

URBAN LAND POLICY: ISSUES AND CHALLENGES IN INDIA

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Abstract

Land is the most important component of the life support system. It is crucial for all developmental activities, for natural resources, ecosystem services and for agriculture. The overall objective of any urban land policy should be to ensure that land markets are efficient, equitable and environmentally sound and sustainable. Urban policy and urban planning in India are state subjects under the Constitution. Scarcity of developed urban land, Land acquisition, use and development of urban and peri-urban land is a major policy issue in India. The most plausible viable alternative to tackle the scarcity problem is to develop large new areas for urban purposes. India's future urban strategy should recognize these differences and plan accordingly.

INTRODUCTION

Land is the most important component of the life support system. Land includes benefits to arise out of land, and things attached to the earth or permanently fastened to anything attached to the earth. It is crucial for all developmental activities, for natural resources, ecosystem services and for agriculture. Growing population, growing needs and demands for economic development, clean water, food and other products from natural resources, as well as degradation of land and negative environmental impacts are posing increasing pressures to the land resources in many countries of the world.

For India, though the seventh largest country in the world, land resource management is becoming very important. India has about 17.5% of world's population living on 2.4% of the world's geographical area. According to the 2011 Census, 31.20 per cent of the population resides in urban areas. The importance of land policies and state control over urban development had always been a political and economic imperative. Historically it has been an instrument of exerting political controls. Today in democratic set up, it is a geographic and locational dimension of social and economic development and distribution of the resources. Hence, there is a need to formulate clear objectives for urban land policy. While specific objectives would vary from State to State the overall objective of the policy should be to ensure that land markets are efficient and equitable. So, the overall objective of any urban land policy should be to ensure that land markets are efficient, equitable and environmentally sound and sustainable.

The objectives of the Model Urban Land Policy are: To suggest measures for overcoming inefficiencies, distortions and inequities in the urban land market. • To discuss existing land management / assembly techniques and related problems in urban land market. • To highlight leveraging land as a resource for urban development. • To recommend actions for optimal use of land in the core areas and significant increase in the overall supply of land for urban uses. • To propose a model for alternative to compulsory land acquisition.

BACKGROUND

In Ancient Period, Distinct characteristics of urban planning from remains of the cities of Harappa, Lothal, and Mohenjo-Daro in the Indus Valley Civilization (in modern-day north-western India and Pakistan) lead archaeologists to conclude that they are the earliest examples of

deliberately planned and managed cities. The streets of many of these early cities were paved and laid out at right angles in a grid pattern, with a hierarchy of streets from major boulevards to residential alleys. Archaeological evidence suggests that many Harappa houses were laid out to protect from noise and enhance residential privacy; many also had their own water wells, probably for both sanitary and ritual purposes. These ancient cities were unique in that they often had drainage systems, seemingly tied to a well-developed ideal of urban sanitation.

In Medieval Period, the Indian early medieval age, 600 CE to 1200 CE, When Harsha of Kannauj, who ruled much of the Indo-Gangetic Plain from 606 to 647 CE, attempted to expand southwards; he was defeated by the Chalukya ruler of the Deccan. No ruler (Chalukya, Pala, Pallavas, Pandyas, Cholas) of this period was able to create an empire and consistently control lands much beyond his core region. By the 8th and 9th centuries, the effects were felt in South-East Asia, as South Indian culture and political systems were exported to lands that became part of modern-day Thailand, Laos, Cambodia, Vietnam, Malaysia, and Java. After the 10th century, Muslim Central Asian nomadic clans, using swift-horse cavalry and raising vast armies united by ethnicity and religion, repeatedly overran South Asia's north-western plains, leading eventually to the establishment of the Islamic Delhi Sultanate in 1206. The sultanate's raiding and weakening of the regional kingdoms of South India paved the way for the indigenous Vijayanagara Empire.

In Pre Modern Period, the early 16th century, northern India, being then under mainly Muslim rulers, fell again to the superior mobility and fire power of a new generation of Central Asian warriors. Eschewing tribal bonds and Islamic identity, especially under Akbar, the Mughals united their far-flung realms through loyalty, expressed through a Persianised culture, to an emperor who had near-divine status. The relative peace maintained by the empire during much of the 17th century was a factor in India's economic expansion, resulting in greater patronage of painting, literary forms, textiles, and architecture. By the early 18th century, with the lines between commercial and political dominance being increasingly blurred, a number of European trading companies, including the English East India Company, had established coastal outposts. Company to gain control over the Bengal region by 1765 and sideline the other European companies. By this time, with its economic power severely curtailed by the British parliament and itself effectively made an arm of British administration, the Company began to more

consciously enter non- economic arenas such as education, social reform, and culture. India's modern age to have begun sometime between 1848 and 1885. The appointment in 1848 of Lord Dalhousie as Governor General of the East India Company rule in India set the stage for changes essential to a modern state. However, disaffection with the Company also grew during this time, and set off the Indian Rebellion of 1857. Although the rebellion was suppressed by 1858, it led to the dissolution of the East India Company and to the direct administration of India by the British government. **The Land Acquisition Act, 1894** The Act enables compulsory acquisition of land needed for public purposes and for Companies.

URBAN LAND POLICY: RELEVANCE

Adequate and affordable HOUSING is sine-quo-non for leading a safe, secure and a dignified life by the public at large 'Shelter for All' cannot remain a mere slogan; it is a basic human need, and therefore, the Government at all levels Local, State and Central – have the unambiguous responsibility to ensure fulfilment of these basic facilities. According to latest U.N. Report: 'State of World Population – 2007', (entitled 'Unleashing the Potential of Urban Growth'), nearly 29% of the Indian population lives in cities which is going to increase by 40.7 per cent by 2030. Moreover, nearly 55 per cent of the urban people live in slums. The Report has further identified women, children, widows and female-headed households as the most vulnerable groups who are the victims of environmental degradation and thus lack essential services. In brief, urban poor are faced with insecurity of tenure, lack of basic services (especially water and sanitation), unsafe building structure, over-crowding, limited access to credit and formal job markets.

Scarcity of developed urban land, high costs, rising prices of materials and services and resource constraints etc. are some of the major factors which compel majority of low-income families to live in sub- standard shelter and unhealthy environment unfit for human habitation. One of the major ingredients is the land at affordable cost. There is, therefore, a strong need for regulated land supply to urban poor. The Government, cooperatives, community based organisations and the civil society are therefore, under an obligation to play a more pro-active role to achieve this important social objective. So, there is a need for a regulated land supply to facilitate access to affordable house sites and shelter to everybody which may ultimately lead to a properly planned, developed living environment. The Government of India should therefore; frame a National

Urban Land Policy to remove existing problems in land practices of various States and for strengthening of master plans. Such a well articulated land policy shall have to be formulated by taking into concern grey issues like land acquisition, land development and land disposal/utilisation, controlled or regulated land pricing mechanism. The propensity of the State Land Policy shall have to be amended in providing access to the urban poor and cooperatives formed by low-income families at reasonable cost.

India is noted for her initiatives on urban land-reform measures, and she has been experimenting with various forms of public intervention since the early 1960s, with a view to diluting some of the disturbing trends in the urban land-market, such as speculation, land-price increases, and skewed distribution of land.

With all of the pressing problems of poverty, homelessness, debt burdens, and trade deficits, many policymakers dismiss land market problems as issues of secondary importance to be tackled later. Such a view is shortsighted. Over the next decade most cities in the developing world will confront major land market problems – shortages, runaway inflation, and environmental and economic crises resulting from inappropriate land development. These problems will stem from rapid urbanization and sagging urban economic productivity.

URBAN LAND POLICY IN INDIA

Urban policy and urban planning in India are state subjects under the Constitution and therefore without a thoroughgoing analysis of urban development policies in different states it is not possible to paint a comprehensive picture of urban policy in India. The Centre can, at the most, “issue directives, provide advisory services, set up model legislation and fund programmes which the states can follow at will” . However it is beyond the scope of this monograph to study urban policy at the state level. Furthermore, as Ramchandran (1989) points out, despite the fact that states have been empowered to make urban policy, they have rarely done so. Thus the urban policy existing in the states is largely an off shoot of that outlined in the national five years plans and other policies and programmes of the central government. It is in this context that an analysis of the national level urban policies and programmes become important to understand the general direction of urban policy in India.

The developmental targets of India on one hand and the social, cultural and environmental aspects on the other hand demand land. These demands for land could be competing by different sectors for the same land or even leading to conflicting land uses once put to a use by a sector. In the recent years, there has been tremendously increasing pressure on land in India posing challenges for sustainable development. The developmental targets of India on one hand and the social, cultural and environmental aspects on the other hand demand land. These demands for land could be competing by different sectors for the same land or even leading to conflicting land uses once put to a use by a sector. In the recent years, there has been tremendously increasing pressure on land in India posing challenges for sustainable development.

Proper planning of land and its resources allows for rational and sustainable use of land catering to various needs, including social, economic, developmental and environmental needs. Proper land use planning based on sound scientific, and technical procedures, and land utilisation strategies, supported by participatory approaches empowers people to make decisions on how to appropriately allocate and utilize land and its resources comprehensively and consistently catering to the present and future demands. So, there is a need for scientific, aesthetic and orderly disposition of land resources, facilities and services with a view to securing the physical, economic and social efficiency, health and well-being of communities. There is a need for an integrated land use planning which inter-alia includes agriculture, industry, commerce, forests, mining, housing infrastructure and urban area settlements, transportation infrastructure etc. to settle claims/counter-claims of these sectors.

In the constitution, the following provisions are related to urban land policy as follows:

According to the **Entry No. 18 of the Seventh Schedule (the State List) of the Constitution of India**, land including assessment and collection of revenue, maintenance of land records, land management and alienation of revenue etc. fall under the purview of the State Governments. “Land” being a State subject, falls under the legislative and administrative competence of the States. Land use planning falls, therefore, under the responsibility of the State Governments.

As per **Article 39 of the Constitution**: (1) the ownership and control of the material resources of the country should be so distributed as best to serve the common good; and (2) the operation of

the economic system should not result in a concentration of wealth or a means to production to the common detriment.

As per **Article 243ZD(1)** of the Constitution, “There shall be constituted in every State at the district level a District Planning Committee to consolidate the plans prepared by the Panchayats and the Municipalities in the district and to prepare a draft development plan for the district as a whole”.

Article 19 (f) of the Constitution recognised to acquire, hold and dispose of property as one of the fundamental rights. While the Directive Principles of State Policy (**Article 39 (b)**) require that the ownership and control of the material resources of the country are so distributed as best to subserve the common good; that the operation of the economic system does not result in the concentration of wealth and means of production to the common detriment.

The **25th amendment of 1972** made any legislation claiming to subserve the Directive principle non-justiciable. Notwithstanding anything contained in Article 13, no law giving effect to the policy of the State toward securing all or any of the principles laid down in Part IV shall be deemed to be void on the ground that it is inconsistent with, or abridges any of the rights conferred by Article 14 or 19, and no law containing a declaration that it is for giving effect to such policy shall be called in question in any court on the ground that it does not give effect to such policy. This amendment further replaced the word compensation by the word amount in Article 31 (2) and the adequacy of the amount was made non-justiciable.

By the **44th Amendment of 1978**, **Article 38 (2)** has been added which states that, The State shall, in particular, strive to eliminate inequalities in status, facilities and opportunities, not only amongst individuals, but amongst groups of people residing in different areas or engaged in different vocations. The amendment also deleted the fundamental right to acquire hold and dispose of property and reduced it to only a legal right.

The **25th amendment of 1972** is of crucial significance, as legislation enacted thereafter provided for taking over of land, at less than market price or at a nominal amount.

The Bhore Committee as late as in 1946 recommended improvements in the field of town planning and accordingly Improvement Trusts came into existence under the then Health

Ministry. Master plans were to be prepared for towns having more than 10,000 population and the programmes of Improvement Trusts were to be designed strictly as per the guidelines of the Master plan.

Master Development Plans

Master Development Plans, generally referred to as Master Plans are the instruments through which land uses are prescribed for achieving the desired pattern of spatial and economic development of urban settlements. These spell out the land uses according to the required level of social and economic growth.

The first articulation of the Urban Land Policy was proposed by The Urban Land Policy Committee (Ministry of Health) appointed by the Government of India in 1965, articulated the following Land Policy Objectives (Planning Commission, 1983):

1. To achieve optimum social use of urban land;
2. To make land available in adequate quantity, at right time and for reasonable prices to both public authorities and individuals;
3. To encourage cooperative community effort and bona fide individual builders in the field of land development, housing and construction;
4. To prevent concentration of land ownership in a few private hands and especially to safeguard the interests of the poor and under - privileged sections of the urban society.

In addition, a commonly held objective is,

5. To use land as a resource for financing urban development by recouping the unearned income which otherwise accrues to private land owners. (Fifth Five Year Plan)

Urban Land Policy of India can be classified in three phases:

The First Phase: 1951–1966

The Partition in 1947–48 provides the backdrop for urban policy in India. The millions of refugees who arrived in North India from present day Pakistan sought shelter and livelihoods in various cities. This development coupled with the employment opportunities created in cities during the Second world war due to the setting up of war production plants resulted in substantial increase in the urban population—by 53.7 percent between 1941 and 1951. In sharp contrast the rural population went up by a mere 7.4 percent in the same period. The result was a phenomenal increase in what was described in the first five year Plan as sub-standard housing and slums “...containing insanitary mud-huts of flimsy construction, poorly ventilated, over-congested and often lacking in essential amenities such as water and light” in urban areas. The Environmental Hygiene Committee put the shortage in urban housing at 18.4 Lakh houses in addition to the 10 Lakh houses estimated to be required to rehabilitate refugees from Pakistan. The urban policy existing in the states is largely an off shoot of that outlined in the national five years plans and other policies and programmes of the central government. It is in this context that an analysis of the national level urban policies and programmes become important to understand the general direction of urban policy in India.

The second Phase: 1969–1984

Achieving balanced urban growth through dispersing populations in smaller urban centres was the overriding thrust of the 4th Plan (1969–74). This was to prevent the concentration of population in metropolitan cities such as Delhi, Bombay, Calcutta and Madras. The creation of small towns and ensuring the spatial location of economic activity in a planned manner consistent with the objectives of the Plan was underscored. The Plan articulated the need for urban land policy at the state level and provided specific guidelines for the formulation of the same. It recommended that— the state level urban policies should aim at (a) the optimum use of land; (b) making land available to weaker sections; (c) checking the concentration of land ownership, rising land values and speculation of land; and (d) allowing land to be used as a resource for financing the implementation of city development plans.

In 1970, the Housing and Urban Development Corporation (HUDCo) was set up to provide loans to urban development authorities and state housing boards for housing and other development projects such as infrastructure development, land acquisition and essential services.

The third Phase: 1986– till

In mid 80s the Indian economy started taking its first tentative steps towards liberalization. The urban policy reflected the trend. In this process, a judicious distribution of all available land areas and the zoning regulations which prevent misuse of allocated land helps in achieving the desired goals. The urban development includes various parameters like Socio-Economic, Cultural, Demographic and Environmental, Transportation and visual aspects. Planning is a dynamic process and is evolved methodically through constant monitoring and feedback keeping pace with the fast changing developments. It involves participation from all sections of civil society. Creating an egalitarian society is what determines the success of planning.

The New Urban Reform Programs of the Government of India

In the 2002-03 budget speech, the Finance Minister announced the creation a number of measures to assist in urban reform. The following funds were proposed which are significant shifts from current national government practices.

State level restructuring: The Urban Reform Initiative Fund (URIF). These funds will be available to State governments on a grant basis to incentivise them to take on the reform measures listed below. The first five of the urban reforms will address distortions in the operations of real estate markets; the last two reforms will address more general problems with the functioning of Urban Local Bodies (ULBs).

1. Repeal of the Urban Land Ceiling and Regulation Act at the State level by Resolution;
2. Rationalization of Stamp Duty in phases to bring it down to no more than 5 percent of the end of the Tenth Plan period;
3. Reform of Rent Control Laws to remove rent control so as to stimulate private investment in rental housing;
4. Introduction of computerized processes of registration;
5. Reform of Property Tax so that it may become a major source revenue of urban local bodies, and arrangements for its effective implementation so that collection efficiency reaches at least 85 percent by the end of 10th Plan period;
6. Levy of reasonable user charges by Urban Local Bodies, with the objective that full cost of O & M (Operation & Maintenance) is collected by end of the Tenth Plan period;

7. Introduction of double entry system of accounting in Urban Local Bodies (ULBs).

Policy and Investment in India's Cities

In 2005, the Jawaharlal Nehru National Urban Renewal Mission (JNNURM) was inaugurated. The JNNURM consists of four sub missions: **Urban Infrastructure and Governance (UIG)** and **Basic Services for the Urban Poor (BSUP)** for 65 Mission Cities, and the **Urban Infrastructure Development Scheme for Small and Medium Towns (UIDSSMT)** and the **Integrated Housing and Slum Development Programme (IHSDP)** for 640 towns and cities. Funding for these schemes is centrally assisted, with the 65 Mission Cities under UIG and BSUP given 75% of the central government funding available, and the other 25% provided to the 640 towns under the UIDSSMT and IHSDP. While central government's commitment to investing in infrastructure is a step in the right direction, the High Powered Expert Committee (HPEC) estimated that for the period 2012-2031 there is a requirement for an investment in urban infrastructure services thirty five times greater than the investment made under the JNNURM (2006-2011).

Delhi - Mumbai Industrial Corridor (DMIC): Delhi-Mumbai Industrial Corridor (DMIC) is India's most ambitious Infrastructure programme aiming to develop new industrial cities as "Smart Cities" and converging next generation technologies across infrastructure sectors. A MOU was signed in December 2006 between Vice Minister, Ministry of Economy, Trade and Industry (METI) of Government of Japan and Secretary, Department of Industrial Policy & Promotion (DIPP).

"The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Bill 2013" (LARR 2013 or Bill) repealing the previous Land Acquisition Act of 1894, main provisions are as follows:

- **Compensation:** Given the inaccurate nature of circle rates, the Bill proposes the payment of compensations that are up to four times the market value in rural areas and twice the market value in urban areas.

- **R&R:** This is the very first law that links land acquisition and the accompanying obligations for resettlement and rehabilitation. Over five chapters and two entire Schedules have been dedicated to outlining elaborate processes (and entitlements) for resettlement and rehabilitation. The Second Schedule in particular outlines the benefits (such as land for land, housing, employment and annuities) that shall accrue in addition to the one-time cash payments.
- **Retrospective operation:** To address historical injustice the Bill applies retrospectively to cases where no land acquisition award has been made. Also in cases where the land was acquired five years ago but no compensation has been paid or no possession has taken place then the land acquisition process will be started afresh in accordance with the provisions of this act.
- **Multiple checks and balances:** A ‘comprehensive, participative and meaningful’ process (involving the participation of local Panchayati Raj institutions) has been put in place prior to the start of any acquisition proceeding. Monitoring committees at the national and state levels to ensure that R&R obligations are met have also been established.
- **Special safeguards for tribal communities and other disadvantaged groups:** No law can be acquired in scheduled areas without the consent of the Gram Sabhas. The law also ensures that all rights guaranteed under such legislation as the Panchayat (Extension to Scheduled Areas) Act 1996 and the Forest Rights Act 2006 are taken care of. It has special enhanced benefits (outlined in a dedicated chapter) for those belonging to Scheduled Castes and Scheduled Tribes.
- **Safeguards against displacement:** The law provides that no one shall be dispossessed until and unless all payments are made and alternative sites for the resettlement and rehabilitation have been prepared. The Third Schedule even lists the infrastructural amenities that have to be provided to those that have been displaced.
- **Compensation for livelihood losers:** In addition to those losing land, the Bill provides compensation to those who are dependent on the land being acquired for their livelihood.
- **Consent:** In cases where PPP projects are involved or acquisition is taking place for private companies, the Bill requires the consent of no less than 70% and 80% respectively (in both cases) of those whose land is sought to be acquired. This ensures that no forcible acquisition can take place.

- **Caps on acquisition of multi-crop and agricultural land:** To safeguard food security and to prevent arbitrary acquisition, the Bill directs states to impose limits on the area under agricultural cultivation that can be acquired.
- **Return of unutilized land:** In case land remains unutilized after acquisition, the new Bill empowers states to return the land either to the owner or to the State Land Bank.
- **Exemption from income tax and stamp duty:** No income tax shall be levied and no stamp duty shall be charged on any amount that accrues to an individual as a result of the provisions of the new law.
- **Share in appreciated land value:** Where the acquired land is sold to a third party for a higher price, 40% of the appreciated land value (or profit) will be shared with the original owners.

ISSUES AND CHALLENGES

Scarcity of developed urban land is a major policy issue in India. The scarcity problem can be tackled by rationalizing the use of existing developed land (built up or vacant). Decreasing the demand or else by large-scale development of urban land. The first option has only a limited utility in easing the problem on the supply side regarding the second option, it can be safely be assumed that the demand will escalate but not reduce. Thus the most plausible viable alternative to tackle the scarcity problem is to develop large new areas for urban purposes. Urban Land development in India has occurred mainly through the long drawn and time consuming process of urban accretion on the fringes of existing towns and cities. This has led to serious imbalances between supply and demand. Land in the fringe areas of existing towns and cities are held in the form of large holdings under private ownership. These holdings are invariably under sub-optimal use, retained for speculative purposes, and quite often sub-divided into irregular shaped parcel, most of which may not even have proper road access. For such areas to develop in a systematic and planned manner in the quickest possible time it is necessary that the development interests of all the property owners must coincide a requirement which is almost never ever met. As a result what is achieved is basically a haphazard and unplanned development, that too in patches with large developed areas in between. The layout is substandard due to roads being of inadequate width and unsystematically arranged without any care for hierarchy; areas are not reserved for open spaces and common facilities, and plot dimensions and placements being such that

infrastructure net works like those for water supply, sewerage and power distribution become highly uneconomical. These areas suffer from severe backlog infrastructure development and the quality of environment is generally poor.

Land acquisition, use and development of urban and peri-urban land have become a real issue for Indian governments at all levels, as they strive to maintain economic growth and investment viability.

Major Issues

1. Social:

- Food security
- Livelihood
- Inclusive socio-economic development of people
- Highways, Railways, Airports, Industries Mining, Urban Expansion Settlements, Infrastructure, Heritage areas etc

2. Ecological Balance:

- Mountain ranges
- Rivers
- Over exploitation of natural resources

3. Environmental Conflicts:

- National Parks
- Sanctuaries
- Coastal areas
- Wet lands and mangroves
- Heritage Conservation
- Ad Hoc / high Land Norms
- Mega industries
- Urban and regional planning
- Mining in forest
- Roads in eco-sensitive areas
- Polluting Industries

- Urban waste disposal
- Others

Rigidities in Urban Land Policy:

The promulgation of the Urban Land Ceiling Act in the mid 1970s introduced great rigidity in the urban land market. Change in land use became very difficult unless it was done by government agencies. Thus the supply of developed urban land got greatly reduced, leading to large increases in urban land values.

The result has been the proliferation of illegal or semi-legal habitations, increase in the cost of housing and hence the cost of urban life. The existence of rent control laws since the 1940s and 1950s had in any case, inhibited the supply of urban housing.

CHALLENGES

India's urban population is more than the combined total population of Eastern Africa, western Asia and Western Europe, or the total population of countries like Brazil and the US. Thus the challenge to find a sustainable and equitable paradigm of urban development is immense.

1. Changes in Land-Use: Apart from the diversion of lands from cultivation to industry, housing, tourism and other non-agricultural uses and the extensive damage to cultivation due to industrial waste, pollution, water extraction by the industries, townships etc., there is a diversion of lands to chemical intensive cultivation due to the growth of agro-processing companies and export oriented cultivation by rich land owners. Flouting government regulations, monopoly is being established on ground water, and surface water resources by these developers. Inroads are being made even in the tribal areas of Pune, Thane and Nasik districts by agro-processing companies. Consequently, the tribals are being deprived of their means of livelihood and the land under cereals and pulses is declining, threatening food security.

2. Unbalanced Urban Development: Urbanisation is a curious phenomenon in India, owing to the vastness of the country. In 2011, for example, the Census indicates that the top 10 cities in India account for 8% of India's population, produce **15% of its economic output**, but only occupy 0.1% of the total land area. The trend continues if we look at the bigger picture. The 53 '1 million plus' cities of India are estimated to account for 13% of the population, produce about

one third of total economic output, but only occupy 0.2% of the land. Furthermore, the top 100 cities account for 16% of the population and produce 43% of India's total output, yet only occupy 0.26% of the land.

3. Rapid urban population growth: In India, as well as economic growth spurred by liberalisation reforms and a rapid influx of domestic and international investment, have created a number of very real challenges for the country, including a demand for improved infrastructure, better governance, and a growing need for land and real estate development.

4. India's cities are sprawling: While the growth of new, dense settlements can bring positive benefits, such as more easily facilitating sustainable living, sprawl, on a large scale, creates a whole new set of challenges in the fields of urban governance, regional planning and sustainability. There is much uncertainty regarding what the future holds for India's cities and how urbanisation will evolve. What is certain, however, is that central government must intervene in a number of key policy areas if the benefits of urbanisation are to be gleaned.

SUGGESTIONS

To overcome these issues, the government has stepped up its focus and launched multiple schemes to facilitate urban renewal and development. This includes the flagship schemes of Jawaharlal Nehru National Urban Renewal Mission (JNNURM), Rajiv Awas Yojana (RAY), Swarna Jayanti Shahari Rozgar Yojana (SJSRY) now National Urban Livelihood Mission (NRLM) among many others. While these initiatives have renewed focus on the urban sector, they have also highlighted several critical issues that impede urbanization.

Guidelines for Reforming Urban Land Policies

Obviously, before strategies for major urban land policy reform can be developed, political and technical assessments are required. The following steps are as follows:

1. The Land Market Assessment

The essential problem with most nations' urban land-use policies is too much government regulation and not enough government support of private-sector institutions. The first and obvious step is for governments to conduct an audit of their urban land policies. As described in another Urban Management Program paper, a tool known as the Land Market Assessment has been developed for this purpose.

2. Decentralize Land Management Authority

It will be far easier to reform urban land policies if responsibilities for them are delegated to local governments. As a second step, national level assessments of the legal and institutional arrangements for urban land policy making and implementation should be undertaken. If power can be developed to local government, the reform initiatives outlined below can be more effectively pursued and better structured to fit local land market conditions.

3. Deregulate

A careful and balanced deregulation of urban land policies and regulations can work to reduce land prices and increase land market efficiency. The first and most effective method for reducing the price effects of land-use and development controls is to bring land supply into balance with land demand. Residential subdivision standards should be assessed and revised to lower land development and construction costs. Land-use and development controls should be simplified and the approval cycle shortened.

4. Curtail Public Land Development Agencies

In many countries, public land development agencies do little to improve land market operations or to provide land and housing for the poor and quite often they pose a serious financial drain to governments. It is important for governments to critically assess the performance of these organizations and take corrective actions. Such actions might include restructuring very large parastatal organizations, privatizing all or part of these corporations, or liquidating them.

5. Improve Efficiency of Land Market Operations

In market-based countries where both customary and/or informal systems of land trading occur, the government should heavily invest in or promote private initiatives to provide a common titling and registration system to support land transactions. At a minimum, cadastral, subdivision, and parcel maps should be compiled, along with a system for recording real property transactions and updating ownership records. If property tax systems are to be used, additional mapped and transaction-based records are needed on property values, tax assessments, payments, and receipts.

6. Provide the Financial, Institutional and Spatial Structure for Installing Infrastructure Networks:

Urban land policy needs to be linked with a sustainable program for infrastructure investment. Such a program requires that a basic spatial structure be prepared for each city, and that it be used to estimate the capital costs associated with providing the necessary infrastructure to support development. The financial program must be sustainable, this means that, to the fullest extent possible, the users and beneficiaries of the system should pay for it.

7. Improving Levy on Urban Vacant Lands:

The need for the development of vacant lands needs to be improved by intensifying the vacant land taxes on these areas. Which obviously reduce the stress on the growth of corridor development apart from discourages people whom could like to speculate the fringe areas development.

8. Introducing Land –Banking System at Various Levels:

The need for introducing a land bank at city level as well as at different areas levels has been proposed, which may be a part under acquisition cell, in which the needs of different agencies and up to individuals may be registered accordingly to spot out the vacant land availability which might be traced before speculative market forces set to work.

9. Integrated City Making: Transport and Land-Use Planning for sustainable growth

10. A switch from chemical to ecological farming may give lower yield in the initial years i.e. till the damage done to soils is repaired

CONCLUSION

Today India needs to reassess and reform their urban land policies for making urban land markets are efficient, equitable and environmentally sound and sustainable. Many cities use master plans, zoning, subdivision regulations, building codes and other public policies to shape development. These regulations are normally adopted to help protect the urban and natural environment, gear infrastructure investments with development, and maintain and enhance the property values of neighbourhoods. **A six-step framework for reforming urban land policy has been offered:** land market assessments; decentralization of land management authority; deregulation of inappropriate and costly land-use controls; privatization of ineffective public land development agencies; implementing titling, registration and information systems to improve land market efficiency; and alternative planning and budgeting systems for financing infrastructure.

India's future urban strategy should recognize these differences and plan accordingly. India's future strategy should focus on: (a) Inter-government transfers with built-in incentives to improve performance; (b) Capacity building of ULBs; (c) Investments on asset creation as well as management; (d) Integrate urban transport with land use planning; (e) Integrate various urban development and related programs at local, state and national levels; (f) Strengthen urban institutions and clarify roles of different organizations; and (g) Second generation of urban reforms should further focus on regulation, innovative financing and PPP, and climate change initiatives; (h) Different approach of supporting reform-linked investments needed for different states based on level of urbanization. It has recommended constitutional amendments as well administrative actions to improve India's urban areas.

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