CHAPTER-1
INTRODUCTION

1.1 Background

All activities of human beings, whether social, economic or political revolve around the beneficial enjoyment of land. One can safely assert that land is perhaps the greatest gift that God has gifted to human beings. Land is one of the four factors of production (other three being labour, capital and organisation). Among these four, land is the most important segment as it is a scarce factor. On the one hand, the extent of land is fixed by the nature, which can neither be increased nor decreased by human efforts and on the other hand, because of the increasing population the demand for the land is ever increasing\(^1\). As the basic of all economic and social activities, land can either be served as an essential asset for country to achieve economic growth and social equity or it can be used as a tool in the hands of a few to hijack a country’s economic independence and disrupt its social processes.

Economic and Social development go hand-in-hand. In view of widespread poverty, unemployment, inequality (economic and social), poor social overhead capital and regional imbalance, establishment of development projects are considered as a vital economic necessity. These projects on the corridor of time are considered as the perennial source of economic development\(^2\). India is emerging as one of the major player in world economic arena and it is attracting sizeable amounts of foreign capital in the country. Finding more economic space, many private sector companies and multinational companies have taken up their projects at places having location advantage. Many capital-intensive projects in heavy engineering, steel, power generation, infrastructure development, urban development, housing, fertilizer, etc. have been taken up. These projects certainly have enhanced the capital resources of the nation and accrued economic gain to certain section of population. These new projects build for development requires

large parts of non-developed land. Availability of such land near big cities is not possible which means that most of the planned projects have to be set up in rural or semi-rural areas. In such areas, which mostly comprise villages, the main occupation is agriculture and the main source of income is land. This is where the need of agricultural land acquisition comes in.

India’s geographical area is about 329 million hectares with an average population density of 382 persons per square kilometre\(^3\). However, land is a scarce factor, with population growth, per capita land availability declined from 0.89 hectare in 1951 to 0.3 hectare by 2001 and per capita agriculture land declined from 0.48 hectare in 1951 to 0.14 hectare by 2001, with a projected population of 1581 million by 2050, the per capita land availability will go down further to 0.2 hectare\(^4\). The implementation of these developmental projects can affect many different interests positively and negatively. The investment enables an area to be more accessible; this attracts more investment and brings the overall benefits to all people. Land acquisition also improves the utilisation of land, ownership and improvements in land value. The development triggers the emergence of new livelihoods, trade, demand for new jobs and other business services.

At the macroeconomic level, if one looks at the physical requirement of land for these developmental projects, the total requirement may not be very large compared to the total agricultural land in a less developed agrarian economy like India. There is, however, a serious microeconomic problem. When land is acquired for the aforesaid purposes, it invariably entails eviction of people from their traditional livelihood and surroundings\(^5\). Despite the good cause of land acquisition, frequently the exercise results into harmful outcomes\(^6\). It redefines the pattern of land ownership and its usage.

Loss of land means loss of livelihood, disruption of economic activities, persistent land related disputes, inadequate and late compensation are some of the negative

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outcomes. The effects of displacement spill over to generations in many ways, such as loss of traditional means of employment, change of environment, disrupted community life, relationship, marginalization, a profound psychological trauma and more\textsuperscript{7}.

Farming does not make peasants rich, but it generates sufficient income to support a minimum level of livelihood and security. Without appropriate training and skills in managing their lump sum payment and without appropriate investment channels (if their compensation is sufficient to make any investment at all), it is common for peasants to end up with no land to farm, no income stream to support themselves and no job skills to compete in tight urban job markets\textsuperscript{8}. In another words, land acquisition has impact on the socio-economic conditions depending on the land to be acquired i.e. partially or fully acquired. Land acquisition whether, for State-sponsored development or for private business projects, has always been faced opposition. The reasons for opposition have become more broad-based in the last four and a half decades (1970 onwards), the identified three distinct reasons for opposition are namely environmental concerns, social well-being concerns, and benefits sharing concerns\textsuperscript{9}.

The above factors explain why people are ready to face the bullet to save the land, even though agricultural profitability and real wages are at all time low level and declining day by day. The Tata Nano Project in Singur, West Bengal during October, 2008; the acquisition of land by the Gujrat Industrial Development Corporation in 2009 at Sanand; Posco project in Orissa; Reliance Power’s Dadri Project in Uttar Pradesh, 2009; Reliance Special Economic Zone at Navi Mumbai; Sterlite Industries project in Orissa; the projects of Tata Steel; Arcelor Mittal; Coca-Cola; Enron and the Yamuna Expressway projects in Uttar Pradesh in September 2010 are the innumerable examples of agitations by the farmers against land acquisition and payment of lower compensation\textsuperscript{10}.

\textsuperscript{7} Kelly, A. Dhru (2010): “Displacement due to Land Acquisition for “Development” Projects in India: The Road Ahead” Research Foundation for Governance in India.


This research has tried to analyze some of the core issues associated with the land acquisition, on the basis of field realities in Haryana State. Both positive and negative aspects of socio-economic impact of land acquisition are considered for the study.

1.2 Legal Frameworks of Land Acquisition

Legal framework as defined by the World Bank, “It is judicial, statutory and administrative systems such as court decisions, laws, regulations, bylaws, directions and instructions that regulate society and set enforcement processes”\(^\text{11}\). Acquisition and requisition of property falls in the Concurrent List, which means that both the Centre and the State Government can make laws on the matter. There are a number of local and specific laws which provide land for acquisition under them but the main law that deals with acquisition is the ‘Land Acquisition Act, 1894.’

Land Acquisition “literally means acquiring of land for some public purpose by Government/Government agency, as authorized by the law, from the individual landowner(s) after paying Government fixed compensation in lieu of losses incurred by land owner(s) due to surrendering of his/their land to the concerned Government agency”\(^\text{12}\).

1.2.1 Land Acquisition Act-1894

Though there are number of local and specific laws for the acquisition of land, the Land Acquisition Act, 1894 is perhaps the oldest one. It extends to the whole of India except (the State of Jammu and Kashmir). It came into force on the first day of March, 1894. It was the first systematically codified law for the acquisition of land, which was applicable to the whole of British India. At that time, the Colonial Government needed a large extent of land for its expansion programmes such as railway projects that required massive extent of land to be acquired throughout the country. This might have necessitated the codification of present law. After independence in 1947, the Indian Government adopted ‘Land Acquisition Act-1894’ as a tool for land acquisition. Since then, various amendments have been made to the 1894 Act from time to time. Despite


these amendments, the administrative procedures have remained same. The Land Acquisition Act of 1894 was created with the expressed purpose of facilitating the Government’s acquisition of privately held land for public purposes.

The word "public purpose", as defined in the Act, refers to the acquisition of land for:-

(i) the provision of village-sites or the extension, planned development or improvement of existing village-sites;

(ii) the provision of land for town or rural planning;

(iii) the provision of land for planned development of land from public funds in pursuance of any policy or scheme of Government and subsequent disposal thereof in whole or in part by lease, assignment or outright sale with the object of securing further development as planned;

(iv) the provision of land for a corporation owned or controlled by the State;

(v) the provision of land for residential purposes to the poor or landless or to persons residing in areas affected by natural calamities or to persons displaced or affected by reason of the implementation of any scheme undertaken by Government, any local authority or a corporation owned or controlled by the State;

(vi) the provision of land for carrying out any educational, housing, health, slum clearance or any other scheme sponsored by Government or by any authority established by Government for carrying out any such scheme;

(vii) the provision of any premises or building for locating a public office, but does not include acquisition of land for companies.

The word "Government" refers to the Central Government if the purpose for acquisition is for the Union and for all other purposes it refers to the State Government. It is not necessary that all the acquisitions have to be initiated by the Government alone. Local authorities, societies registered under the Societies Registration Act, 1860 and co-operative societies established under the Co-Operative Societies Act can also acquire the land for developmental activities through the Government.
Figure 1.1: Land Acquisition Process\textsuperscript{13}

The important contents of land acquisition process are as under:

1) **Preliminary Notification, Section 4 (1):** Whenever it appears to the appropriate Government, the land in any locality is needed or is likely to be needed for any public purpose, the 4 (1) notification expresses the intention of the Government to acquire a certain extent of land comprised in certain area for the public purpose as specified in the notification. Before issuing this notification, the Government will have to make sure that, the necessary requisites should be compiled with, such as:

   a) The requisition by the acquiring body is in a prescribed format;
   b) The purpose of the project for which land is required;
   c) The detailed sketch of the project showing the survey numbers and other details;
   d) The reason for selecting a particular site;
   e) The area proposed for acquisition is in proportion to the purpose of the project;
   f) The necessary budget provision is made by the acquiring body to bear the cost of acquisition, etc;

   Once the notification is issued the landowners are prevented to make any kind of improvements and transactions in respect of the notified lands. The notification shall be published in the gazette and at least in two local newspapers, one of which should be in regional language. It shall also be notified on the notice board of concerned authority and local bodies, where the land is situated.

2) **Filling and Hearing of Objections, Section (5A):** Publication of notification under Section 4 (1) is in fact providing an opportunity to the aggrieved persons to file their objections under Section 5(A) of the Act, within a period of 30 days of publication. Every objection shall be made to the collector in writing and the collector shall give the objector an opportunity of being heard and after hearing all such objections and after making further inquiry (if required), submit a report to the Government for final decision.

3) **Final Declaration, Section 6 (1):** On receipt of a report from the land acquisition officer on objections and after considering the report and verifying the facts placed on records the final declaration is issued by the appropriate Government under Section 6 (1)
of the Act. This declaration converts the intention of the Government to acquire land into a decision to acquire. Law requires that the 6 (1) declaration is to be published in the official Gazette and other places as required by Section 6 (2) of the Act.

4) **Award and Claims, Section 11:** This section makes it mandatory that the land acquisition officer should hold an inquiry under Section 8 and 9 of the Act after issuing 9 (2) notices to all the interested persons and requires them to be present personally or through an advocate and put forth their claims. At this stage, the land acquisition officer also gets done the exact measurement of survey numbers; accesses the value of the land to be acquired depending on its location, fertility and other facilities, etc. and verifies the relevant records and then pass the award. The award so passed shall also contain the relevant information regarding the names of the owners, the actual extent of the land to be acquired, the total compensation to be paid and its apportionment, etc.

5) **Compensation:** It is the total amount of money to be given to the landowner as mentioned in the award. The Act provides two methods namely valuation method and capitalisation method for fixing the compensation. Being simple, the valuation method is mostly followed. This Act entitles the market value of their property to the affected owners; this value is determined on the basis of circle rates or the sale deed of a similar property. Provision for settlement of dispute pertaining to apportionment of the compensation amount is available under Section 30 of the Act. In such a situation, the Deputy Commissioner should refer the matter to the court. The claimant will be entitled to the compensation which is determined on the basis of the market value of the land determined as on the date of preliminary notification. According to Section 34, if there is delay in payment of compensation beyond one year from the date on which possession is taken, interest at the rate of 15 per cent per annum shall be payable from the date of expiry of the given period of one year on the outstanding amount of compensation till the date of payment.

6) **Reference to the Court, Section 18:** As per section 18, the land owners whose land are acquired and who are not satisfied with the compensation mentioned in the award, can submit a written application to the land acquisition officer within six weeks from the date of receipt of the notice under Section 12 (2) or within six months from the date of
award whichever is earlier. The land acquisition officer will in turn refer the application to a jurisdictional civil court for fixing the mutually agreeable value. If the value fixed or enhanced by the civil court is reasonable the Government will decide not prefer an appeal and the money is paid to the landowner accordingly. If on the other hand, the value fixed by the civil court appears exorbitant, the Government will prefer an appeal to high forum, the decision of which will be final.

7) Consent Award, Section 11 (2): The procedure for the land acquisition under the Act is very lengthy and cumbersome. After a lengthy discussion for 22 years, a Land Acquisition Bill No. 63 was introduced in the Lok Sabha on August 06, 1984. The amended Act provides for a negotiated settlement of compensation by inserting a new Sub Section 11(2). The amended Section reads as under “Not with-standing anything contained in Sub-Section (1), if at any stage of the proceedings, the collector is satisfied that all the persons interested in the land who appeared before him/her have agreed in writing on the matters to be included in the award of the collector in form prescribed by rules made by the appropriate Government, he/she may, without making further inquiry, make an award according to the terms of such agreement”.

8) Time Limit: Once the preliminary notification under Section 4 (1) is published, the Government is at liberty to make award and complete the acquisition proceedings at any time. The time limit now fixed is one year from 4 (1) notification to 6 (1) and two years from 6 (1) notification to final award.

9) Special Power in Case of Urgency, Section 17: Whenever the Government thinks that the land is required urgently for defence and strategic constructions, etc. It can invoke the urgency clause under Section 17 and issue a preliminary notification under Section 4 (1) read with Section 17 (1), (4) and (6). By urgency clause, the Government can put the process of acquisition on fast track by dispensing with filling of objections under Section 5 (A) and 2. The Government can take possession of the land under acquisition by giving 15 days notice under Section 9 (1) and paying 80 per cent compensation in advance.

10) De-Notification, Section 48 (1): Some time it may so happen that the very purpose for which the land is proposed to be acquired may vanish or change in such a way that
there is no need to acquire land, the Government may de notify the land under Section 48 (1) and stops further proceedings.

1.2.2 List of Amending Acts and Adaptation Orders

Various amendments have been done from time to time in the Land Acquisition Act, 1894. Some of the important amended Acts and Adaptation Orders are as follows:

- The India Electricity Act, 1910 (9 of 1910);
- The Decentralisation Act, 1914 (4 of 1914);
- The Repealing and Amending Act, 1914 (10 of 1914);
- The Land Acquisition (Amendment) Act, 1919 (17 of 1919);
- The Devolution Act, 1920 (38 of 1920);
- The Land Acquisition (Amendment) Act, 1921 (19 of 1921);
- The Land Acquisition (Amendment) Act, 1923 (38 of 1923);
- The Land Acquisition (Amendment) Act, 1933 (16 of 1933);
- The Government of India (Adaptation of India Laws) Order, 1937;
- The Repealing Act, 1938 (1 of 1938);
- The Indian Independence (Adaptation of Central Acts and Ordinances) Order, 1948;
- The Adaptations of Laws Order, 1950;
- The Adaptations of Laws (No.2) Order, 1956;
- The Land Acquisition (Amendment) Act, 1962 (31 of 1962);
- The Land Acquisition (Amendment and Validation) Act, 1967 (13 of 1967);
- The Land Acquisition (Amendment) Act, 1984 (68 of 1984);

1.2.3 The Land Acquisition (Amendment) Act-2007

The Land Acquisition (Amendment) Act, 2007 amended the Land Acquisition Act, 1894.
a) The Act redefines 'public purpose' as land acquired for defence purposes, infrastructure projects or for any project useful to the general public where 70 per cent of the land has already been purchased. The Act bars acquisition for companies except under the 70 per cent condition.

b) For acquisition resulting in large-scale displacement, a social impact assessment study must be conducted. Tribal, forest dwellers, and those with tenancy rights are also eligible for compensation.

c) Acquisition cost will include payment for loss or damages to land and costs related to resettlement of displaced residents.

d) While determining compensation, the intended use of land and value of such land in the current market is to be considered.

e) The Act establishes the Land Acquisition Compensation Disputes Settlement Authority at the State and Central levels to adjudicate disputes resulting from land acquisition proceedings.

1.2.4 The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act-2013

In consultation with institutions of local self-government and gram sabha established under the constitution, this Act ensures a humane, participative, informed and transparent process for land acquisition for industrialisation, development of essential infrastructural facilities and urbanisation with the least disturbance to the owners of the land and other affected families and it provides just and fair compensation to the affected families whose land has been acquired or proposed to be acquired or are affected by such acquisition and makes adequate provisions for such affected persons for their rehabilitation and resettlement and for ensuring that the cumulative outcome of compulsory acquisition should be that affected persons become partners in development leading to an improvement in their post acquisition social and economic status and for matters connected there with or incidental thereto. This Act received the assent of President of India on September 26, 2013 and came into force on January 1, 2014 by

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14 The Gazette of India (2013), Ministry of Law and Justice, Extraordinary, Part 2, Section 1(40), New Delhi.
replacing the 120 years old Land Acquisition Act, 1894. The salient features of this Act are as follows:

a) Giving priority to the interest of farmers, landless labourers and dalits the Act concerns only such cases where the land will be acquired by Central or State authorities for any public purpose.

b) Before the acquisition of any land, the Government is required to consult the concerned panchayat, municipality or municipal corporation in the affected area and carry out a social impact assessment in consultation with them.

c) Laying down special provisions for food security, the Act under Section 10 provides that multi crop irrigated land will not be acquired except as a demonstrably last resort measure and wherever the same is done; an equivalent area of cultivable waste land shall be developed for agricultural purposes. States are also required to set a limit on the area of agricultural land that can be acquired in any given district.

d) It also provides for leasing of land to developers, instead of sale so that the ownership will remain with the original land owners and they can also have a regular income by way of lease rent, the terms of lease to be laid down by the State Government according to type of land, location market rates, etc.

e) It provides provision for the establishment of National Monitoring Committee for rehabilitation and resettlement at the Centre as well as State and Land Acquisition, Rehabilitation and Resettlement Authority for speedy disposal of cases.

f) The Act prescribes a punishment of six months imprisonment in case of contravention of any provision relating to payment of compensation or rehabilitation and resettlement and of six months or one lakh rupees fine for providing misleading or false information or documents.

g) This Act provides provision for the temporary occupation and use of any waste or arable land for a period of not more than three years for public purposes.
h) This Act has provision to provide fair compensation to those whose land is taken away, brings transparency to the process of acquisition of land to set up factories or buildings, infrastructure projects and assures rehabilitation of those affected.

i) This Act provides provisions for compensation for land owners as per market value multiplied by one or two for rural areas, depending on the distance of the project from urban areas and multiplied by one in urban areas. Solatium equal to one hundred per cent of the market value of land multiplied by one or two as the case may be, plus the value of assets attached to the land.

j) This Act provides elements of rehabilitation and resettlement entitlements which includes provision of housing units in case of displacement, in case of irrigation projects an acre of land in the command area of the project, in case, land is acquired for urbanisation projects twenty five per cent of the developed land is offered to the affected families, choice of annuity or employment, subsistence grant for displaced families for one year, transportation cost of displaced families, cattle shed or petty shops cost, one time grant to artisans, small traders and others, fishing rights, one time resettlement allowance, stamp duty and registration fee.

1.2.5 Other Related Acts and Policies

Some of the important prevailing Acts and Policies related to land acquisition are:

- The Land Acquisition (Mines) Act, 1885;
- The Indian Tramways Act, 1886;
- The Damodar Valley Corporation Act, 1948;
- The Requisitioning and Acquisition of Immovable Property Act, 1952;
- The Resettlement of Displaced Persons (Land Acquisition) Act, 1948;
- The Coal Bearing Areas Acquisition and Development Act, 1957;
- The National Highways Act, 1956;
- The Ancient Monuments and Archaeological Sites and Remains Act, 1958;
• The Petroleum and Minerals Pipelines (Acquisition of Right of Users in Land) Act, 1962;
• The Atomic Energy Act, 1962;
• The Metro Railways (Construction of Works) Act, 1978;
• The Railways Act, 1989;
• The Electricity Act, 2003;
• National Policy on Resettlement and Rehabilitation for Project Affected Families, 2003;
• Various State Government Policies etc.

1.3 Agricultural Land Acquisition in Haryana

Haryana with a population of 25 million people, living in 21 districts, 125 blocks and 6841 villages is having a total geographical area 0.44 lakh square kilometers. It is one of the fastest growing economies in India. The Gross State Domestic Product grew at the annual growth rate of 9.0 per cent during the period 2003-07 and it also grew by 9.1 per cent during Eleventh Five Year Plan (2007-12). Historically, Haryana has been predominantly agrarian economy. The State also witnessed green revolution along with Punjab. Nearly 80 per cent of population of the State is directly or indirectly engaged in agricultural activities. About 86 per cent area of Haryana is arable, of this 96 per cent is cultivated. About 75 per cent of cultivated land is well irrigated through an extensive system of canals and tube wells.

Haryana is agriculture dominated small State but one with location advantage, has been a favourite destination for investment by private developers and industry. It is on the outskirts of national capital and serves it from three sides. The State has been able to attract sizeable investment from multinational companies, large business houses, foreign investors, non-residents Indian and small-scale entrepreneurs. Haryana is an investor friendly State and offers a rich reservoir of skilled, motivated and relatively low cost manpower with a good infrastructure, harmonious industrial relations and developed residential sectors. A lilliput in size but a giant in attainment, with just 1.34 per cent of
the country’s geographical area and 2.09 per cent of country’s total population, the State is proud of being one of the first few States with the highest per capita income (₹107051 for year 2011-12) in the country. The State is riding on the wave of high demand for land from private sector for industrial model townships, industrial parks, technology cities and public private partnership projects. Also, it is a much sought-after destination for Special Economic Zones (SEZs). The main agencies involved in land acquisition in Haryana are Haryana Urban Development Authority (HUDA) for development of residential sectors in urban areas, Haryana State Infrastructure and Industrial Development Corporation (HSIIDC) for development of industries and Haryana State Agricultural Marketing Board (HSAMB) for development of agri-business infrastructure in the State. Public Works Department (Buildings & Roads) (PWD B&R) is the principal department of the State Government for the construction and maintenance of roads, bridges and Government buildings in the State, etc.

During March 2005 to June 2010, the HUDA, HSIIDC, PWD B&R, Irrigation department alone paid ₹9834.73 crore to farmers or landowners under land acquisition. During this period, HUDA acquired 16362 acres and for which paid ₹4173 crore, HSIIDC acquired 19868 acres of land and paid sum of ₹4780.38 crore, department of Irrigation acquired 6617.87 acres of land and paid a compensation of ₹803.99 crore and the Department of Public Works (B&R) acquired 385.82 acres of land and paid a compensation of ₹77.36 crore. Haryana is one of the first States to frame Rehabilitation and Resettlement Policy in 2005, made it better for farmers by amending it and announced on December 07, 2007.

1.3.1 Haryana Land Acquisition Policy-2007

The State Government has introduced a new Rehabilitation and Resettlement policy (R&R policy) for oustees vide notification no. 5451-R-V-2007/13258, dated December 07, 2007. This policy is applicable to all those lands where award of compensation was announced on or after March 05, 2005. Salient features of the policy are given as under:

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15 Express News Service, Chandigarh, February 23, 2011, archive.indianexpress.com
a) **Minimum Floor Rates:** The lump sum compensation is decided on the basis of floor rates—minimum rates that are paid to land owners fixed by the Government. This policy is dividing the State into three zones having floor rates as ₹ 20 lakh per acre, ₹ 16 lakh per acre and ₹ 8 lakh per acre (as given in Table 1.1).

b) **Royalty for 33 Years:** The royalty is for a period of 33 years over and above the usual land compensation starting with ₹ 15,000 per acre per annum and with an annual hike of ₹ 500 every year. For land acquired for setting up of SEZs or Technology Cities, Technology Parks, the annuity is ₹ 30,000 per acre per annum to be paid by private developers with an annual hike of ₹ 1,000 every year. The annuity has been incorporated into the policy as a farmer earns ₹ 10,000-15,000 per annum per acre from his or her land if given on contract. It is only humanistic that he/she is compensated for the loss of livelihood.

c) **Everyone Gets Plot:** The R&R policy also provides for allotment of plots by HSIIDC/HUDA, depending upon an owner's share in the land acquired and if 75 per cent or more of the land owned by him/her or his/her dwelling unit is acquired. The policy entitles him/her to a minimum of 50 square yard plot and a maximum plot size of 350 square yard depending on the size of land or house acquired.

d) **Building Infrastructure:** The R&R policy puts an obligation on developers, including HSIIDC/HUDA for creation of social infrastructure in the villages falling within the acquired land. HSIIDC, which has been earmarking about one per cent of the total cost of the project for development works for public benefit in such villages. It has now doubled the funding for village development scheme to two per cent.

e) **Skill Development:** This is a part of the R&R policy wherein developers are required to undertake programmes of skill development for persons whose land have been acquired. Some of private consultants are undertaking socio-economic impact assessment studies to upgrade the skills of landowners and improve their employability.
1.3.2 Haryana Land Acquisition Policy-2010

The Haryana Government has revised its Rehabilitation and Resettlement Policy-2007 on November 09, 2010, the new initiatives and provisions taken under it are effective from September 07, 2010. It is known as Rehabilitation and Resettlement Policy- 2010.

a) Floor Rates: The Haryana Government had introduced the concept of determining the minimum floor rates of land for acquisition purposes for the first time in year 2005 which were further revised in 2007 and 2010. The floor rates are as per five different zones (as given in Table 1.1) with ₹ 40 lakh per acre as maximum and ₹ 12 lakh per acre as minimum amount.

b) No Litigation Incentive: If a farmer accepts the compensation amount and executes an agreement to this effect (within a period of 30 days of the announcement of the award), he/she is entitled to get no litigation incentive which is equal to 20 per cent of the amount of the basic rate.

c) Annuity Scheme: It is introduced primarily with a view to providing additional basic sustenance to the erstwhile landowners for a period of 33 years. Broad features of the annuity scheme are as under:

- The eligible landowners will be paid annuity at the rate of ₹ 21,000 per acre per annum for a period of 33 years over and above the usual land compensation.

- The annuity amount of ₹ 21,000 will be increased by a fixed sum of ₹ 750 every year.

- In respect of land acquired in terms of Land Acquisition Policy for setting up of special economic zones, technology cities, technology parks, in addition to the rehabilitation and resettlement package notified by Industries and Commerce Department, a sum of ₹ 42,000 per acre per annum will be paid for a period of 33 years by private developers and annuity amount will be increased at the rate of ₹ 1,500 every year.
### Table 1.1: Indicative Total Amount Payable to Landowners under Rehabilitation and Resettlement Policy-2010

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Particulars</th>
<th>Minimum Floor Rate (Pre-revision) /acre</th>
<th>Minimum Floor Rate (revised) /acre w.e.f. 07.09. 2010</th>
<th>Solatium @ 30%</th>
<th>Amount under Section 23(1A) For 30 months</th>
<th>No Litigation Incentive @ 20% of the floor rate</th>
<th>Total Amount/Acre</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Land situated within the notified limits of Gurgaon municipal corporation</td>
<td>20 lakh</td>
<td>40 lakh</td>
<td>12 lakh</td>
<td>12 lakh</td>
<td>8 lakh</td>
<td>72 lakh</td>
</tr>
<tr>
<td>2</td>
<td>Land situated within the notified limits of Faridabad and Panchkula municipal corporations: areas forming part of the development plans of Gurgaon - Manesar urban complex (excluding the areas falling within the limits of municipal corporation Gurgaon) Sohna and Sonepat Kundli urban complex.</td>
<td>16 lakh</td>
<td>30 lakh</td>
<td>9 lakh</td>
<td>9 lakh</td>
<td>6 lakh</td>
<td>54 lakh</td>
</tr>
<tr>
<td>3</td>
<td>Area situated within the development plans of Bahadurgarh, Rohtak, Rewari, Dharuhera, Bawal and Panipat towns</td>
<td>16 lakh</td>
<td>25 lakh</td>
<td>7.5 lakh</td>
<td>7.5 lakh</td>
<td>5 lakh</td>
<td>45 lakh</td>
</tr>
<tr>
<td>4</td>
<td>Rest of the NCR, areas situated outside the limits of Panchkula municipal corporation in Panchkula district and the land situated within the development plans of all other districts headquarters outside the NCR</td>
<td>16 lakh</td>
<td>20 lakh</td>
<td>6 lakh</td>
<td>6 lakh</td>
<td>4 lakh</td>
<td>36 lakh</td>
</tr>
<tr>
<td>5</td>
<td>Remaining parts of the State</td>
<td>8 lakh</td>
<td>12 lakh</td>
<td>3.6 lakh</td>
<td>3.6 lakh</td>
<td>2.4 lakh</td>
<td>21.6 lakh</td>
</tr>
</tbody>
</table>

d) **Categories of Land Acquisition Cases:** Government acquires land for various infrastructure projects, which could be broadly clubbed under the following two categories:

- Projects where the urban/industrial/agriculture marketing infrastructure is developed in the form of large clusters by the State agencies i.e. HUDA, HSIIDC and HSAMB, for which comparatively large mass of land is acquired for development of planned infrastructure.

- Projects where the land is either acquired in smaller pockets (e.g. water works and sewerage treatment plants of the Public Health Engineering Departments or the power sub-stations set-up by the Power Utilities) or where the land is acquired in a linear or strip form for construction of roads and canals, etc.

Whereas, it has been found feasible to grant certain benefits in respect of the cluster development projects, the same has not been found feasible in the second category case.

e) **Allotment of Residential Plot on Account of Acquisition of Self Occupied Residential House:** In case of self occupied built-up house or residential structure has been acquired, he/she is entitled to apply for a residential plot. He/She has to apply within a period of 90 days.

f) **Allotment of Residential Plot:** In case, land has been acquired for HUDA, HSIIDC or HSAMB, he/she is entitled to the allotment of a residential plot under the land “Oustee Scheme”. He/she has to apply within a period of six months.

g) **Allotment of a Commercial Site or Industrial Plot:** In case, 75 per cent of his/her land in revenue estate, subject to a minimum of one acre has been acquired for HUDA, HSIIDC or HSAMB, he/she is entitled to allotment of commercial site as an additional benefit to the policy (need to submit application within a period of six months).

h) **Provision of Job:** In case 75 per cent of his/her land in revenue estate has been acquired for Government infrastructure projects other than those for HUDA, HSIIDC or HSAMB subject to a minimum of two acres, his/her one dependent
would be considered for a job in Group-C or Group-D subject to fulfilment of qualification prescribed for the post.

i) **Tube Well Connections:** Alternate electric tube well connections in his/her un-acquired land or over the agricultural land that he may purchase elsewhere in the State within a period of two years of the award.

j) **Stamp Duty and Registration Charges:** Exemption of stamp duty and registration charges on purchase of alternate agricultural land within State of Haryana within a period of two years from the award.

k) **Scheme for Landless Persons and Artisans:** Free technical education to the dependents in Government run industrial training institutes and polytechnics, fund equal to one per cent of the compensation amount for creating skill-sets and preference will be given to affected people for employment in these industrial projects.

l) **Other Benefits:** Other benefits include investment advisory services, social and community infrastructure facilities, etc.

### 1.3.3 Haryana Land Pooling Scheme-2012

The Government of Haryana vide its Urban Estates department notification dated September 10, 2012, initiated Land Pooling Scheme, whereby the landowners are given an option to become partners in the development process. The land owners whose land is acquired for the development of residential sectors will have the option either to accept the compensation in monetary terms as available under the Land Acquisition Act along with non statutory benefits under R & R policy or to seek the compensation in the form of developed plots as full and final settlement. The salient features of this Land Pooling Scheme are as follows:

(i) The landowner opting for the Land Pooling Scheme will be provided developed residential site in the form of residential plots measuring 1000 square yards and commercial site measuring 100 square yards against each one acre of land acquired or in the same proportion for the land acquired in lieu of the

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‘compensation package and all other benefits admissible under the R & R Policy’ of the Government, at the time of first floatation of the residential sector for which land of the applicant has been acquired.

(ii) The applicant can also claim the amount in lieu thereof for the entitled developed land at the allotment rates applicable at the time of first floatation of the residential sector.

(iii) The landowner will also have the option to request for payment of a part amount upfront at the time of award as per floor rates as applicable to the area and seek developed plots as per entitlement.

(iv) The landowner can opt the scheme in respect of part of his land and accept compensation package along with the R & R Benefits.

1.4 Need for the Study

From the last decade, while reading articles in journals, magazines, newspapers and listening from the news channels, the researcher observed that the resistance and agitations done by farmers against land acquisition are increasing day by day. Recently thousands of farmers marched to India's parliament on to protest against a Government takeover of land to build a new highway, underlining a wider problem of land acquisition in the rapidly growing Asian giant. The protest follows the death of three farmers in northern Uttar Pradesh State, when police fired at protesters demanding more compensation for land taken to build a highway connecting the Taj Mahal city of Agra with Delhi. Why is the Government putting pressure on us to vacate our land? Land is our mother, we will die but not give our land, are some of the slogans raised by protesting farmers. These protests are the latest in a string of violence over Government efforts to acquire farmland for industry in India, where two-thirds of the population is dependent on agriculture and where land is a farmer's only social security. The process of land acquisition has become one of the most controversial issues in the recent times resulting in business worries, project delays, cost over-run and even abandoning of projects by various companies.
There are many questions that pop up in anyone’s mind- Will the marginalised farmers get back ever, what they lost? Will they ever be paid at least their genuine due amount? How will one take into account the losses other than the monetary ones? Where will this kind of development lead us to? How can growth be achieved in a way, which doesn’t hurt a big piece of the society? What is the way out?

Land acquisition, either for State sponsored development or for private business projects, the socio-economic impacts are undoubtedly wide and far-reaching. However, there are a large number of studies have been done on the socio-economic impacts of agricultural land acquisition but related to Haryana are very few in numbers, there is a wider scope for many more studies. Being a student of economics and from rural background, living in national capital region, where the maximum numbers of developmental projects primarily have been started after acquisition of agriculture land; we observe and feel the socio-economic impact of agriculture land acquisition on rural life. In order to look deeper, we observed and felt an urgent need to study the various socio-economic aspects of developmental projects and decided to evaluate the socio-economic impact of agricultural land acquisition in Haryana. The present study is a sincere effort in this direction.

1.5 **Significance of the Study**

The result of the present study will be useful to the policy planners in improving the present system at the State and Central level. It will be useful to the academicians and research scholars in their studies. The recommendations and suggestions of this study also will be helpful to mitigate the adverse impacts to the concerned officials.

1.6 **Objectives of the Study**

The purpose of the present study is to examine the socio-economic impact of agricultural land acquisition on the farmers. The sub objectives are:

(i) To study socio-economic conditions of families whose land has been acquired;

(ii) To analyze the progress of self-employment generation with the compensation money;
(iii) To study the changing current occupation patterns and new employment opportunities;

(iv) To compare and analyze infrastructure and living conditions before and after land acquisition.

1.7 Chapter Outline

The present study has been organised into five chapters:

Chapter-1 ‘Introduction’ contains background, legal frameworks of land acquisition, Land Acquisition Act-1894, agricultural land acquisition in Haryana, rehabilitation and resettlement policies of Haryana, need for the study, significance of the study, objectives of the study and chapter outline.

Chapter-2 ‘Review of Literature’ highlights the review of some relevant studies.

Chapter-3 ‘Research Methodology’ contains research design, sampling framework, data collection methods, data processing methods and challenges during field work. It also provides a description of the study area.

Chapter-4 ‘Data Analysis’ contains findings from the field study.

Chapter-5 ‘Conclusions and Suggestions’ summarises the research work, gives some suggestions and it also contains the limitations of the study.