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HYPOTHESES

RESEARCH METHODOLOGY

RESULTS & DISCUSSION

FINDINGS

RECOMMENDATIONS/SUGGESTIONS

CONCLUSIONS

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THE NEW LARR BILL, 2011 AND ITS CHALLENGES

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ABSTRACT

The draft Land Acquisition and Rehabilitation and Resettlement Bill, which was introduced in the Lok Sabha on September 7, 2011 is one of the most important legislations waiting for Parliamentary approval. In its present form, the bill is a major improvement over the extremely old Land Acquisition Act, 1894 that has created lots of difficulties over land acquisitions across the country. This new bill makes a genuine effort for a better land acquisition regime in the country by doing three things: combining both compensations, resettlement and rehabilitation (R&R) into a single bill; raising the prospects of better compensation and R&R for millions of land owners and other project stakeholders; and reposing some faith in participatory grassroots institutions such as Gram Sabha in the acquisition process. However, a number of loopholes in the bill need to be addressed. Otherwise, it will not respond adequately to the sensitive nature of India's land situation and instead, make the conflict more intractable by covering unchanged practices under a new law. This paper provides a brief comparison of the new bill with the present Land Acquisition Act, 1894, introducing the key features of the bill. It evaluates the monetary and non-monetary entitlements under the bill in this context. The study is presented in two parts. In the first part all the key features of the bill has been presented while in the second part a comparative study with Land Acquisition Act, 1894, has been made to find out the positive & negative aspects, benefits & effects and criticisms of the new bill.

KEYWORDS

Acquisition, Compensation, Displacement, Gram Sabha, Industrialisation, Landowners, Rehabilitation, Resettlement, SIA.

INTRODUCTION

Land Acquisition in India refers to the process of land acquisition by the central or state government of India for various infrastructure and economic growth initiatives. Land acquisition in India is currently practiced under the Land Acquisition Act, 1894. This policy sets down for land acquisition only for a 'public purpose'. In spite of the fact that some amendments were made in the policy in subsequent years, it has not been effective in feeding into the reality of the present. Though the SEZ Act 2005 has made some reference to acquisition of private land for industrial purposes, it is not capable of addressing the agony of the land losers. The expansion of the manufacturing sector and the stretching of the existing urban agglomerations including the growth of new urban centres has fuelled into the process of acquisition of land. In view of this, land is required not for a 'public purpose' but for multiplicity of public purposes.

Land acquisition causes involuntary displacement. The process of Land Acquisition in India has proved out to be poor in regard to growth of the country. The amount reimbursed is fairly low with regard to the current index of prices prevailing in the economy. Furthermore, due to the poor Human Capital of the displaced people they fail to get jobs and are a victim of several problems. Land acquisition by the government is beset with several issues. These issues include resettlement and rehabilitation, compensation for the loss of livelihood particularly of the weaker sections including that of scheduled cast and scheduled tribes, thrashing of habitat, environment and rehabilitation and compensation for the loss of livelihood are to be addressed on a priority basis. Having felt the need for a comprehensive land acquisition policy, the Ministry of rural Development, Government of India has introduced the Draft land acquisition and rehabilitation & Resettlement Bill 2011. This Bill is a policy framework of the government to balance between land acquisitions for industrialisation with the concerns of those who depend on land for earning their livelihood. LARR 2011 seeks to repeal and replace India's Land Acquisition Act, 1894. LARR Bill 2011 aims to establish the law on land acquisition, as well as the rehabilitation and resettlement of those directly affected by the land acquisition in India.

The objective of this study is to bring out the true implications of the bill. In order to find out its effectiveness in comparison with the Land Acquisition Act 1894, a detail study of the new bill has been exercised. The study is presented in two parts. In the first part all the key features of the bill has been presented while in the second part a comparative study with Land Acquisition Act, 1894 has been made to find out the positive & negative aspects, benefits & effects and criticisms of the new bill.

REVIEW OF LITERATURE

Joan et. al. (2012) explored that with its explicit linkage of acquisition and rehabilitation, incorporation of Social Impact Assessment (SIA), enhanced compensation and partial recognition of the importance of consent of the affected, the LARR Bill 2011 incorporates the lessons of subaltern experience with the LAA led-regime and promises to usher a new paradigm of land acquisition in India. It is undoubtedly a long overdue attempt to address the inadequacies of the Land Acquisition Act 1894. The Bill does concretely draw upon the subaltern experience of affected communities with the working of the existing LAA regime.

A study by Ghatak, M. and Ghosh, P. (2011) found the principal defect of the LARR Bill, 2011 is that it attaches an arbitrary mark-up to the historical market price to determine compensation amounts. This will guarantee neither social justice nor the efficient use of resources. The Bill also places unnecessary and severe conditions on land acquisition, such as restrictions on the use of multi-cropped land and insistence on public purpose, all of which are going to stifle the pace of development without promoting the interests of farmers. They have presented an alternative approach that will allow farmers to choose compensation in either land or cash, determine their own price instead of leaving it to the government's discretion, and also reallocate the remaining farmland in the most efficient manner.

According to Sahoo, N. (2011) the LARR Bill, 2011 in its current form is a major improvement over the 1894. By combining both compensation and rehabilitation, and resettlement into a single bill, the government has finally made some honest efforts to recognize the neglected aspects of land acquisition which are the key reasons for protests and opposition by farmers and other landowners across the country. Other additional features make the bill more holistic: equity participation; annuity; and most importantly, providing compensation and R&R benefits for other stakeholders who are dependent on land for their livelihood. Having reposed some faith in participatory grassroots institutions such as Gram Sabha and proposing a legal and institutional framework for dispute settlements, the bill provides for a better land acquisition regime in the country.

LAND ACQUISITION, REHABILITATION AND RESETTLEMENT BILL, 2011

The Land Acquisition, Rehabilitation and Resettlement Bill, 2011 was introduced in the Lok Sabha by the Minister for Rural Development on September 7, 2011. The bill will be central legislation in India for the Rehabilitation and Resettlement of families affected by land acquisitions. The Land Acquisition, Rehabilitation and Resettlement, 2011 Bill is also known as LARR Bill 2011. The Bill has 107 clauses. It is currently in public domain and India's parliament for review, as Bill number 77 of 2011.

NEED FOR THE BILL

The Government of India claims there is heightened public concern on land acquisition issues in India. Of particular concern is that despite many amendments, over the years, to India's Land Acquisition Act of 1894, there is an absence of a cohesive national law that addresses:

- Fair compensation when private land is acquired for public use, and

- Fair rehabilitation of land owners and those directly affected from loss of livelihoods.

The Government of India believes that a combined law is necessary, one that legally requires rehabilitation and resettlement necessarily and simultaneously follow government acquisition of land for public purposes.

POLICY OVERVIEW

Currently, there are 18 other laws of the Central Government for land acquisition (like for highways, SEZs, defence, railways etc.). The Draft Bill will enjoy primacy over other such specialised legislations that are now in force. The provisions of the Draft Bill will be in addition to and not in derogation of the existing safeguards being provided for in these laws. The draft Bill is fully compliant with the provisions of (i) PESA, 1996, (ii) Forest Rights Act, 2006 and (iii) Land Transfer Regulations in Schedule V (i.e., tribal) areas. The bill promises higher compensation to land owners and incorporates comprehensive rehabilitation package for even the landless people affected by takeovers. The draft has also introduced certain safeguards against forcible land acquisition for private companies. The draft bill proposes compensation six times the circle rates for rural land owners and twice the circle rate for urban land owners. The compensation package introduces a subsistence allowance of Rs 3,000 per month for a year and an inflation-indexed annuity of Rs 2,000 for 20 years for both land owners and those losing livelihood. The provisions of this Bill shall not apply to acquisitions under 16 existing legislations including the Special Economic Zones Act, 2005, the Atomic Energy Act, 1962, the Railways Act, 1989, etc. The Bill specifies provisions for land acquisition as well as R&R. Some of the major changes from the current provisions are related to (a) the process of land acquisition; (b) rights of the people displaced by the acquisition; (c) method of calculating compensation; and (d) requirement of R&R for all acquisitions.

PUBLIC PURPOSE

- Land may be acquired only for public purpose. The Bill defines public purpose 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, government administered schemes or institutions, etc. This is broadly similar to the provisions of the 1894 Act.
- In certain cases consent of 80 per cent of the project affected people is required to be obtained. These include acquisition of land for (i) use by the government for purposes other than those mentioned above, and (ii) use by public-private partnerships, and (iii) use by private companies.

PROCESS OF LAND ACQUISITION

- The government shall conduct a Social Impact Assessment (SIA) study, in consultation with the Gram Sabha in rural areas (and with equivalent bodies in case of urban areas). After this, the SIA report shall be evaluated by an expert group. The expert group shall comprise two non-official social scientists, two experts on rehabilitation, and a technical expert on the subject relating to the project. The SIA report will be examined further by a committee to ensure that the proposal for land acquisition meets certain specified conditions.
- A preliminary notification indicating the intent to acquire land must be issued within 12 months from the date of evaluation of the SIA Report. Subsequently, the government shall conduct a survey to determine the extent of land to be acquired. Any objections to this process shall be heard by the Collector. Following this, if the government is satisfied that a particular piece of land must be acquired for public purpose, a declaration to acquire the land is made. Once this declaration is published, the government shall acquire the land. No transactions shall be permitted for the specified land from the date of the preliminary notification until the process of acquisition is completed.
- In case of urgency, the above provisions are not mandatory. The urgency clause may be used only for defence, national security, and in the event of a natural calamity. Before taking possession of land in such cases, 80 per cent of the compensation must be paid.

PROCESS OF REHABILITATION AND RESETTLEMENT

- The Bill requires R&R to be undertaken in case of every acquisition. Once the preliminary notification for acquisition is published, an Administrator shall be appointed. The Administrator shall conduct a survey and prepare the R&R scheme. This scheme shall then be discussed in the Gram Sabha in rural areas (equivalent bodies in case of urban areas). Any objections to the R&R scheme shall be heard by the Administrator. Subsequently, the Administrator shall prepare a report and submit it to the Collector. The Collector shall review the scheme and submit it to the Commissioner appointed for R&R. Once the Commissioner approves the R&R scheme, the government shall issue a declaration identifying the areas required for the purpose of R&R. The Administrator shall then be responsible for the execution of the scheme. The Commissioner shall supervise the implementation of the scheme.
- In case of acquisition of more than 100 acres, an R&R Committee shall be established to monitor the implementation of the scheme at the project level. In addition, a National Monitoring Committee is appointed at the central level to oversee the implementation of the R&R scheme for all projects.
- In case the land is being privately purchased (100 acres in rural areas and 50 acres in urban areas), an application must be filed with the Collector who shall forward this to the Commissioner for approval. After the application has been approved, the Collector shall issue awards as per the R&R scheme.

COMPENSATION FOR LAND

Clause 26 of LARR 2011 defines the method by which market value of the land shall be computed under the proposed law. Schedule I outlines the proposed minimum compensation based on a multiple of market value. Schedule II through VI outline the resettlement and rehabilitation entitlements to land owners and livelihood losers, which shall be in addition to the minimum compensation per Schedule I. Compensation for land is given in Schedule I, will be calculated by the following processes:

MARKET VALUE OF THE LAND

- the minimum land value, if any, specified in the Indian Stamp Act, 1899 for the registration of sale deeds in the area, where the land is situated; or
- the average of the sale price for similar type of land situated in the village or vicinity, ascertained from 50% of the sale deeds registered during the preceding three years, where higher price has been paid; or whichever is higher, provided that the market value so calculated shall be multiplied by three in rural areas.

VALUE OF THE ASSETS ATTACHED TO LAND

- Building/Trees/Wells/Crop etc. as valued by relevant government authority;
- Total compensation = Market Value of the Land + Value of the Assets Attached to Land

REHABILITATION AND RESETTLEMENT ENTITLEMENTS

The R & R entitlements are given in Schedule II. These are discussed below.

FOR LAND OWNERS

- Subsistence allowance: Rs 3,000/month/family for 12 months.
- Annuity: Rs 2,000/month/family for 20 years, with appropriate index for inflation.
- Constructed house of plinth area: 150 sq.mt. of house site in rural areas or 50 sq.mt. plinth area in urban areas.
- 1 acre of land to each family in the command area, if land is acquired for an irrigation project.

- Rs 50,000 for transportation.
- Land acquired for urbanisation: 20% of the developed land will be reserved and offered to land owners, in proportion to their land acquired.
- Upon every transfer of land within 10 years of the date of acquisition, 20% of the appreciated value shall be shared with the original owner whose land has been acquired.
- Mandatory employment for one member per affected family or Rs 2 lakh if employment is not offered.
- Offer of shares up to 25% of the compensation amount.

FOR LIVELIHOOD LOSERS (INCLUDING LANDLESS)

- Subsistence allowance at Rs 3,000 per month per family for 12 months.
- Rs 2,000 per month per family as annuity for 20 years, with appropriate index for inflation.
- If homeless, a constructed house (plinth area) on 150 sq.mt. of house site in rural areas or 50 sq. mt. in urban area, provided free of cost.
- A one-time 'Resettlement Allowance' of Rs 50,000.
- Rs 50,000 for transportation.
- Mandatory employment for one member per affected family or Rs 2 lakh.

SPECIAL PROVISIONS FOR STs

- One acre of land to each ST family in every project.
- One-time financial assistance of '50,000 for ST families.
- ST families settled outside the district shall be entitled to an additional 25% R&R benefits (and a one-time payment of '50,000).
- Payment of 1/3 of the compensation amount at very outset to ST families.
- Preference in relocation and resettlement in area in same compact block.
- Free land for community and social gatherings.
- In case of displacement of 100 or more ST families, a Tribal Displacement Plan is to be prepared.

INFRASTRUCTURAL AMENITIES

Schedule III of LARR 2011 proposes additional amenities over and beyond those outlined above. Schedule III proposes that the land acquirer shall provide 25 additional services to families affected by the land acquisition. Some examples of the 25 additional services include schools, health centers, roads, safe drinking water, child support services, places of worship, burial and cremation grounds, post offices, fair price shops, and storage facilities.

RETURN OF UNUSED LAND

The draft has introduced an important provision of land to be returned to original owner if not used in five years for the purpose for which it is acquired, 1/4th of the award amount for the land acquired provided government can use land acquired for a department to some other department.

TRANSPARENCY PROVISIONS

- During Social Impact Assessment, Gram Sabha has to be consulted and Summary of SIA notified along with Draft Notification and the SIA document made available for public scrutiny.
- R&R Scheme summary notified along with draft declaration to be made available for public scrutiny.
- Individual Awards passed and public disclosure of all documents mandatorily to be made available in the public domain and on the website.

OTHER PROVISIONS

- A Land Acquisition and Rehabilitation and Resettlement Authority shall be established for settling any disputes relating to the process of acquisition, compensation, and R&R.
- There shall be no change of ownership of acquired land without prior permission from the government. Land may not be used for any purpose other than for which it is acquired.
- The government may temporarily occupy and use any piece of waste or arable land for a public purpose. This occupation may be for a period of not more than three years. The compensation of such land may be decided mutually by the owner of the land and the Collector. Any disagreement on matters relating to compensation or the condition of the land on being returned shall be referred to the Land Acquisition and R&R Authority.
- In any district, land acquisition will be restricted to a maximum of five per cent of irrigated multi-crop land.

COMPARISON BETWEEN THE 1894 ACT AND THE LARR BILL 2011

Issue	1894 Act	2011 Bill
Public Purpose	Includes several uses such as infrastructure, development and housing projects. Also includes use by companies under certain conditions.	No significant change.
Consent from affected people	No requirement.	Consent of 80 % of displaced people required in case of acquisition for private companies and public-private partnerships.
SIA	No provision.	SIA has to be undertaken in case of every acquisition
Compensation	Based on the market value.	Market value doubled in rural areas and not in urban area.
Market Value	Based on the current use of land. Explicitly prohibits using the intended use of land while computing market value.	Higher of: (a) value specified for stamp duty, and (b) average of the top 50% by recorded price of sale of land in the vicinity.
Solarium	30 %	100 %
Resale of land	No provision.	Prior permission of the government required.
Sharing of profit	No provision.	If the acquired land is unused and is transferred, 20% of the profits shall be shared with the original land owners.
R&R	No provision for R&R.	R&R necessary for all affected families. Minimum R&R entitlements to be provided to each affected family specified.

POSITIVE ASPECTS OF THE BILL

- For the first time, the government has brought together in law the related issues of land acquisition on the one hand and the rehabilitation and resettlement (R&R) of affected persons on the other. Until now, these two have been seen as separate.
- R&R to be mandatory when land is acquired. In fact, for areas of 100 acres or more, the Bill also mandates R&R when a private company secures land by direct purchase with the consent of sellers.

- To acquire land for private companies it requires that at least 80 per cent of the affected families give their consent to the acquisition, before the rest can be forced to part with their holdings.
- It Drive towards a national law to provide for the resettlement, rehabilitation and compensation towards loss of livelihoods. LA & RR Dispute settlement authority will be formed in the National and state level.
- Offer of various resettlement and rehabilitation benefits and monetary compensation for the land lost. Thus there are fair and adequate compensations for land losers.
- The policy providing 25 infrastructural amenities in the resettlement area which include Schools and playgrounds, Health Centres, Roads, electric connections and drainage, Irrigation and transportation facilities, Sanitation facilities, Assured sources of safe drinking water for each family and cattle, Anganwady, Places of worship and burial and/or cremation ground, Fair price shops and seed-cum-fertilizer storage facilities, Grazing land, One community centre for every 100 families etc.
- It compliance with laws like The Panchayats (Extension to the Scheduled Areas) Act, 1996, The Scheduled Tribes and Other Traditional Forest Dwellers (Recognition of Forest Rights) Act, 2006, Land Transfer Regulations in Schedule V Areas which ensure that the local Panchayat and the Tribal population have their say in matters regarding land acquisition.
- Return of land to original owner if not used in 5 years for the purpose for which it is acquired with one-fourth of the award amount for the land acquired.
- Multidisciplinary expert group to assess the SIA and public purpose, consisting of two non-official social scientists, two experts on rehabilitation and a technical expert related to the project.
- Collector of the district, where the acquisition of land is proposed, should explore the possibilities of utilising waste, degraded, barren lands and that the agricultural land, especially land under assured irrigation is being acquired only as a last resort.
- If a Notification is not issued within six months from the date of appraisal of the Social Impact Assessment report by the Expert Committee then the same shall be deemed to have lapsed and a fresh Social Impact Assessment will have to be undertaken.
- Whenever the Government intends to acquire land equal to or more than 100 acres for a public purpose, a Social Impact Assessment study shall be carried out in the affected area in consultation with the Gram Sabha at habitation level or equivalent body in urban areas. The important aspects of this provision are that Social Impact Assessment (SIA) is made mandatory where area to be acquired is equal to or greater than 100 acres; and the Chief Secretary of the Committee is to approve 'public purpose' and the SIA report.
- No notification shall be issued unless the concerned Gram Sabha at the village level and equivalent forum in Urban Local Bodies, as the case may be, or Autonomous Councils in the Sixth Schedule Areas have been consulted in all cases of land acquisition.
- In an attempt to offset the grievances of vast majority of public, the LARR Bill offered higher rate of compensation and a limited RR scheme. Instead of present rate of 130% of market value (1894 Act), it recommended for 400% and 200% of market value in rural and urban areas respectively. If a company develops project in piecemeal manner, each involving less than the specified limit of 100/ 50 acres of land, it will not require taking responsibility of RR package.

NEGATIVE ASPECTS OF THE BILL

- The logic that consent of 80 per cent of the affected families is required only in the case of acquisition carried out for private companies is difficult to follow. But the same principle will not be followed for acquisition by the Government.
- The whole thrust of resettlement is on payment of cash. Land-for-land provision is made only in case of land acquisition for irrigation projects, and here also the minimum allotment is of only one acre.
- A private company that acquires or purchases more than 50 acres of land in urban areas or 100 acres in rural areas is required to rehabilitate and resettle affected families. This threshold can be circumvented by a private company by purchasing multiple parcels of land, each under the prescribed limit, through other entities.
- The idea of keeping high price for as compensation is to discourage builders and industry coming to government for small pieces of land. Whilst it might be fair to the person who loses the land, it will add to cost of/in the extra cost may be reasonably absorbable because earlier, land cost use to be around 3-5% of a project cost. Now it may go up to 10-15% of a project cost.
- There can be only smaller developments, which means that you will have may be less than 50 acres or less than 100 acres development, which will defeat the purpose of planned urbanisation.
- There is no minimum threshold for the land to be acquired. This could lead to delays in the implementation of various government welfare schemes which may be small in nature.
- In the case of acquisition of land for the purpose of railways, highways, ports, power, irrigation projects, etc., requirement of consent from project affected people is applicable only to private companies and not to PSUs. This may lead to a situation where two companies wanting to make an acquisition for the same project will have to fulfill different conditions on the basis of the nature of their ownership.
- Compensation shall be calculated on the basis of the market value of land and the value of assets attached to the land. The market value of land is determined by taking into account the higher of: (i) the minimum land value in the Indian Stamp Act, 1899 or (ii) the average of the top 50 per cent of the reported sale price during the preceding three years for similar type of land in vicinity. In the case of land in rural areas, the value of land determined by this method is further doubled. However, this may not provide an accurate estimation of the value of the land.
- Under the Bill, the government may temporarily acquire waste and arable land for a maximum period of three years. But there are no R & R provisions for temporary acquisition of land and it does not provide any guidelines for computing the compensation in such cases.
- The effects of LARR Bill 2011, in certain cases, will apply retroactively to pending and incomplete projects. The Bill exempts land acquisition for all linear projects such as highways, irrigation canals, railways, ports and others.

BENEFITS AND EFFECTS OF THE BILL

- The 2011 LARR Bill, if enacted into law, is expected to affect rural families in India whose primary livelihood is derived from farms. The Bill will also affect urban households in India whose land or property is acquired.
- According to Government of India, the contribution of agriculture to Indian economy's gross domestic product has been steadily dropping with every decade since its independence. As of 2009, about 15.7% of India's GDP is derived from agriculture. LARR Bill 2011 will mandate higher payments for land as well as guaranteed entitlements from India's non-agriculture-derived GDP to the people supported by agriculture-derived GDP. It is expected that the Bill will directly affect 132 million hectares (326 million acres) of rural land in India, over 100 million land owners, with an average land holding of about 3 acres per land owner.
- LARR Bill 2011 proposes to compensate rural households - both land owners and livelihood losers. The Bill goes beyond compensation; it mandates guaranteed series of entitlements to rural households affected. According to a July 2011 report from the Government of India, the average rural household per capita income in 2010 was Rs. 928 per month. For a typical rural household that owns the average of 3 acres of land, the LARR 2011 Bill will replace the loss of annual average per capita income of Rs. 11,136 for the rural household.

CRITICISMS OF THE BILL

The proposed Bill, LARR 2011, is being criticised on a number of fronts:

- It is heavily loaded in favour of land owners and ignores the needs of poor Indians who need affordable housing, impoverished families who need affordable hospitals, schools, employment opportunities and infrastructure. For example, ASSOCHAM, the Indian organization that represents the interests of trade and commerce in India, with over 200,000 small business and large corporate members, claims that LARR 2011 in its current version prevents a conducive environment for economic growth.
- LARR 2011 as proposed severely curtails free market transactions between willing sellers and willing buyers. For example, DLF Limited - India's largest real estate developer - claims that the current bill may limit private companies such as DLF from developing affordable housing for millions of Indians. DLF suggests that direct land transactions with owners on a willing voluntary basis, at market-determined rate, should be kept out of the purview of the bill. There should be no conditions imposed on free market transactions between willing sellers and willing buyers.
- An article in The Wall Street Journal claims that the proposed LARR 2011 rules will apply even when any private company acquires 100 acres of land or more. For context, POSCO India seeks about 4000 acres for its US\$ 12 billion proposed steel manufacturing plant in the Indian state of Odisha. In most cases, even small companies planning US\$10-US\$300 million investment, seeking 100 or more acres will be affected by the compensation plus rehabilitation effort and expenses of LARR 2011. The WSJ article further claims that the proposed LARR 2011 bill doesn't actually define the word "acquisition," and leaves open a loophole that could allow government agencies to continue banking land indefinitely.
- The Observer Research Foundation's N. Sahoo argues that the bill fails to adequately define "public purpose". The current definition, he claims, can be interpreted vaguely. In leaving public purpose too vague and porous, it would ensure that land acquisition will remain hostage to politics and all kinds of disputes. More clarity is needed, perhaps with the option that each state have the right to hold a referendum, whereby the voters in the state can vote to approve or disapprove proposed public purpose land acquisitions through the referendum, as is done through local elections in the United States for certain public acquisition of private or agricultural land.
- The Confederation of Real Estate Developers Association of India claims that the proposed LARR 2011 bill is kind of one-sided, its ill-thought-out entitlements may sound very altruistic and pro-poor, but these are unsustainable and will kill the goose that lays the golden egg. This group further claims that if the bill passed, will increase the cost of acquisition of land to unrealistic level. It will be almost impossible to acquire 50-acre or 100-acre land at one place for planned development.
- Two, a large section of policymakers, economists and NGOs have argued for adequate, just and fair compensation for a long time. They propose that there should be an elaborate set of calculations to make compensation fair both in terms of the amount of compensation to be provided and the recognition of a wide range of claimants, e g, to compensate monetarily, to provide alternative assets (e g, land for land), or equity in the company, not only to the landowners, but all other people directly dependent on the land in question –landless labourers, sharecroppers, shepherds, and so on. In other words, an expanded social costing is proposed to be conducted. The Bill argues for such an exercise of expanded social costing and scientific method for calculation of the market.

RECOMMENDATIONS

- There must be less and less acquisition of agricultural and cultivated land.
- In cases of land use change for private companies, the onus for establishing public purpose should be on them.
- The loss of common property resources should also be compensated. In urban areas, there should be explicit provisions barring any insistence on cutoff dates and legality of residence and use of land.
- Compensation and price for takeover of individual lands should be based on the future and not on present land use. It should be calculated based on the highest sale for similar lands in adjacent areas, multiplied by a factor of ten in rural areas and six in urban areas.
- Alternate land of equivalent quality in the close vicinity must be granted to all persons who are affected by such acquisition.

CONCLUSION

Despite drawbacks and criticisms the Land Acquisition, Rehabilitation and Resettlement Bill, 2011 is undoubtedly more equitable and it is a good attempt to overdue the inadequacies of the Land Acquisition Act 1894. With special emphasis made on partial recognition of the affected people, role of Gram Sabha, incorporation of SIA, enhanced compensation, and most importantly its attempted linkage between acquisition and rehabilitation and resettlement promises enacted in this bill would prove to be more effective and its applicability would help not only the landowners but also all the tenants and agricultural labourers dependent on the land.

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