

# 80% owners' consent must for land acquisition

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Opposition parties had moved as many as 116 amendments that were either negated or withdrawn.

The bill was passed with 216 members voting in favour and 19 members against it, after TMC MP Sudip Bandyopadhyay pressed for division.

The bill, once enacted, will make it mandatory to obtain the consent of 80 per cent landowners for acquiring land for private sector projects and 70 per cent consent for public-private projects. The bill was debated after a ruckus by opposition members over the sharp devaluation of the rupee, leading to a brief adjournment.

Big corporate players were not impressed. The bill would create major hurdles in execution of giant projects, they said.

R Shankar Raman, who-letime director and chief financial officer at L&T, said: "It will be challenging to execute infrastructure projects, both in terms of viability and cost escalation. Getting 80 per cent land owners' consent will not be easy, as there

will always be a group that would try to negotiate till the last moment, and try and get as much as possible from the acquirers."

Ankit Miglani, deputy managing director of Uttam Galva Steel, agreed. "Creating new businesses will be very difficult with these kind of clauses mentioned in the new bill and will be detrimental to projects." The bill was taken up for voting after evolving consensus among major political parties in April. It also defines "public purpose" to include mining, infrastructure, defence, manufacturing zones, roads, railways, highways and ports for land acquisition.

Rural development minister Jairam Ramesh said the bill did not usurp the powers of state governments on land acquisition and had adopted a "middle-path" in addressing the concerns of various stakeholders, including political parties, state governments, farmers and industrialists.

Ramesh said of the 158 amendments, only 28 were important, while the others were procedural. They included 11 of the 13 recommendations made by the

parliamentary standing committee and two proposed by opposition leader and senior BJP member Sushma Swaraj.

Land acquisition is a subject in the concurrent list. This meant that the state governments can have their own bill, but there has to be an improvement over the central legislation with regard to compensation and rehabilitation.

Ramesh said the bill also makes it clear that states are not empowered to acquire land forcefully. Further, the bill prevents abuse of the urgency clause in the 1894 Land Act that had hitherto led to problems in land acquisition and exploitation of farmers. The urgency clause for land acquisition can be invoked in the new bill only in case of national security and defence and natural calamities like the Uttarakhand deluge. The land acquisition bill would be applicable on SEZs as well, he stated.

With regards to wakf board land being usurped for development purposes, Ramesh said this aspect had not been looked into, but he promised to address this

issue as well.

BJP regional outfits like JD(U) and BJD, as well as UPA's key outside supporter Samajwadi Party had agreed to support the land bill, bringing relief to the government, as it had failed to get the bill through till it was revised four times and vetted by a parliamentary standing committee twice.

The AIADMK, however, opposed the bill as it alleged that it was an attempt to usurp the powers of the state government, as land was a state subject. This would ensure that some land gets acquired and encourage more firms to buy land directly from landowners. The government countered criticism that the bill's provisions make land acquisition more time consuming while pushing up costs.

Initiating the debate, BJP president Rajnath Singh said there should be no provision to acquire irrigated land unless there was direct approval by farmers.

To this, Ramesh said that original bill had banned acquisition of multicrop land. But subsequently, the Punjab, Haryana and Kerala governments had opposed this

provision, saying these states had very little of other land and hence such a provision would be detrimental to the states' development.

Taking their view into consideration, the bill has left it to states to determine to what extent multicrop land could be acquired.

Meanwhile, the president of Tamil Nadu association of SEZ Infrastructure Developers (TASID), Sunil Rallan said this bill brings to an end the era of public losses and private gains through land acquisition.

"Because, it has been the farmers who always ended up suffering losses since governments forcefully acquired their lands at lower prices," Rallan said.

Ajay Aggarwal, MD, Microtek Infrastructure, said, "The bill, in current form, does not do justice to govt's responsibility to carry all the stake holders together". Realty developers too had similar views and felt that land acquisition will really become difficult going forward.

(With inputs from D Govardan in Chennai, Jharna Mazumdar in Mumbai)

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