

Bill Summary

The Requisitioning and Acquisition of Immovable Property (Amendment) Bill, 2017

- The Requisitioning and Acquisition of Immovable Property (Amendment) Bill, 2017 was introduced in Lok Sabha on July 18, 2017. The Bill amends the Requisitioning and Acquisition of Immovable Property Act, 1952.
- **1952 Act:** The Act provides for the central government to requisition immovable property (or land) for any public purpose. Such public purpose must be a purpose of the central government (such as defence, central government offices and residences). Once the purpose for which the property was requisitioned is over, it must be returned back to the owner in as good a condition as when the possession was taken.
- The central government may acquire such requisitioned property in two cases which are: (i) if the central government has constructed any work at such property, and the right to use such work must be with the government; or (ii) if the cost of restoring the property to the original condition would be excessive, and the owner refuses to accept the property without being compensated for restoring the property.

Key features of the Bill include:

- **Retrospective application:** The Bill will be deemed to have come into force on March 14, 1952, the date of the enactment of the Act.
- **Re-issue of notice for acquisition:** Under the Act, when acquiring a requisitioned property, the central government has to issue a notification with regard to

such an acquisition. Before issuing such notice, the government has to provide the property owner (or any person claiming compensation on the property) an opportunity to be heard. The property owner at such hearing will have to provide reasons for why the property should not be acquired. The Bill provides that the government may re-issue the acquisition notice to the property owner (or a person interested in the property) to give them adequate opportunity for a hearing. This would be irrespective of any past court orders or judgments setting aside any past notices for acquisition. However, the re-issue of notice will not apply to cases where the compensation has already been awarded and accepted by the claimants.

- **Interest payable on compensation:** In cases where a notice has been re-issued, the property owner (or a person interested in the property) will be entitled to an interest on the compensation payable to them. The interest will be calculated for the period from when the first notice was issued till the date of the final payment of compensation. This interest will be the same as the annual rate of interest, prevalent at any relevant time, on the domestic fixed deposit offered by the State Bank of India.
- **Applicability of enhanced compensation:** The Bill provides that such enhanced compensation will be awarded only if: (i) the acquisition notice has been re-issued, and (ii) the land is being acquired for the purpose of national security and defence.

DISCLAIMER: This document is being furnished to you for your information. You may choose to reproduce or redistribute this report for non-commercial purposes in part or in full to any other person with due acknowledgement of PRS Legislative Research ("PRS"). The opinions expressed herein are entirely those of the author(s). PRS makes every effort to use reliable and comprehensive information, but PRS does not represent that the contents of the report are accurate or complete. PRS is an independent, not-for-profit group. This document has been prepared without regard to the objectives or opinions of those who may receive it.