

LAND ACQUISITION BILL 2015 RECEIVES A GREEN SIGNAL FROM THE LOK SABHA

The Land Acquisition Act, 1894 (“**1894 Act**”) came to be replaced by the Right to fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (“**LARR Act 2013**”). While the Parliament was not in session, on 31st December 2014, an ordinance was promulgated to amend the LARR Act 2013. On 9th March 2015, the Land Acquisition, Rehabilitation and Resettlement Act, 2013 (Amendment) Bill (“**Bill**”) was passed by the Lok Sabha to replace the ordinance promulgated on 31st December 2014 and to amend the LARR Act 2013. The Bill now needs to pass the test in the Rajya Sabha (“**RS**”).

Below are the highlights of the pivotal changes brought about by the Bill:

- 1) Private entity substituted for Private Company-
The Bill replaces the words ‘private company’ appearing throughout the LARR Act 2013 with the words ‘private entity’. A private entity is now defined in the Bill to mean an entity other than a government entity, and could include a proprietorship, partnership, company, corporation, non-profit organization, or other entity under any other law.
- 2) Consent clause and Social Impact Assessment (“**SIA**”) done away with-
The LARR Act 2013 required the consent of 80% of affected families to be obtained for private projects and consent of 70% of affected families to be obtained for PPP projects. It also stipulated a SIA to be conducted if the land was to be acquired for a public purpose. The Bill provides an exemption from such requirement if the acquisition of land acquisition is for the below mentioned categories:
 - (a) Projects vital to national security or defence;
 - (b) Rural infrastructure including rural electrification;
 - (c) Affordable housing and housing for poor people;
 - (d) Industrial corridors; and
 - (e) Infrastructure and social infrastructure in public private partnership project.
- 3) Ambit of Public Purpose widened-
 - (a) The LARR Act 2013 did not cover acquisition of land for private hospitals and educational institutions as falling within the ambit of public purpose; and
 - (b) The Bill includes private hospitals and educational institutions within the domain of public purpose.

From a reading of the Bill in its current form, it is clear that if it passes the test in the RS, the LARR Act 2013 would apply to acquisitions made by the Government even from partnership firms, non-profit organizations etc., on account of the substitution of private company by private entity. Additionally, such acquisitions by the Government for the purposes outlined in point 2) (a) above could avail the exemption from requiring consent of affected families or conducting SIA study.

Please click [here](#) to view the Bill.

In relation to the above, if you or your colleagues would like to discuss anything, please do not hesitate to contact Mr. Avikshit Moral at avikshit.moral@jcllex.com +91 (22) 6720 5558.