# POLICYBRIEF

# Land Acquisition in Punjab

Economic and Policy Analysis

December 2024



PANJ Policy Advisory and Network for Joint Progress

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# **EXECUTIVE SUMMARY**

Land acquisition in Punjab is a critical yet poorly understood aspect of development. This brief examines its economic implications, implementation challenges, and broader effects on the state. It also proposes policy measures to enhance the efficiency, equity, and sustainability of land acquisition for holistic development.

#### **GOVERNANCE AND POLICY ISSUES**

The LARR Act introduced key reforms like redefining "public purpose" and requiring Social Impact Assessments (SIA) and consent from affected families. However, Punjab faces significant governance challenges, including corruption and manipulation, as seen in the Guava Orchard Compensation Scam and Hoshiarpur Land Scam, where politically connected individuals exploited compensation systems for personal gain.

Further issues include discrepancies in compensation, highlighted by protests over projects like the Amritsar-Jamnagar and Delhi-Amritsar-Katra Expressways, where landowners faced inconsistent valuations. Additionally, Punjab has one of the highest litigation rates for land acquisition disputes, primarily centred around fairness in compensation and procedural issues, indicating broader inefficiencies and inequities in land governance.

#### **ECONOMIC ISSUES**

Punjab's land acquisition process faces economic challenges due to its compensation framework and financial implications. The system, which calculates compensation based on factors like stamp duty rates and urban proximity, often leads to discrepancies, causing disputes and delays.

Inadequate or manipulated compensation disrupts livelihoods and erodes trust in government

mechanisms, hindering essential infrastructure and industrial projects. This lack of transparency and equity impedes investment and economic stability, perpetuating cycles of unrest and underdevelopment.

# WAY FORWARD

To address the challenges in Punjab's land acquisition framework, the following reforms are recommended:

**Enhanced Transparency:** Introduce digital platforms for land valuation and compensation, minimising manipulation and ensuring equitable treatment for all stakeholders.

**Strengthened Oversight Mechanisms:** Establish independent regulatory bodies to monitor the acquisition process, conduct impartial evaluations, and resolve disputes efficiently.

**Community Engagement:** Foster public participation through mandatory consultations and incorporate feedback into policy adjustments.

**Policy Revisions:** Update valuation criteria to reflect contemporary market conditions and integrate mechanisms for periodic reviews to ensure continued relevance and fairness.

**P**unjab, a key state in India's pursuit of food self-sufficiency, has long been recognised as a model of development. Encompassing an area of 50,362 square kilometres, it is one of the smaller states located in northwestern India. Historically, a leader across various economic and social indicators, Punjab has faced increasing challenges in sustaining its status as a 'developed state'. This slowdown raises critical questions in the realm of political economy, particularly regarding the drivers of development, the factors influencing sustained growth, and the emergence of growth traps.

Land serves as a cornerstone for fostering economic development, but its availability and accessibility remain critical challenges. In Punjab, achieving development that balances economic growth, social inclusivity, ecological sustainability, and political acceptability, while adhering to the Rule of Law, is a complex task. A pivotal aspect of addressing these challenges is ensuring that the state manages land acquisition processes efficiently and equitably for essential projects, including infrastructure, housing, and industrial development and road & highway development

The significance of land acquisition in development gains further prominence when viewed through the lens of institutional roles, as highlighted by the recent Nobel Memorial Prize in Economic Sciences awarded to Daron Acemoglu, Simon Johnson, and James A. Robinson. The institutional aspect generally emphasises the pivotal influence of institutions in shaping whether land acquisition fosters inclusive development or deepens inequality. Acemoglu, Johnsons, and Robinson's framework, distinguishing between extractive and inclusive institutions, offers valuable insights into the challenges faced by Punjab. The state's fragmented landholdings, political interference, and outdated land records often skew land acquisition outcomes towards extractive practices. A key obstacle in land acquisition is market failure. Rural areas frequently lack competitive land markets, leading to inefficiencies and inequitable distribution of benefits. Furthermore, externalities such as livelihood loss and environmental degradation are often overlooked. Challenges like asymmetric information, where acquiring authorities possess more knowledge than landowners, and the 'holdout problem', where some landowners resist selling, can cause significant delays or derail projects altogether.

Land acquisition, as a critical component of development, remains an inadequately understood issue in Punjab. The governance aspects surrounding its policy and economic impacts have largely been overlooked, resulting in significant gaps in addressing the challenges it poses. This policy brief aims to examine the governance of land acquisition in Punjab, exploring its economic implications, the challenges related to its implementation, and its broader effects. Furthermore, it seeks to propose policy measures that can enhance the efficiency, equity, and sustainability of land acquisition processes, fostering holistic development in the state.

# LAND GOVERNANCE AS INSTITUTION

India's Constitution establishes a federal political structure with a unitary bias, delineating the distribution of legislative powers through the Seventh Schedule. This framework assigns distinct areas of jurisdiction to the Union and the states while also specifying certain subjects under the 'Concurrent List', where both levels of government share legislative authority. In this system, 'land' is classified as a state subject, placing it within the legislative competence of individual states. Consequently, there is significant variation in the legal frameworks governing land rights across states, reflecting regional and contextual differences. However, the subject of "acquisition and requisitioning of property" falls under the Concurrent List, allowing both the Union and state governments to legislate on this matter, subject to constitutional provisions and harmonisation requirements. Post Independence, a number of laws have been enacted to deal with the land acquisition setup.

In Punjab, the framework for land acquisition has evolved through a series of legislative milestones, reflecting the complexities of balancing development needs with the rights of landowners. For much of its history, land acquisition in the state was governed by the colonial-era Land Acquisition Act, 1894, which was later modified through the Punjab Amendments of 1953 and 1962. These laws laid out the procedural groundwork, enabling the government to acquire land for public projects through notifications, hearings, and compensation mechanisms. However, they often drew criticism for their limited provisions for fair compensation, potential misuse of authority, and procedural delays.

In 2008, the Land Pooling Scheme (LPS) introduced an alternative model for acquiring land, aimed at addressing some of these concerns by involving landowners more directly. Yet, challenges persisted, particularly regarding fairness in compensation, power imbalances, and the timely execution of projects.

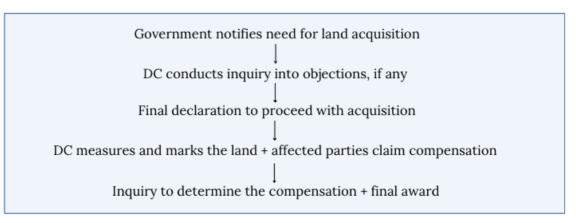
Recognising these shortcomings, the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (LARR Act) was introduced as a transformative step. It sought to redefine land acquisition by prioritising transparency, equity, and accountability, ensuring that landowners and affected communities receive just compensation and rehabilitation while curbing the potential for exploitation and delays. The LARR Act represents a pivotal shift towards a more inclusive and sustainable approach to land governance in Punjab.

Despite the existence of rules and regulations governing land acquisition in Punjab, the process remains fraught with challenges. These challenges encompass not only policy and governance issues but also economic concerns that hinder the effectiveness of land acquisition efforts.

# POLICY AND GOVERNANCE

Land, as a scarce resource, often becomes the focal point of tension between livelihood preservation and development, leading to conflicts between landowners and the government. The Land Acquisition Act establishes the framework for acquiring private land for public purposes, detailing the process and compensation calculation. The procedure begins with the government notifying the need for land acquisition. The Deputy Collector (DC) then conducts an inquiry into any objections raised by those with a vested interest in the land. After considering objections, the government issues a final declaration to proceed with the acquisition. The DC measures and marks the land, allowing interested parties to claim compensation. An inquiry follows to determine the land's valuation, and the government makes a final compensation award. Once the compensation is paid, the government takes possession of the land, extinguishing the owner's rights. In certain cases, compensation may be

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#### Figure 1: Process for land acquisition

settled with land-for-land or adjusted against land revenue dues<sup>1</sup>.

The LARR Act, 2013 aimed to address the imbalances in land acquisition by revising several provisions of the previous Land Acquisition Act. It expanded the definition of 'public purpose' to include a variety of projects such as infrastructure development, housing for disadvantaged groups, and industrialisation, ensuring that the land acquired benefits society at large. A major shift in the Act was the determination of fair compensation, where landowners receive payment based on the average sale price of land in the region over the past three years. To further enhance fairness, a multiplier factor is applied in rural areas, offering up to twice the value of rural land's average sale price and four times the value for urban land. This formula significantly improves the financial compensation provided to landowners, ensuring greater equity in the acquisition process. Additionally, a 100% solatium was added to address the distress caused by displacement, and compensation covers not only the land but also any structures, tubewells, pipelines, kothas, houdis, and trees on the property.

A key feature of the Act is the introduction of a mandatory Social Impact Assessment (SIA) before land acquisition, which evaluates the social, economic, and environmental impacts on affected communities. The SIA process aims to ensure public participation, though the recommendations from an independent expert group, while valuable, are not binding. Furthermore, the Act requires the consent of at least 70% of affected families for government acquisitions and 80% for public-private partnerships, ensuring those most impacted have a say in the process. The Act also limited the misuse of the urgency clause, allowing it only in cases of national security, defence, or emergencies approved by Parliament.

#### CONCERNS

While the LARR Act aimed to address the power imbalance between the state and individuals, its effectiveness in fully achieving these goals remains uncertain, raising questions about its practical impact on land acquisition governance.

Over time, political and legal disputes surrounding land acquisition have intensified, with the lack of systematic data on these conflicts posing significant challenges, especially in Punjab. According to a report by CPR, from

<sup>&</sup>lt;sup>1</sup> Wahi, N., Bhatia, A., Gandhi, D., Jain, S., Shukla, P., and Chauhan, U. <u>Land Acquisition in India: A Review of Supreme Court</u> <u>Cases from 1950 to 2016</u>, Centre for Policy Research, New Delhi, 2017

1950 to 2016, approximately 10% of Punjab's geographical area was embroiled in land acquisition-related litigation at the level of the Supreme Court. Of the 1416 cases, 1367 pertain to seeking fair compensation, while 49 cases address the legitimacy of the acquisition process itself. Interestingly, Punjab ranks among the top six states—along with Haryana, Uttar Pradesh, Karnataka, Tamil Nadu, and Delhi—that collectively account for nearly three-fourths (73%) of all land acquisition cases presented before the Supreme Court during the same period<sup>2</sup>.



Figure 2: Focal points of land acquisition disputes in Punjab

Upon the perusal of the cases from Punjab & Haryana High Court, the registered cases in the time period 2017-2024, were 1404 which specifically focus on the land acquisition. Out of such cases, 28% cases pertained to seeking fair compensation, while the cases on the question of legitimacy of the acquisition process accounted for 15% of the total 1404 cases.

Additionally, upon looking at the record for the cases of Land Acquisition in Punjab appealed in the Supreme Court, the number of cases come

close to 290 in the period from 2017 to 2024. Out of such 40% cases were pertaining to 'fair compensation' and 14% for the cases on the question of legitimacy of the acquisition process before the Supreme Court.

This high concentration of cases can be attributed to Punjab's geographical proximity to New Delhi, making it easier for landowners and affected parties to access the Supreme Court and file their claims, highlighting the state's central role in land acquisition disputes. Among Punjab's major urban centers, Bathinda, Patiala, and Amritsar faced elevated levels of land acquisition litigation until 2015-16. Recently, SAS Nagar and Ludhiana have also seen a rise in such cases.

These cities have seen a notable increase in legal disputes, reflecting the complexities and challenges faced in the land acquisition process.

Understanding the litigation process in land acquisition is crucial. These legal challenges typically involve contesting the state's authority to acquire land, and the proceedings are often presented under Special Leave Petitions (SLP), Civil Petitions, or constitutional provisions such as Article 32, Article 137, and Article 131, among others. The cases generally focus on either questioning the legitimacy or procedural fairness of the acquisition process or demanding just compensation for the affected landowners.

Land acquisition in Punjab has been a contentious issue, with numerous governance challenges undermining the efficiency and fairness of the process. Despite legal reforms like the LARR Act aimed at ensuring transparency and fair compensation, several high-profile cases have exposed deep-rooted issues, including manipulation of compensation claims, political

<sup>&</sup>lt;sup>2</sup> Wahi, N., Bhatia, A., Gandhi, D., Jain, S., Shukla, P., and Chauhan, U. <u>Land Acquisition in India: A Review of Supreme Court</u> <u>Cases from 1950 to 2016</u>, Centre for Policy Research, New Delhi, 2017

interference, and discrepancies in valuation. These challenges have resulted in protracted legal battles, delayed development projects, and growing unrest among landowners.

# GOVERNANCE ISSUES UNDER LAND ACQUISITION IN PUNJAB

- 1. Guava Orchard Compensation Scam: This case highlights issues of corruption and manipulation within the land acquisition process. The scam involved the deliberate purchase of land by individuals connected to government officials, who planted guava orchards at inflated densities to artificially inflate compensation claims. The misrepresentation of orchard data, such as the age and productivity of trees, undermined the integrity of the compensation process and resulted in illegal compensation amounting to ₹137 crore. This scandal exposed the need for greater transparency and oversight in land valuation and compensation assessment<sup>3</sup>.
- 2. Hoshiarpur Land Scam: The land acquisition process in Hoshiarpur was marred by manipulation and exploitation by politically connected land sharks. These individuals, leveraging government notifications about land acquisition, purchased land at significantly reduced prices, creating a false sense of insecurity among landowners. This allowed them to exploit the system, later receiving hefty compensation. The incident underscores

the issues of transparency, fairness, and potential political influence in land acquisition proceedings, raising concerns about equal treatment for all stakeholders<sup>4</sup>.

- 3. Amritsar-Jamnagar Expressway **Disputes:** The land acquisition process for the Amritsar-Jamnagar Expressway has been hindered by protests from farmers who claim inadequate compensation. Farmers in villages like Dunewala (Bathinda) argue that compensation rates differ based on the proximity of the land to the highway, with land closer to the highway receiving higher compensation. This inconsistency in valuation has sparked widespread unrest, delays in the project, and legal challenges, pointing to flaws in the valuation and compensation mechanisms, as well as a lack of clarity and fairness in the process<sup>5</sup>.
- 4. Delhi-Amritsar-Katra Expressway Land Acquisition Issues: In Ludhiana, disputes over land compensation for the Delhi-Amritsar-Katra Expressway highlight concerns about fairness in land acquisition. Initially, landowners rejected the compensation offer of ₹43 lakhs per acre, citing its inadequacy. An arbitrator later approved a revised rate of ₹80 lakhs per acre, but the delays and disagreements about the compensation amount have raised questions about the consistency, transparency, and effectiveness of the compensation process, demonstrating the

<sup>&</sup>lt;sup>3</sup> Indian Express, Guava orchards and a scam worth Rs. 137 crore in Punjab, 2024

<sup>&</sup>lt;sup>4</sup> Hindustan Times, <u>Hoshiarpur land scam: Politically connected dealers bought land at throwaway prices</u>, 2016

<sup>&</sup>lt;sup>5</sup> India Today, Farmers clash with police in Punjab over compensation for land acquisition, 2024

need for more reliable and equitable mechanisms in land acquisition<sup>6</sup>.

These cases exemplify critical governance issues in land acquisition in Punjab, including corruption, political interference, discrepancies in compensation, and inadequate mechanisms for addressing grievances, all of which hinder the smooth and fair implementation of land acquisition for developmental projects.

# **ECONOMIC ISSUES**

From an economic perspective, understanding the intricacies of compensation in land acquisition is essential, as it provides insights into how various factors influence the financial outcomes for landowners and the broader economic implications for the region. Compensation is not simply a transaction of monetary value, but a complex process that incorporates market rates, government policies, and socio-economic considerations. The calculation of compensation involves evaluating factors such as land market values, the presence of structures or crops, and the distance from urban areas, all of which contribute to the economic decision-making process. These decisions are crucial because they influence not only the financial security of the affected landowners but also the efficiency and fairness of land acquisitions, which can have long-term economic impacts on the development and growth of infrastructure, agriculture, and local economies. Analysing the compensation framework from an economic angle helps us understand the trade-offs, equity concerns, and

potential for economic disruption in land acquisition processes.

The determination of the market rate for land acquisition in Punjab follows specific guidelines set out in **Section 26 of the LARR Act**. The Collector is tasked with assessing the market value based on the following criteria:

- 1. Stamp Duty Rates: The market value is initially compared to the rate specified in the Indian Stamp Act, 1899, for land in the area where the property is located.
- 2. Average Sale Price: If no stamp duty rate applies, the average sale price of similar land in the nearest village or nearby area over the past three years is considered.
- **3. Compensation Agreements:** In the case of land acquired for private companies or public-private partnerships, the compensation amount agreed upon by the parties involved is also taken into account.

The Collector will use whichever of these values is higher to determine the market value. This value is subsequently adjusted based on the land's proximity to urban areas, using a multiplier ranging from 1 to 2 (e.g., a factor of 1.5 for land situated near urban localities)<sup>7</sup>. The date of the land acquisition notification is used as the reference point for determining market value. To further ensure fairness, any compensation paid for land acquired earlier in the district is excluded, and prices that do not reflect the actual market value are disregarded. Additionally, landowners have the right to challenge the assessed market value if they

<sup>&</sup>lt;sup>6</sup> Times of India, <u>Delhi-Katra Expressway: Land acquisition nears completion in Ludhiana</u>, 2024

<sup>&</sup>lt;sup>7</sup> Within the framework of the Land Acquisition, Rehabilitation and Resettlement (LARR) Act, land is classified into two categories in local parlance. "Chahi land" denotes fertile, irrigated agricultural land characterised by the availability of a reliable water source, typically through tube wells, and is highly valued for its agricultural productivity. In contrast, "Gair Mumkin land" refers to non-agricultural, uncultivated land that is unsuitable for farming activities.

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S.No.	Village	Area in acres	Value per acre	Rate after Multiplying Factor 1.5	Solatium 100%	Additional Payment (AP) 12% from (10.11.2020 to 16.07.2023) (978 days)	Total Compensation per acre (5+6+7)	Gross Amount for area as per column 3
1	2	3	4	5	6	7	8	9
1	A1	1.5	Rs 25,00,000	Rs 37,50,000	Rs 37,50,000	Rs 12,05,753	Rs 87,05,753	Rs 1,30,58630
	A2 (Rate of the land adjacent to National						Rs	
2	Highway)	0.5	Rs 60,00,000	Rs 90,00,000	Rs 90,00,000	Rs 28,93,808	2,08,93,808	Rs 1,04,46,904

Table 1: Calculation of compensation

believe it to be insufficient, seeking assistance from the Land Acquisition Rehabilitation Authority. For land with fruit-bearing or nonfruit-bearing trees, structures like tubewells, pipelines, and other assets, compensation is provided based on assessments by relevant technical departments.

Beyond financial compensation, landowners are eligible for extra benefits, such as exemption from stamp duty and registration fees when purchasing new land in Punjab, and priority for electric connections for tubewells. The payment process ensures that compensation is provided according to the landowner's share as recorded in official documents like the 'Jamabandi'. In cases where loans are tied to the land, compensation is paid after deducting the outstanding loan amount. Any disputes regarding land title or compensation are referred to the Land Acquisition and Rehabilitation Authority for resolution. Lastly, if there is any unpaid compensation, it is deposited in the LARR Authority's account, and no interest is paid on these amounts.

Table 1 illustrates the process of compensation calculation. Below is a breakdown of the calculation in each column:

**1.** Rate after Multiplying Factor 1.5: This is the land's market value per acre, adjusted by a multiplication factor of 1.5, as per the compensation scheme for the land acquisition.

- 2. Solatium 100%: This is the additional compensation added to the total compensation amount which is usually 100% of the market value after applying the multiplying factor. It represents compensation for the inconvenience caused by land acquisition.
- Additional Payment or (AP) is 12% from 10.11.2020 to 16.07.2023 (978 days): 1. Additional Payment or (AP) is 12% from 10.11.2020 to 16.07.2023 (978 days): This payment is calculated at 12% per annum over the period of 978 days. The formula to compute A.P. is: A.P. = (Rate after multiplying factor) x 12% x (978/365)

This gives the additional payment based on the time period and percentage rate.

# CONCERNS

The economic implications of land acquisition, particularly in the context of compensation determination, reveal a complex interplay of factors that influence not only individual landowners but also broader economic structures, including industries and agricultural markets. Under the framework of land acquisition in Punjab, the determination of compensation is closely linked to the market value of land, which is influenced by factors such as the base price set by the Collectorate and the multiplier applied to the land's value in rural or urban contexts. As compensation rates increase due to higher base prices, landowners receive a greater financial payout, which can be seen as an improvement in the fairness of the compensation process. However, from an economic perspective, this increase in compensation leads to several unintended consequences that raise significant governance concerns.

First, while higher compensation rates benefit landowners, they also result in inflated land prices. The rising cost of land for agricultural or industrial purposes becomes an issue for industries seeking to establish new ventures

or expand existing ones. As land acquisition costs escalate, businesses face higher land procurement expenses, making industrial land less affordable and potentially stalling industrial development in the region. This is particularly problematic in the context of Punjab's economic goals, as increased land prices could deter both local and foreign investment, thereby impeding industrial growth and job creation.

From a governance perspective, this situation reveals a critical trade-off: while the increase in compensation ensures greater financial security for farmers and property owners, it fails to generate corresponding increases in land productivity. The elevated land prices do not translate into enhanced agricultural output or improved efficiency, leading to inefficiencies in resource allocation. This misalignment between compensation rates and land productivity creates an economic distortion, as the cost of land acquisition rises without a proportional return in terms of output, undermining long-term agricultural sustainability and industrial development.

Moreover, the increase in land prices has direct implications for the rental market, where a significant proportion of farmers in Punjab, roughly one-third, cultivate leased land. As land acquisition prices rise, so too do land rents. This escalation in rental costs places a financial burden on tenant farmers, who already face challenges related to low productivity levels and high input costs. The stagnation in agricultural output, coupled with the rising cost of land leases, exacerbates the vulnerability of tenant farmers, who may struggle to cover increased expenses. This, in turn, heightens social inequities, especially when the benefits of higher compensation do not filter down to those working on leased land.

Economically, this creates a scenario where the higher compensation and increased land prices lead to a governance issue in land markets. The governance challenge lies in managing the balance between compensating landowners fairly and ensuring that the economic environment remains conducive to industrial development, agricultural sustainability, and overall economic growth. The increase in land prices, while beneficial to landowners, can distort land markets, crowd out private investment, and exacerbate the financial strain on tenant farmers, raising concerns about the effectiveness of land acquisition policies in fostering equitable and sustainable economic development.

# WAY FORWARD

Land acquisition in Punjab requires targeted policy reforms to balance stakeholder interests,

address governance challenges, and ensure sustainable development. Below are key measures that can enhance the process while mitigating conflicts:

# Post-Compensation Utilisation and Social Impact Assessments (SIAs): Post-

compensation SIAs can evaluate how recipients utilise funds and identify areas for improvement. Programs promoting financial literacy can guide landowners in effectively investing lump-sum payments, such as in sustainable agriculture, skill development, or micro-enterprises. This ensures long-term benefits and reduces risks of financial mismanagement.

#### **Enhancing Transparency in Valuation:**

Establishing independent valuation boards and digitised platforms for land valuation can ensure consistency in determining compensation. Transparent criteria will mitigate discrepancies between rural and urban land values and build trust among stakeholders.

# **Governance Reforms and Corruption**

**Control:** Addressing issues like the Guava Orchard Scam requires stricter audits and independent oversight during valuation and compensation processes. A public grievance redressal mechanism and fast-track courts can address disputes efficiently, reducing protracted litigation.

**Support for Tenant Farmers:** Rising rents due to higher land prices adversely affect tenant farmers. Policies ensuring shared compensation or rental subsidies can alleviate their financial burden and ensure equitable benefits from land acquisition.

**Efficient Land Use and Industrial Development:** Feasibility studies should guide the acquisition to prevent underutilised or speculative land use. Incentivising public-private partnerships (PPPs) and implementing land banking systems can regulate land pricing, ensuring sustainable industrial growth.

# Strengthening Legal and Institutional

**Frameworks:** Simplified litigation frameworks and capacity-building initiatives for arbitrators can resolve disputes more efficiently. Improved access to digitised land records will further reduce inconsistencies and litigation risks.

**Data-Driven Policymaking:** A centralised land acquisition data portal can provide comprehensive insights into disputes, compensation trends, and socio-economic impacts, aiding evidence-based policy adjustments.

# Sustainable and Equitable Land Use:

Promoting eco-friendly projects like renewable energy and agro-industries ensures land productivity aligns with rising acquisition costs. Introducing land-sharing models where landowners retain partial stakes can foster joint ventures, enhancing local economic growth.

By focusing on these areas, Punjab can create a more transparent, equitable, and developmentoriented land acquisition process, addressing socio-economic disparities and fostering trust among stakeholders.

# CONCLUSION

In the context of Punjab, where land acquisition remains a contentious issue, institutional weaknesses—such as inconsistent compensation mechanisms, political interference, and governance lapses—undermine the potential for development. The lack of transparency in compensation determination, coupled with rising land costs, creates economic trade-offs that

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deter industrial investments, strain tenant farmers due to increased rents, and fail to enhance agricultural productivity. These issues highlight the necessity of institutional reforms to balance the competing interests of equitable compensation for landowners and the economic viability of land for industrial and agricultural purposes. By aligning compensation mechanisms with productivity enhancement and addressing inequities in the land market, Punjab can harness the transformative potential of institutional reforms.

PANJ Foundation is a research think-tank based out of Punjab, India. Established in February 2024, it is registered as a not-for-profit under Section 8 of the Companies Act. PANJ operates as an independent research think-tank, providing research-based inputs and consultations to ensure socio-economic growth of Punjab. PANJ works as a collaborative front for initiating institutional and policy reform in the state of Punjab. We use our connection and familiarity with the lands of Punjab to inform reforms that ensure greatest benefits for its citizens. Through research, we aim at informing policy and institutional reform recommendations.





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