

The Tamil Nadu Acquisition of Land for Industrial Purposes Act, 1997

TAMILNADU

India

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Act 10 of 1999

- Published on 23 March 2000
- Commenced on 23 March 2000
- [This is the version of this document from 23 March 2000.]
- [Note: The original publication document is not available and this content could not be verified.]

The Tamil Nadu Acquisition of Land for Industrial Purposes Act, 1997 Tamil Nadu Act 10 of 1999 Statement of Objects and Reasons - The Tamil Nadu Acquisition of Land for Industrial Purposes Act, 1997 (Tamil Nadu Act 10 of 1999). - Provision of suitable sites for location of industries is a prerequisite for quick establishment of industries. For the speedy industrial growth of this State, it is felt that lands for industrial purposes have to be acquired speedily so as to achieve the objects. Therefore, the Government have decided to make special provisions for speedy acquisition of lands for industrial purposes by undertaking a special legislation.² The Act seeks to give effect to the above decision. Published in Part IV-Section 1 of the Tamil Nadu Government Gazette Extraordinary, dated the 25th April 1997 (issue No. 230, page 138) Statement of Objects and Reasons - The Tamil Nadu Acquisition of Land for Industrial Purposes (Amendment) Act, 1999 (Tamil Nadu Act 2 of 2000). - According to sub-section (11) of section 7 of the Tamil Nadu Acquisition of Land for Industrial Purposes Act, 1997 (Tamil Nadu Act 10 of 1999), the Collector shall dispose of every case referred to him under sub-section (3) of the said section 7 for determination of amount as expeditiously as possible and in any case within such time as may be prescribed. As no specific time limit has been specified in the said provision, it has been decided to fix in the Act itself, the maximum time limit of six months for the disposal of the case for determination of amount. It has also been decided to enhance the rate of interest under section 12 of the said Act from four per cent to nine per cent per annum on the amount determined from the time of taking possession of land until the amount has been so paid for deposited. Accordingly, it has been proposed to amend sub-section (11) of section 7 and section 12 of the said Act, suitably.² The Bill seeks to give effect to the above proposal. Published in Part IV-Section 1 of the Tamil Nadu Government Gazette Extraordinary, dated the 22nd November 1999. Statement of Objects and Reasons - The Tamil Nadu Acquisition of Land for Industrial Purposes (Amendment) Act, 2005 (Tamil Nadu Act 17 of 2005). - As per the existing provisions of the Tamil Nadu Acquisition of Land for Industrial Purposes Act, 1997 (Tamil Nadu Act 10 of 1999), the Government may acquire any

land which is required for industrial purposes or for any other purpose in furtherance of the objects of the said Act, by publishing a notice specifying the purpose for which such land is required. Before publishing such a notice, the Government has to call upon the owner or any person interested to show cause why the land should not be acquired and also to give public notice and only after hearing and considering the cause shown by the owner or person interested, the Government can pass an order for acquisition of such land. Certain practical difficulties are experienced now. Unless a separate Officer is authorised by the Government, the land acquisition work for industrial purposes cannot be executed speedily and it is felt necessary to delegate the power of the Government to the Collector. Therefore, the Government have decided to make a provision to delegate all the powers of the Government except the power to issue notice under sub-section (1) of section 3, the power to withdraw the land from acquisition under sub-section (1) of section 4 and the power to make rules under section 25 to the Collector and to amend the said Act for the purpose. Accordingly, the Tamil Nadu Acquisition of Land for Industrial Purposes (Amendment) Ordinance, 2005 (Tamil Nadu Ordinance 1 of 2005) was promulgated and the same was published in the Tamil Nadu Government Gazette Extraordinary, dated 12th July 2005.² The Bill seeks to replace the said Ordinance. Published in Part IV - Section 1 of the Tamil Nadu Government Gazette Extraordinary, dated the 23rd September 2005. Received the assent of the President on the 25th May 1999 and published in Part IV-Section 2 of the Tamil Nadu Government Gazette Extraordinary, dated the 28th May 1999. An Act to provide for acquisition of land for industrial purposes in Tamil Nadu. Whereas it is expedient to make special provisions for speedy acquisition of lands for industrial purposes in the State of Tamil Nadu and for matters connected therewith; Be it enacted by the Legislative Assembly of the State of Tamil Nadu in the Forty-eighth Year of Republic of India as follows:-

Chapter I

Preliminary

1. Short title, extent and commencement.

(1) This Act may be called the Tamil Nadu Acquisition of Land for Industrial Purposes Act, 1997. (2) It extends to the whole of the State of Tamil Nadu. (3) It shall [come into force on such date] [Came into force on the 21st day of September 2001 vide G.O. Ms. No. 35, Revenue, [LAI (1)], dated 21.9.2001.] as the Government may, by notification, appoint.

2. Definitions.

- In this Act, unless the context otherwise requires, -(a) "Collector" means the Collector of a district, and includes any officer specifically appointed by the Government to perform the functions of the Collector under this Act; (b) "Government" means the State Government; (c) "industrial area" means any area declared by the Government by notification to be an industrial area; (d) "industrial estate" means any site selected by the Government, where the Government builds factories and other buildings and makes them available for any industry; (e) "industrial purpose" includes the starting of a new industry, expansion of an existing industry, the development of an industrial area and

establishment and management of an industrial estate;(f)"land" includes benefits arising out of land and things attached to the earth or permanently fastened to anything attached to the earth;(g)"owner" includes any person, entitled to receive the rent of any land or building, whether on his own or on behalf of himself and others or as an agent, trustee, executor, administrator, receiver or guardian or who would so receive the rent or be entitled to receive the rent, if the land or building were let to a tenant;(h)"person interested" in relation to any land includes all persons claiming or entitled to claim, an interest in the amount payable on account of the acquisition of that land under this Act. A person shall be deemed to be interested in land if he is interested in an easement affecting the land.

Chapter II

Acquisition of Lands for Industrial Purposes

3. Power to acquire land.

(1)If, at any time in the opinion of the Government, any land is required for any industrial purposes, or for any other purpose in furtherance of the objects of this Act, they may acquire such land by publishing in the Tamil Nadu Government Gazette a notice specifying the particular purpose for which such land is required.(2)Before publishing a notice under sub-section (1), the Government shall, call upon the owner and any other person, who in the opinion of the Government may be interested in such land, to show cause within such time as may be specified in the notice, why the land should not be acquired. The Government shall also cause a public notice to be given in such manner as may be prescribed.(3)The Government may pass an order under sub-section (1) after hearing and considering the cause, if any, shown by the owner or person interested.

4. Land acquired to vest in Government free from all encumbrances.

(1)When a notice under sub-section (1) of section 3 is published in the Tamil Nadu Government Gazette, the land to which the said notice relates shall, on and from the date of such publication, vest absolutely in Government free from all encumbrances:Provided that if before actual possession of such land is taken by, or on behalf of, the Government, it appears for Government, that the land is no more required for the purpose of this Act, the Government may, by notice published in the Tamil Nadu Government Gazette, withdraw the land from acquisition. On the publication of such notice, the land shall revert with retrospective effect in the person from whom it was divested on the issue of order under sub-section (1) of section 3, subject to such encumbrances, if any, as may be subsisting at that time:Provided further that the owner and other persons interested shall be entitled to payment of an amount as determined in accordance with the provisions of section 7 for the damage, if any, suffered by them in consequence of the acquisition proceedings.(2)Where any land is vested in the Government under sub-section (1), the Government may, by order, direct any person who may be in possession of the land to surrender or deliver possession thereof to the Collector or any person duly authorised by him in this behalf within thirty days of the service of the order.(3)If any person refuses or fails to comply with an order made under sub-section (2), the Collector may take possession of the land, and may, for that purpose, use such force as may be

necessary.

5. Use of land acquired.

- Where any land has been acquired under this Act, the Government may use or cause to be used such land for the purpose of this Act.

Chapter III

Determination and Payment of Amount

6. Right to receive amount.

- Every owner or person interested in any land acquired under this Act shall be entitled to receive and be paid an amount as hereinafter provided.

7. Determination of amount.

(1)Where any land is acquired by the Government under this Act, the Government shall pay an amount for such acquisition which shall be determined in accordance with the provisions of this section.(2)Where the amount has been determined by agreement between the Government and the person to whom the amount has to be paid, it shall be paid in accordance with such agreement.(3)Where no such agreement can be reached, the Government shall refer the case to the Collector for determination of the amount to be paid for such acquisition as also the person or persons to whom such amount shall be paid:Provided that no amount exceeding such amount as the Government may, by general order, specify to be paid for such acquisition shall be determined by the Collector without the previous approval of the Government officer as the Government may appoint in this behalf.(4)Notwithstanding anything contained in sub-section (3), after the case is referred to the Collector under that sub-section, but before he has finally determined the amount, if the amount is determined by agreement between the Government and the person to whom the amount has to be paid, such amount shall be paid by the Collector in accordance with such agreement.(5)Before finally determining the amount, the Collector shall give an opportunity to every person to whom the amount has to be paid to state his case as to the amount.(6)In determining the amount, the Collector shall be guided by the provisions contained in sections 23 and 24 and other relevant provisions of the Land Acquisition Act, 1894, (Central Act I of 1894) subject to modifications that-(a)in the said section 23, the references to the date of publication of the notification under section 4, sub-section (1) and the time of publication of the declaration under section 6 of the said Act shall be construed as references to the date of publication of notice under sub-sections (2) and (1), respectively, of section 3 of this Act; and(b)in the said section 24, the references to the date of publication of notification under section 4, sub-section (1) and the date of publication of the declaration under section 6 of the said Act shall be construed as references to the date of publication of notice under sub-sections (2) and (1), respectively, of section 3 of this Act.(7)For the purpose of determining the amount-(a)the Collector shall have power to require any person to deliver to him such returns and assessments as he considers necessary;(b)the Collector

shall also have power to require any person known or believed to be interested in the land to deliver to him a statement containing as far as may be practicable, the name of every other person interested in the land as co-owner, mortgagee, tenant or otherwise, and the nature of such interest, and of the rents and profits, if any, received or receivable on account thereof for three years next preceding the date of the statement.(8)Every person required to deliver a return, assessment or statement under sub-section (7) shall be deemed to be legally bound to do so within the meaning of section 175 and section 176 of the Indian Penal Code (Central Act XLV of 1860).(9)The Collector may hear expert witnesses if it be necessary to do so in any particular case.(10)The Collector or any officer authorized by him in this behalf shall be entitled to enter in and inspect any land which is subject to proceedings before him.(11)The Collector shall dispose of every case referred to him under sub-section (3) for determination of amount as expeditiously as possible and in any case [within six months from the date of such reference] [Substituted for 'within such time as may be prescribed' by the Tamil Nadu Acquisition of Land for Industrial Purposes (Amend.) Act, 1999 (Tamil Nadu Act 2 of 2000).].(12)Where any case is referred to any Collector under sub-section (3), the Government may, at any stage by order in writing and for reasons to be recorded therein, transfer it to any other officer, and upon such transfer, unless some special directions are given in the order, the officer to whom the case is transferred, may hear and dispose of the case from the stage at which it was transferred or the case may be heard and disposed of by him de novo.

8. Reference to Court.

(1)Any person aggrieved by the decision of the Collector or the officer to whom the case was transferred, determining the amount may, within sixty days from the date of such decision, in so far as it affects him by application to the Collector or the officer to whom the case was transferred, require that the matter be referred by him for the determination of the Court as defined in the Land Acquisition Act, 1894 (Central Act I of 1894) and when any such application is made, the provisions of Part III of the said Act shall mutatis mutandis apply to further proceedings in respect thereof.(2)The decisions of the Court on such reference and subject only to such decision, the decision of the Collector determining the amount, shall be final.

9. Apportionment of amount.

(1)Where several persons claim to be interested in the amount determined, the Collector shall determine the persons who, in his opinion, are entitled to receive the amount and the amount payable to each of them.(2)When the amount has been determined under section 7, if any dispute arises as to the apportionment of the same or any part thereof, or as to the persons to whom the same or any part thereof is payable, the Collector may refer such dispute for the decision of the Court.

10. Payment of amount.

(1)Where the amount is determined by agreement, the Government shall pay such amount to the person or persons entitled thereto.(2)Where the amount is determined by the Collector or by any other officer under the provisions of section 7, the Government shall tender payment of the amount

determined to the persons entitled thereto according to such determination and shall pay to them unless prevented by someone or more of the contingencies mentioned in sub-section (3). (3) If the persons entitled to amount according to the decision of the Collector do not consent to receive it, or if there be no person competent to alienate the land or if there be any disputes as to the title to receive the amount, the Government shall deposit the amount so determined in the Court: Provided that any person admitted to be interested may receive such payment under protest as to the sufficiency of the amount: Provided further that nothing herein contained shall affect the liability of any person, who may receive the whole or any part of any amount determined under this Chapter, to pay the same to the persons lawfully entitled thereto.

11. Investment of amount deposited in the Court.

- Where any amount has been deposited in Court under sub-section (3) of section 10, the Court may, either of its own motion or on the application made by, or on behalf of, any party interested or claiming to be interested in such amount, order the same to be invested in such Government or other securities approved by the Government as it may think proper, and may direct the interest or other proceeds of any such investment to be accumulated and paid in such manner as will, in its opinion, give the parties interested therein the same benefit therefrom as they might have had from the land in respect whereof such amount has been deposited or as near thereto as may be.

12. Payment of interest.

- When the amount is not paid or deposited on or before taking possession of the land, the Government shall pay the amount determined with interest thereon at the rate of [nine per cent] [Substituted for the expression, 'four per cent.' by the Tamil Nadu Acquisition of land for Industrial Purposes (Amendment) Act, 1999 (Tamil Nadu Act 2 of 2000).] per annum from the time of so taking possession until it shall have been so paid or deposited.

Chapter IV

Miscellaneous

13. Power of entry.

- Any officer of the Government and person, either generally or specially authorised by the Government in this behalf, may enter into or upon any land or building with or without assistants or workmen for the purpose of-(a) making any inspection, survey, measurement, valuation or enquiry or taking levels of such land or building; (b) examining works under construction and ascertaining the course of sewers and drains; (c) digging or boring into the sub-soil; (d) setting out boundaries and lines by placing marks and cutting trenches; (e) doing any other thing necessary for the efficient administration of this Act: Provided that -(i) no such entry shall be made between the hours of sunrise and sunset and without giving reasonable notice to the occupier or if there be no occupier to the owner of the land or building; (ii) sufficient opportunity shall, in every instance, be given to enable women (if any) to withdraw from such land or building; (iii) due regard shall always be had, so

far as may be compatible with the exigencies of the purpose for which the entry is made, to the social and religious usages of the occupants of the land or building entered.

14. Service of notices, etc.

(1) All notices, orders and other documents required by this Act, or any rule made thereunder to be served upon any person shall, save as otherwise provided in this Act or such rule, be deemed to be duly served:- (a) where the person to be served is a company, the service is effected in accordance with the provisions of section 51 of the Companies Act, 1956 (Central Act 1 of 1956); (b) where the person to be served is a firm if the document is addressed to the firm at its principal place of business, identifying it by the name or style under which its business is carried on and is either - (i) sent under a certificate of posting or by registered post, or (ii) left at the said place of business; (c) where the person to be served is a statutory public body or a corporation or a society or other body, if the document is addressed to the Secretary, Treasurer or other head officer of that body, corporation or society at its principal office and is either: - (i) sent under a certificate of posting or by registered post; or (ii) left at that office; (d) in any other case if the document is addressed to the person to be served and: - (i) is given or tendered to him; or (ii) if such person cannot be found, is affixed on some conspicuous part of his last known place of residence or business or is given or tendered to some adult member of his family or is affixed on some conspicuous part of the land or building to which it relates; or (iii) is sent under a certificate of posting or by registered post to that person. (2) Any documents which is required or authorized to be served on the owner or occupier of any land or building may be addressed "the owner" or "the occupier", as the case may be, of that land or building (naming that land or building) without further name or description, and shall be deemed to be duly served: - (a) if the document so addressed or a copy thereof so addressed, is given or tendered to some person on the land or building or, where there is no person on the land or building to whom it can be delivered, is affixed to some conspicuous part of the land or building. (3) Where a document is served on the firm in accordance with this section, the document shall be deemed to be served on each partner. (4) For the purpose of enabling any document to be served on the owner of any property, the occupier (if any) of the property, may be required by notice in writing by the Government to state the name and address of the owner thereof.

15. Public notices how to be made known.

- Every public notice given under this Act or any rule made thereunder shall be in writing over the signature of the officer concerned and shall be widely made known in the locality to be affected, thereby affixing copies thereof in conspicuous public places, within the said locality, or by publishing the same by beat of drum or by advertisement in a local news paper, or by any two or more of these means, and by other means that the officer may think fit.

16. Notices, etc., to fix reasonable time.

- Where any notice, order or other document issued or made under this Act or any rule made thereunder requires anything to be done for the doing of which no time is fixed in this Act or the rule, the notice, order or other document shall specify a reasonable period of time for doing the

same or complying therewith.

17. Penalty for obstruction.

- Any person who obstructs the entry of a person authorized under this Act to enter into or upon any land or building or molests such person after such entry or who obstructs the lawful exercise by him of any power conferred by or under this Act shall, on conviction, be punished with imprisonment for a term which may extend to six months, or with fine which may extend to one thousand rupees or with both.

18. Bar of Jurisdiction of Civil Courts.

- Save as otherwise expressly provided in this Act, no Civil Court shall have jurisdiction in respect of any matter which the Government are or the Collector is, empowered by or under this Act, to determine and no injunction shall be granted by any Court or other authority in respect of any action taken or to be taken in pursuance of any power conferred by or under this Act.

19. Collector, etc., to be public servants.

- The Collector and any person authorised to perform the functions under this Act shall be deemed to be public servants within the meaning of section 21 of the Indian Penal Code (Central Act XLV of 1860).

20. Protection of action taken in good faith.

(1) No suit, prosecution or other legal proceeding shall lie against any person for anything which is in good faith done or intended to be done in pursuance of this Act or of any rule or order made thereunder. (2) No suit or other legal proceeding shall lie against the Government or the Collector or any person authorised under this Act or any authority or officer sub-ordinate to the Government or the Collector for any damage caused or likely to be caused by anything which is in good faith done or intended to be done in pursuance of this Act or of any rule or order made thereunder.

21. Land Acquisition Act not to apply.

- Save as otherwise provided in this Act, the provisions of the Land Acquisition Act, 1894 (Central Act I of 1894) shall cease to apply to any land which is required for the purpose specified in sub-section (1) of section 3 and any such land shall be acquired by the Government only in accordance with the provisions of this Act.

22. Act to override other laws.

- The provisions of this Act shall have effect notwithstanding anything inconsistent therewith contained in any other law for the time being in force, or any custom, usage, or contract or decree or

order of a Court or other authority.

23. Application of the Act to certain pending cases of acquisition.

- The provisions of this Act shall apply also to any case or cases in which proceedings have been started, before the commencement of this Act, for the acquisition of any land for any public purpose or for company under the Land Acquisition Act, 1894 (Central Act I of 1894) (hereinafter in this section referred as the said Act) intended for industrial purpose but no award has been made by the Collector under section 11 of the said Act before such commencement as if-(i)the notification published under sub-section (1) of section 4 of the said Act, or(ii)the declaration made under section 6 of the said Act, or(iii)the notice given under sub-section (1) of section 9 of the said Act, where a notice to show cause against the acquisition of the land served under sub-section (2) of section 3 of this Act.(2)Nothing contained in sub-section (1) shall apply in relation to any land unless and until after the Government has published a notice in the Tamil Nadu Government Gazette to the effect that the said land is required for the purpose specified in sub-section (1) of section 3 of this Act.

23A. [Delegation of powers. [Inserted by the Tamil Nadu Acquisition of Land for Industrial Purposes (Amendment) Act, 2005 (Tamil Nadu Act 17 of 2005).]

- The Government may, by notification, direct that all the powers under this Act except the powers,-(1)to issue notice under sub-section (1) of section 3;(2)to withdraw the land from acquisition under the first proviso to subsection (1) of section 4; and(3)to make rules under section 25,shall, subject to such conditions, if any, as may be specified in the notification, be exercised by the Collector.]

24. Power to remove difficulties.

- If any difficulty arises in giving effect to the provisions of this Act, the Government may by order published in the Tamil Nadu Government Gazette make such provisions not inconsistent with the provisions of this Act as appear to them to be necessary or expedient for the purpose of removing the difficulty:Provided that no such order shall be made after the expiry of two years from the date of the commencements of this Act.

25. Power to make rules.

(1)The Government may make rules for carrying out all or any of the purposes of this Act.(2)In particular and without prejudice to generality of the foregoing power, such rules may provide for or regulate:-(a)all matter expressly required or allowed by this Act to be prescribed; and(b)the manner of authentication of orders and other instruments of the Collector.

26. Rules, notifications and orders to be placed before the Legislative Assembly.

(1)(a) All rules made under this Act shall be published in the Tamil Nadu Government Gazette and unless they are expressed to come into force on a particular day shall come into force on the day on which they are so published. (b) All notifications issued under this Act shall, unless they are expressed to come into force on a particular day, come into force on the day on which they are published. (2) Every rule or order made or notification issued under this Act shall, as soon as possible after it is made or issued, be placed on the table of the Legislative Assembly and if, before the expiry of the session in which it is so placed or the next session, the Legislative Assembly makes any modification in any such rule or notification should not be made or issued, the rule or order or notification shall, thereafter, have effect only in such modified form or be of no effect, as the case may be, so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule or order or notification.