entitlements

### □ A Comprehensive R & R Package (Second Schedule)

(A) Subsistence Allowance at Rs.3000/- per month per family for 12 months

(B) Project Affected Families shall be entitled to:-

(1) If jobs are created in the Project, mandatory employment for one member per affected family, or

(2) Rupees 5 Lakhs Per Family, or

(3) Rs 2000/- Per month per family as annuity for 20 years with appropriate index for inflation

The Option of availing (1) or (2) or (3) shall be that of the Affected Family

## Minimum R & R Entitlements

- (C) If a house is lost in Rural Areas, a Constructed House shall be provided as per Indira Awas Yojana specifications. If a House is lost in Urban Areas, a constructed house not less than 50 square metres plinth area shall be provided. If the Project Affected Family so desire, then equivalent cost of such a house may be provided.
- (D) For Land Acquisition in Irrigation Project, an acre of land in Command Area per family can be provided, if possible, subject to the same being adjusted in compensation

## Minimum R & R Entitlements

- (E) Rs 50000/- for Transportation
- (F) A One Time Resettlement Allowance of Rs.50000/-
- Special Provision for SCs/STs in addition to R & R Package
  - (i) Land to be given to each family in every project including Irrigation Projects
  - (ii) One time Financial Assistance of Rs.50000/- per family

## Special Provision for SCs/STs in addition to R & R Package

- (iii) Families settled outside District to get additional 25% R&R Benefits
- (iv) Payment of One third Compensation amount at the very outset
- (v) Preference in relocation & Resettlement in area in the same compact block
- (vi) Free Land for Community & Social Gatherings



# Special Provision for SCs/STs in addition to R &R

---

(Vii) Preparation of a Development Plan in case of  
Displacement

(viii) Continuation of reservation and other Schedule V &  
Schedule VI area Benefits from Displaced Area to  
Resettlement Area

( Section 41 of the LARR Act, 2013)