TATA

Mr. Ajay Shankar
Chairman, Expert Committee on Regulatory Approvals
#218, 1st Floor
Vigyan Bhawan Annexe
New Delhi-110011

12th June, 2015

Subject: Ease of doing business

Dear Sir,

We would like to thank you for taking time out to meet industry representatives on simplification of rules. Given the current position of India in ease of doing business, the initiative undertaken by Government of India under your leadership is very important and a welcome step.

Tata Steel operates Integrated Steel Plant in the state of Jharkhand & is commissioning a new green filed Integrated Steel Plant in Odisa. The Mining and Steel making operations require various State and Central Government Approvals. We find there are many opportunities to simplify processes without compromising the objectives of the rules and regulations.

We are enclosing the list of issues and suggestions pertaining to Environment, Forest, Mining and Land Acquisition processes for your perusal. We would be happy to meet and explain the subject at your convenience.

Thanking you,

Yours faithfully,

Chanakya Chaudhary
Group Director-Corporate Communication & Regulatory Affairs

Encl:

1. Compilation of suggestion of Green Clearances.
2. Compilation of suggestion on Land Acquisition.
3. Compilation of suggestion on Mining.

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16-6-15

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SUGGESTIONS ON ENVIRONMENT CLEARANCE RELATED ISSUES WITH JUSTIFICATIONS

Sl No.	Existing Provision / Issue	Proposed Suggestion	Justification
1	The EIA Study process is bulky, lacks transparency and is also extremely time consuming. This necessitates deployment of additional man-hours and financial resources .	A central repository of base line data can be created and used instead of re-generating the same for each and every applicant by the EIA Consultants. Additional/ Specific Study as per ToR can be worked on by applicants as per requirements.	Environment related Quantity and Quality data are being maintained by Statutory/ Govt. Agencies. E.g. Ambient Air / Water Quality data – CPCB/ SPCB, Meteorological data – IMD, Surface Water – Water Resources, Ground Water – Ground Water Directorate etc. All these needs to be consolidated in form of a Central Pool of Data for EC Applicants to facilitate project proponents.
2	The Public Hearing, which is an integral part of EC process, must be ensured in a free and fair way. The present practice is extremely long drawncovering ~ 7 months for conduction of Public hearing by SPCB.	Disposal should be fast to prevent mobilization of such negative forces. The role of the District Administration and SPCB should be clearly documented and requirements from multiple agencies like NOC from Revenue Dept certifying types of Land (Agriculture/ Barren/ Forest etc) to be used for the project purpose should be done away with by creation of a dedicated Single Window for the purpose. Clearly articulated directives like debarring anyone residing outside the core and buffer zone from participation in the Hearing would go a long way in ensuring Free and Fair PHs without vested interests.	Quick conduct of Public Hearing would minimise chances of creation of pockets of vested interests who politicize the process whichresults in delays for initiation of project/construction activities. This will also reduce the misuse of the Public hearing forum by social workers attached to political parties complicates the entire issue.

3	Fresh EC is required for Capacity Enhancement, Change in Process or Technology wherein the proponent has to undergo the whole system from scratch.	The necessity of going through the entire tedious process need not be mandated in cases changes in process/ technology and even for increase in capacity upto 50% of the current capacity.For these cases the proponents should be allowed to undertake EIA Studies on the old / Standard ToRs and this should be directly appraised by the EAC/ SEAC. Public Hearing requirements for all such cases should be ideally waived off.	The changes in impact on the environment would not be of substantial in these cases. Hence these changes can speed up the process and facilitate the industry.
4	Linked or Joint Projects have to seek separate ECs if covered under separate segments. Hence separate EIA/EMP & PH is required.	There should be provision for coverage of linked or joint projects for a Combined EC as separate EC for each linked project through different EAC further delays initiation of project/construction activities. Therefore the Single Window Concept may be applied for such linked/ joint projects by organizing joint sitting of the EACs for considering such proposals.	Parallels should be drawn from the present system wherein Captive Power Projects are being considered in the Industrial Segment instead of routing this part separately through the Thermal Segment.
5	CTE/CTO has to be obtained from SPCBs under Air & Water (Prevention & Control of Pollution) Acts and Rules made thereunder.	CTE/CTO should be subsumed into the ECs through suitable legislations by way of amendments in Statutes	CTE/CTO and EC is sheer duplicacy of Env Conditions and Monitoring. Doing away with CTOs with a provision of a 5 yearly Audit by SPCBs instead of the unnecessary yearly/ 5 yearly CTOs.

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SUGGESTIONS ON EC CONDITIONS RELATED ISSUES WITH JUSTIFICATIONS

Sl No.	Existing Condition	Suggested Condition	Justification
1	Compulsory maintenance of 33% green belt is included for almost all projects.	No such stipulation should be made in view of land constraints. Proponent may be made to contribute for afforestation drive in the surrounding areas.The district administration should be instructed to identify land for green zone and they should communicate to the project proponent to raise and maintain this at the project's cost.	For Greenfield projects, this leads to increase in land requirement for large projects and also increases issues related to R&R. In case of Brown field, this becomes challenging due to land availability constraint.
2	A condition of Zero Effluent Discharge and mandatory separate discharge route for rain water and process water discharge is usually stipulated.	Feasibility/ Practicality of the conditions must be checked before stipulating. These may be enforced for Greenfield Projects where practicable instead of recommending to all projects. Moreover this condition should ideally stipulated as Zero Untreated Effluent Discharge instead of Zero Effluent Discharge which is highly impracticle.	These requirements also have to be seen from the perspective of cost due to the unavailability of indigenous low cost technology for disposal or treatment of rejects. Moreover treatment of effluent results in significant increase in Carbon footprint due to increased requirements of power consumption. For existing units, laying separate drains also may not be possible because of serious constraint of space.
3	Compulsory 100% waste utilization	Waste utilization percentage condition may be stipulated based on the available avenues for recycling/reuse and the Govt should also ensure conducive regulation and support from infrastructure agencies like railways, surface transport, urban development for utilization of waste materials.	This is particularly impractical as presently there is non availabilityof technology to process all waste generated from units like steel plants and utilization of recycled material also requires active market acceptance for the same.

4	The EACs also at times include conditions which mandate use of specific technology which usually have limited availability and therefore command very high premium. Eg Mandatory use of Coke Oven Dry Quenching Technology for Steel Plants	Technology specific conditions should not be stipulated. Industry specific base performance indicators on Environment (not benchmarks), based on techno-economically proven solutions with wider availability, should be developed. Methodologies to measure & report such indicators and thereafter introduce those base performance indicators as mandate (e.g. specific water consumption < 5.7 m^3/tcs for Steel Industries instead of simply necessitating Coke Oven Dry Quenching technology) should be looked at.	Such stipulations for using capital intensive technologies from overseas suppliers not only result in depletion of the country's forex reserves, they also lead to loss of competitiveness of the project.
5	The ambient air quality norms stipulated do not take into account the pollution sources from the vicinity and are therefore too stringent for compliance	The ambient air quality monitoring norms should be revised considering the practicality of limited control of a single project in industrial hubs/ clusters.	Contribution of other factors like traffic, other construction activities, neighbouring industries etc must be factored into the norms.
6	Another serious compliance bottleneck is in Infrastructure Development (e.g. Town Related- Traffic Decongestion ,Elevated Corridors, Municipal Solid Waste Management for Township etc.).	Cases of Industrial Townships should be facilitated by dedicated cells in State/GoI for rapid clearance to facilitate the implementation. It is also essential to de-linking externalities from project for which clearance is sought and particularly in domains where State Government/ GoI or other agencies are responsible to maintain and operate.	Since most large industrial establishments need urban planning for their townships, stipulation on these accounts leads to long drawn delays as they require State and Central Govt approvals.
7	Stringent specific conditions for Steel Plants like mandatory Coke Oven Battery Rebuilding.	Such specific conditions should be refrained from and the project proponent should to be allowed to choose any alternate course of action	Coke Oven Battery Rebuilding is highly capital intensive and practically serves no purpose as the same can be achieved through repairs instead of undertaking a total dismantling and rebuilding exercise.

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SUGGESTIONS ON FOREST CLEARANCE RELATED ISSUES WITH JUSTIFICATIONS

S No	Existing Provision/ Issue	Proposed Suggestion	Justification
1	Requirement of FC on all areas under dictionary meaning of Forest or entered as forest in any Govt record due to the Hon SC Order and the preamble to the Act stating : ***"An Act to provide for the conservation of forests and for matters connected therewith or ancillary or incidental thereto."***	This preamble should be amended to read:***"An Act to provide for the conservation of notified forests and for matters connected therewith or ancillary or incidental thereto."*** Simultaneously all forest areas should be duly notified and forest should also be defined to be those areas which have been so notified by the GoI.	This would stop open ended interpretations of the word forest and also bring in clarity on the requirements of FC in all cases.
2	**Requirement of Forest Clearance from MoEF for PL** for Exploratory Drilling in excess of 20 holes per 10 Sq Km because of Incorrect definition ***(notification vide F No 5-3/2007-FC dated 19 August 2010)*** of Prospecting Activity in Forest (Conservation) Act 1980 ***(Guidelines issued on 20 October 2013 para 1.3(.v)***) and entry to forest land remains a big issue to the prospectors *"...prospecting of any mineral done under PL granted under MMDR Act, which requires collection / removal of samples from the forest land would be a stage between survey &*	PL is a temporary activity and hence should be allowed without the mandated Forest Clearance for detailed exploration and drilling in consonance with UNFC guidelines as prescribed by the Ministry of Mines and Indian Bureau of Mines. Only a Forest Entry Permission from the forest officer can be made compulsory.	Prospecting activity is carried out for a short period of time and does not involve any land degradation / mass felling of trees.

	investigation and grant of mining lease and as such, permission under FCA 1980 is required. However, in case of coal / lignite & metallic ores test drilling of 20 boreholes & 16 boreholes respectively per sq km shall not attract the permission of FCA..."		
3	**Forest Clearance for Mining projects granted by MoEF is co-terminus with the period of Mining Lease** *(Guidelines of Handbook FCA 1980 published in 2003 and FC Amendment Rule 2004 prescribed Form B especially for FC for RML)*	The MoEF may consider a notification for Forest Clearance, doing away with the current procedure of making FC co-terminus with ML.	As the clearance once provided is applicable to the land / forest cover and not to the mining operations; the same should not be linked with the renewal of mining lease as the area in question is already broken up and there is no further deforestation involved.
4	Guidelines for Compensatory Afforestation under Forest (Conservation) Rules 2003 ***(Guidelines of Handbook FCA 1980 published in 2003: Part C Chapter 3; section 4 (1))***: Non-availability of non-forest land suitable for compensatory afforestation in most of the states	1. The State Government may identify CA Land and create land banks 2. Encourage Large Corporates to develop specific Land Banks across states which they can utilize for CA Land purpose 3. The Central Govt. may also consider offering Degraded Forest Land for Compensatory Afforestation. Tripartite arrangements between Centre, States and Industry can worked out for utilizing such degraded forest lands 4. The project proponent may pay	For Forest clearance, forest land has to be identified, transferred to the concerned state forest department. This takes a long time delaying the clearances owing to the non-availability of the land for compensatory afforestation.

		the cost of such land for furthering the clearance process (in line with the policies for PSUs)	
5	Notification of Eco-sensitive Zones: No mining project clearance is to be accorded in a 10 km land surrounding the protected area referred to as eco-sensitive *zone* ***(Environment Protection Act 1986 Part II Sec 3 (2))***. However, in many states such areas are yet to be notified and listed.	National Board for Wildlife should on an urgent basis notify such areas for the ease of operations of the miners. Cases pending with the State Govt should also be expedited.	Though a number of Eco Sensitive Zones have been notified in the recent past, a large number of cases are still pending which is in turn delaying the mining clearances & approvals
6	Certification of Settlements of Forest Rights under FRA has been made mandatory for FC vide MoEF Circular dt 3 Aug 2009. This requires resolution of the Gram Sabha even in cases of no settlements of Forest Dwellars.	The Gram Sabha resolution for Certification should be required only if there are Forest Dwellars. The presence or absence of Forest Dwellars and therefore requirement of FRA Certification should be certified by the Forest Dept.	This has acted as a major impediment to progress with the Gram Sabhas being misled and politically motivated by vested interests.
7	Due to repeated circulars, clarifications and guidelines from the Ministry from time to time, the question of whether the Safety Zone is to be maintained within the Mining Lease area or outside the lease, still persists. In States like Odisha, Safety Zone is maintained within leasehold area and has to be fenced as per State Forest Dept directives. In Chattisgarh, the Safety Zone is being maintained outside the	Safety Zone can be maintained outside the Mining Lease Area and a clarification must be issued to this effect for uniform compliance across all States	The CEC has also clarified in the Record of Discussion on 13 Aug with MoEF& State Govtsdt 14 Aug, 2014 that Safety Zone must be outside the ML. (Pt No IX on Pg 4)

	ML area under the direction of the Forest Dept. Uniform practise needs to be adopted through clarity in the Statute with no scope for interpretations. For cases of Safety Zone within ML, Forest Clearance is also mandated for the Safety Zone.		
8	Due to series of circulars and guidelines on dealing with FC for Safety Zone (Forest Land within Safety Zone of Mining Lease), different States adopt different stand while recommending DRPs and the FAC insists on adherence to latest guidelines. This becomes difficult at times when a particular proposal was initiated when earlier guidelines were in place. As FC is itself a long drawn procedure, changing facts and figures midway through the process becomes difficult for the project proponent as this means staring again from scratch.	As a pragmatic move the FAC should provide approval taking into account the entire situation on merit instead of insisting on adherence to the last guideline.	This would cut down delays in FC and avoid large number of cases being sent back to State Govt with clarifications and advisories to adherence to latest guideline, thereby increasing the ease of clearance and doing business.
9	Sequential Approval Process in FCs (DFO-DyCF-CF-CCF-PCCF-Secy E & F- Minister) in States	This system should be replaced by online system wherein the proposal of the DFO is parallelly sent to all authorities below PCCF to cut time. The PCCF may take a call on cumulative opinion of his colleagues.	This would lead to an online committee approach which can cut processing time substantially.

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Suggestions for Ease of Doing Business in Mining Sector

1) Mining is a site specific activity and the site is dictated by occurrence of mineral. Unfortunately a very large portion of the mineral bearing area in India overlaps with the forest area and the tribal dominated areas. Therefore Mining Industry inherently suffers from the Development Vs Conservation and Preservation Conflict. This scenario is further aggravated by the unstructured approach adopted by the Governments wherein an area is granted for Mining and then the lessee, after planning full scale investment, has to face the resistance and therefore experiences enormous delays. This explains the fact that India has not seen opening of a new mine of large capacity for any mineral in the last two decades. Though some correction was expected with the initiation of Auctions as the method of allocation of Mineral Concessions with expectation in the Industry that leases would henceforth be granted with all clearances in a 'ready to start' form, the Govt seems to have back-tracked with the enabling provision for this being removed from the draft Mineral Auction Rules when they were finally notified in May 2015. In order to simplify the processes, it is suggested that State Govt should demarcate Mining Zones in mineralised areas for different minerals after consulting all concerned. This practise would make the whole affair more transparent and cause less conflicts thereby facilitating the Mining Industry. These notified Exclusive Mining Zones should be provided blanket approvals from the MoEF and SPCBs so that the individual players allocated leases within need not approach the authorities for clearances but only complies with the conditions given in the comprehensive clearance.

2) The primary approval for Mining post favourable consideration for a Mining Lease or during Renewal / Extension of Mining Lease, is the approval of a Mine Plan for the deposit. This step involves submission of the Mine Plan to the Indian Bureau of Mines or the State Govt in case of Metalliferrous Mines or to the Ministry of Coal, GoI in case of Coal or Lignite Mines. As these plans are prepared by Certified Personnel classified as RQPs by the GoI, this step of seeking approval from the Govt Agency/ Ministry should be ideally done away with as it unnecessarily increases the pendency of the process due to repeated series queries and clarifications which leads to enormous delays. On the contrary, a self-certified Mine Plan should be submitted by the mining lessee/ successful bidder from grant/ renewal/ extension of the mining lease. This document can be verified for adherence by the Competent Officials of the Govt during inspections under the Act and Rules.

3) Rule No 10 of the Mineral Conservation and Development Rules 1988 on Modification of Mine Plan stipulates that an approved Mine Plan can be modified "in the interest of safe and scientific mining, conservation of minerals, or for the protection of environment". Since expansion in capacity is not mentioned here, all modifications sought and approved on consideration of capacity augmentation had been questioned by the Shah Commission too. Hence such retrograde and out of date statutes should be amended and the Mine Plan should be prepared by the lessee as a guiding document with self-certification and no requirement for approval from any agency.

4) The Govt of India has rightly undertaken the task of migrating to a simplified indirect taxing system under a single head called the GST to do away with multiple levies but taxation for Mining seems to be progressing in the opposite direction with introduction of one levy after another. Though it is acceptable that after the allocation of a mineral concession through Auctions a miner will have to incur some one time remissions like Upfront Payment, Performance Security, NPV (for forest land), Afforestation Charges, Forest Development Tax etc, the list of recurring levies is also expanding. This would include the following:

- Royalty
- Levy for DMF
- NMET Levy
- Auction Commitment (% of Dispatch Value)
- Levies for Transit Passes under State Forest Rules (egChattisgarh)
- GST (post implementation)

In this regard it is suggested that a single all-encompassing levy should be designed other than the Indirect Taxation as all would be going to the State Govt. The Auctions can be designed to start from the 1.5 times the Royalty Value as 'reserve price' and whatever value over and above royalty is derived, can be allocated percentage wise for the other works as mandated by the Act.

5) As the Mines Act, the Rules and Regulations made thereunder are administered by the Directorate General of Mines Safety, there are several requirements of permits, permission

and exemptions that needs to be taken from the DGMS. For example – a permission to use deep hole drilling and blasting in an Open Cast Mine, a permission to use Heavy Earth

Moving Machinery, a permission to use Explosive not in Cartridge Form (Use of Site Mix Slurry/ Emulsion Explosives), permission for maintaining 'Sleeping Holes' (charged blast holes) etc. These requirements were introduced when mining was done primarily through Underground Method and Explosives were not very safe. Today, when explosives have undergone tremendous advancement and Open Cast Mining has become very common, these regulations seriously require a relook and hence all these permissions can be done away with. Moreover these permissions are generally granted for unspecified tenures and therefore require renewal after lapsing of each tenure. Therefore all these should be replaced with mandatory disclosures of all details in the returns being filed by the lessees.

6) The MMDR Act stipulates certain restriction under Section 6(1) for holding of maximum area under Mining Lease and Prospecting Licenses by a party within a State with requirement of exemption from the Central Govt for exceeding this limit. These limits were introduced under the previous system to curb discretionary grants by the State Govt to a single party.Now, with the introduction of Competitive Bidding for allocation of mineral concessions in a transparent manner, this clause should be ideally removed for creating a level playing field for all in the interest of fair price discovery.

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Suggestions on the Land Acquisition Second Amendment Bill 2015

1) The Proviso inducted in Section 2 of the RTFCLARR Act of 2013 providing for exemption of certain categories of projects listed under sub-section 1 of Section 10A should not be diluted. The exemption from SIA and consent clause for of the 5 listed categories namely, defence, rural infrastructure including electrification, affordable housing, industrial corridors and infrastructure projects, will make clearance timely and have a far reaching positive impact on both cost and time. In addition to this we would like to suggest that **Mining Projects should also be covered under 10A (e)**i.e infrastructure projects, since Mining is site specific activity. The Amended Section 10A may read as follows:

Existing Provision in Amendment Bill	Suggested Changes
10A (1) (e) Infrastructure Projects including projects under public private partnership where the ownership of land continues to vest with the Govt.	10A (1) (e) Infrastructure Projects including projects under public private partnership where the ownership of land continues to vest with the Govt**and mining projects of Govt as well as Pvt Companies**.

2) In the proposed Chapter IIIA, Section 10A (2)deals with survey of waste land including arid land by the Appropriate Govt for forming a Land Bank. This is a welcome proposition and should be retained at all costs. The only suggestion in this regard is that a proper guideline should be laid down by the Central Govt for notification of a **dedicated Task Force** in each State to make this practicable in a time bound manner. A specified time limit should also be stipulated for identification of such waste and arid land for formation of the said Land Banks.

3) Section 24 under the Act of 2013 provides for re-initiation of Land Acquisition process if the earlier process under the 1894 Act was completed not more than 5 years prior to the commencement of this 2013 Act but the actual compensation dispensation or land transfer process could not be completed. This Amendment Bill further provides to remove the period under litigation for individual cases while considering this 5 year. As we know, Land Acquisition is a time consuming and litigated process, this dispensation of doing away with the litigation period for calculating 5 years should be ideally incorporated. However, we would like to suggest some modifications for simplification of cases where possession of land by the Govt is completed or the entire compensation amount has been deposited with the Govt as per the 1894 Act, but the physical possession has not yet been given.

Existing Provision in Amendment Bill	Suggested Changes
24 (2). Provided further that in computing the period referred to in this sub-section,any period or periods during which the	24 (2). Provided further that in computing the period referred to in this sub-section,any period or periods during which the

proceedings for acquisition of the land wereheld up on account of any stay or injunction issued by any court or the period specifiedin the award of a Tribunal for taking possession or such period where possession hasbeen taken but the compensation is lying deposited in a court or in any designated account maintained for this purpose shall be excluded.	proceedings for acquisition of the land wereheld up on account of any stay or injunction issued by any court or the period specifiedin the award of a Tribunal for taking possession or such period where possession hasbeen taken but the compensation is lying deposited in a court or in any designatedaccount maintained for this purpose shall be excluded. **In addition the period where the possession has been taken or the compensation amount has been deposited with the appropriate authority but the physical possession of the land, freeof encumbrance, has not been given by the appropriateGovt to the project proponent, then such period should not be included in the five year period.**

4) While the amendment proposed in Section 31(2)(h) by including the mention of providing employment of one member of the family of a farm labourer is a step in the right direction, the Appropriate Govt should make it mandatory for the SIA Team to certify such cases for the investor to proceed with the employment offers to only genuine candidates among the affected parties.

5) The Amendment proposed in Section 101 of allowing the Land Acquired to be retained upto a period specified for setting up of such project instead of the stipulation of only 5 years, as laid down in the 2013 Act, is a welcome change for mega projects. This should be retained under all circumstances.

6) It has been observed at ground zero that the land records maintained by the District Administration are not updated for a pretty long period like more than 60 years in case of Jharkhand and 30-40 years in case of Odisha. Situation in Jharkhand is such that the original old records for cross checking also sometimes not available from government system. There is a provision in the LA Act 2013; u/s 11(5) *" the Collector shall, before the issue of declaration u/s 19(1) undertake and complete the exercise of updating of land records as prescribed within period of two months"* keeps the things open endeddue to which defective/ false land records continues to be exhibited even after land acquisition completed years before. **It is therefore suggested there should be a cut off period of land record updating, so that any record found to be submitted after cut off period shall not be considered in the normal process of compensation payment. For the sake of natural justice it may be made open to place before the LARR authority within a specified time limit, which will be challenged or complied by the district administration and whatever the outcome comes that will be treated as final decision for payment of compensation and R&R.**

7) There is a provision of public hearing at Sec.5 of Ch.2. of LA Act 2013. Similarly there is a provision of Gram Sabha and or sabhas at village level u/s 11(2) after notification is issued. Sec 16(5) have a similar provision for Public hearing for ratifying the R&R Scheme prepared by Administrator R&R. There is also a Public hearing mandatory under EIA study which is followed parallel. Since affected family are not defined by the time of applicability of Sec.5 of the Chapter-2 and there is a chance of sabotage by the vested interest groups who will participate in disguise during Public hearing and there is every chance that Public hearing will not be effective. **Hence it is suggested that there should be an amendment to the proviso, so that there should not be repeated GramSabha or public hearing for every item of activity and the opinions of the affected families may only be taken in writing by the SIA team who is engaged by Government system for fair reporting instead of making a public hearing in open forum giving way to the vested interest groups. In case the Public Hearing continues there should be a flexible to quorum of attendance as it is invariably seen that quorum is an issue in Public hearing for EIA. If the Public Hearing fails for the First Time and subsequent hearing is conducted, then the Collector's opinion should be treated as final.**

8) Section 3(u) of the Act of 2013 defines "**market value**" as the value of land determined in accordance with section 26; and Sec 26 says that the Collector shall adopt the following criteria in assessing and determining the market value of the land, namely:-
   a) the market value, if any. specified in the Indian Stamp Act, 1899 for the by Collector or registration of sale deeds
   b) the average sale price for similar type of land situated in the nearest village or nearest vicinity area; or
   c) consented amount of compensation as agreed upon in case of acquisition of lands for private companies or for public private partnership projects,
   Whichever is higher

   Herein we would like to suggest deletion of sec 26(1) (c)since the base price for computation of Compensation is to be multiplied by a factor of 2 for rural and 1 for urban and added with Tree and structure cost it will be further added the 100% solacium for the calculation of compensation. So the consented price is left to consent of people without a valid base for calculation. Hence it is suggested to take Sec 26 (a) and (b) as provided in principal act and the highest of it as base price in case of Private company projects as well.

9) The process of SIA, as laid down under Chapter II (Section 4 to 6) of the Act of 2013, is very well conceived but at the same time it is practically very difficult to implement. This would certainly lead to difficulties in the process of Land Acquisition and make it virtually impossible for any project proponent to acquire land through this elaborate route. Moreover, the entire process has been designed to be executed by the Govt Machinery with no involvement of the Requiring Body. As the Requiring Body is the most important stakeholder of this process, in all fairness it should ideally be involved actively to facilitate

mandated to be completed within 6 months, the representation of the Requiring Body in the SIA Process would enable the SIA Team to conclude the process on time. This would also lead to fair identification of PAPs and to the satisfaction of all stakeholders including the Requiring Body.

10) As the acquisition cost of Land, comprising of the Land and R&R costs, under the RTFCTLARR Act 2013 has increased 3-4 times, the percentage of project cost incurred for land acquisition for greenfield projects will also go up from 8% to 25% as per rough estimates. In order to rationalise this steep increase and the resulting detrimental impact on the industries, it is suggested that the Solatiumpayable under Section 30(1) at 100% of Compensation , should be revised to 50% of the Compensation.

11) Under Section 38 of the Act the Collector is empowered to take possession of the acquired land after compensation and R & R entitlements are disbursed. There can be situation wherein vested interest groups may encourage small groups of PAFs not to accept the compensation and thereby stall the land possession process. In this regard, it is suggested that the Act may incorporate a section similar to Section 31 of the 1894 Act which empowers the Collector the seize possession of land after 80% of the Compensation is disbursed. This inclusion also gels with the 80% consent requirement and would therefore facilitate quicker possession of acquired land.