A Term Paper

on

Stakeholder analysis wrt land as a resource
in the Special Economic Zone development strategy in West Bengal

In partial fulfillment of the course requirements for PGDM programme

Under the guidance of

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Submitted by:

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Acknowledgement

I would like to express my sincere and heartfelt thanks to Professor Annapurna Shaw who consented to be my guide for the above mentioned term paper topic. All throughout she guided me and helped me in understanding various issues related to the topic. She helped me a lot in refining the research work done by me and gave me all the time that was needed for an effective study on the topic.

I am truly grateful for the guidance, co-operation, and invaluable inputs Prof. Shaw gave me throughout the project. In the whole exercise I have also come to know a bit more about Prof. Shaw whom I now admire greatly for her deep expertise in the area of my research.
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Executive Summary

The State government recently acquired 997.11 acres of land, spread across the five mouzas within the Panchayat Samity of Singur, for the TATA’s small car factory project. The five mouzas are Bajemelia, Beraberi, Gopalganj, Singhberi, and Khaserberi. As per the State government, the acquisition of land in Singur has been carried out with due process of law as laid down in the Land Acquisition Act, 1894. The process began with the publication of Notifications under Section 4 of the Act from 20th July 2006 onwards, and was completed with the Declaration of Awards under Section 11 of the Act on 23rd and 25th September 2006.

Analysis in this case could be done in two broad ways. One, we can access the credibility of the land deal and the compensation amount delivered as against the promised amount to the stakeholders. Another way is to look into the whole land deal from a larger perspective and analyze the records, assuming that the credibility is given. The second way involves rigorous analysis of the public records and finding patterns, trends and macro-observations which could then form the basis of a more broad based inferences. As part of this term paper, I have looked into the land deal from the latter perspective. To achieve my objective I have done stakeholder assessment and looked into finer detail of the entire deal. The idea is to see get into slightly more depth and find out the land distribution among the different stakeholders such as middle peasants, small farmers, and marginal farmers, and the distribution of the compensation amount as declared and promised by the state government of West Bengal, given the price of the per acre of land assessed and fixed again by the state agency. The actual distribution provides us the real, fact-based information which can then be used as a basis to make broad assessment and prescribe some policy level initiatives or alternatives.

This paper becomes important because of the current market dynamics. Lately, the apex leadership of the state of West Bengal has particularly realized, rightly or wrongly, that the route to accelerated development goes via phase of private investment leading to rapid industrialization. Already notices for the acquisition of 43,180 acres of agricultural land has been issued by the Government to convert the agricultural land for industrial or commercial use. West Bengal, in fact, intends to amend the existing land legislation to facilitate acquisition for industry, commerce and infrastructure development. The proposed West Bengal Land Reforms (Amendment) Bill, 2006 is a step in this regard.
Stakeholder analysis w.r.t. land as a resource
in the Special Economic Zone development strategy in West Bengal

The guiding principle of the Land Policy of the Government of West Bengal is its determination to enhance the well being of the people of the State, particularly the well being of the working people, the poor, and the socially oppressed and to protect the environment for the benefit of this generation and generations to come. That is to say, whatever the specific use to which land is put, this Government is determined to make land use policy an instrument to improve the livelihood and living standards of the people, while protecting and conserving our rich agro-ecological and environmental heritage.

The desired state – *achieving development via process of industrialization*

At no time in West Bengal has the question of the rational use of land assumed the importance that it has today. West Bengal is poised for further and rapid advance into a new phase of industrial modernization, urbanization and diversification into different forms of nonagricultural economic activity. The main sources of new demand for land at present are industry, housing, urban spaces and infrastructure. The provision of land for each of these purposes will require the conversion of land from other uses.

The present state – *current land use distribution*

The current land use pattern in West Bengal presents before its government a unique challenge. Land use in West Bengal is characterized by its intensiveness, with little utilisable waste of unutilized land. The challenge for land use planning is to achieve concurrently the objectives of protecting and consolidating agriculture, diversifying agricultural production and enhancing rural development and moving firmly towards industrialization and infrastructure development.

**General Status of Land Use in West Bengal**

The total reported area under different categories of land use in West Bengal in 2003-04 was 8.687 million hectares (see Table 1). Tables 1 and 2 show the division of land into different land use categories in the State and Districts of West Bengal and the comparative shares of these categories in West Bengal and India.

The main features of the data can be summarized as follows:

1. Net sown area (or area actually under cultivation) predominates greatly in the reported area of
the State. The share of net sown area in the total area reported is about 62 per cent. In India as a whole, by comparison, 46 percent of total area is occupied by net sown area.

2. The share of fallow land, unculturable land and pastures in West Bengal is very low. It is noteworthy that four categories of land use - namely, fallow other than current fallows, culturable waste land, permanent pasture and other grazing land and barren and unculturable land- constitute 17.6 percent of land under different uses in India but only 1 per cent of land under different uses in West Bengal.

3. The area under forests is limited and concentrated regionally. Of the reporting area, 13.5 per cent is under forest.

4. Interestingly, the extent of land currently under non-agricultural uses is higher in West Bengal than in India. The comparative data show that the share of land under non-agricultural uses in West Bengal in 2003-04 was 18.5 per cent while the corresponding share for India was 7.7 per cent.

<table>
<thead>
<tr>
<th>Districts</th>
<th>Total area (in '000 hectares)</th>
<th>Forest area (%)</th>
<th>Area under non-agricultural use (%)</th>
<th>Barren &amp; unculturable land (%)</th>
<th>Permanent pasture &amp; other grazing land (%)</th>
<th>Land under misc trees &amp; groves not included in net area sown (%)</th>
<th>Culturable waste land (%)</th>
<th>Fallow land other than current fallow (%)</th>
<th>Current fallow (%)</th>
<th>Net area sown (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Darjeeling</td>
<td>325.47</td>
<td>38.28</td>
<td>10.38</td>
<td>1.51</td>
<td>0.28</td>
<td>0.60</td>
<td>0.42</td>
<td>1.17</td>
<td>3.43</td>
<td>43.93</td>
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<tr>
<td>Jalpaiguri</td>
<td>622.70</td>
<td>28.75</td>
<td>12.28</td>
<td>0.39</td>
<td>0.00</td>
<td>0.81</td>
<td>0.13</td>
<td>0.01</td>
<td>3.45</td>
<td>54.19</td>
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<tr>
<td>Cooch Behar</td>
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<td>1.29</td>
<td>17.10</td>
<td>0.33</td>
<td>0.25</td>
<td>2.71</td>
<td>0.43</td>
<td>0.07</td>
<td>0.38</td>
<td>77.45</td>
</tr>
<tr>
<td>Uttar Dinajpur</td>
<td>312.47</td>
<td>0.19</td>
<td>9.78</td>
<td>0.07</td>
<td>0.03</td>
<td>1.03</td>
<td>0.04</td>
<td>0.20</td>
<td>1.43</td>
<td>87.23</td>
</tr>
<tr>
<td>Dakshin Dinajpur</td>
<td>221.91</td>
<td>0.42</td>
<td>11.54</td>
<td>0.09</td>
<td>0.00</td>
<td>0.30</td>
<td>0.01</td>
<td>0.04</td>
<td>0.52</td>
<td>87.07</td>
</tr>
<tr>
<td>Malda</td>
<td>371.05</td>
<td>0.45</td>
<td>22.65</td>
<td>0.00</td>
<td>0.00</td>
<td>0.81</td>
<td>0.02</td>
<td>0.08</td>
<td>13.38</td>
<td>62.60</td>
</tr>
<tr>
<td>Murshidabad</td>
<td>532.50</td>
<td>0.14</td>
<td>22.69</td>
<td>0.38</td>
<td>0.01</td>
<td>0.38</td>
<td>0.15</td>
<td>0.08</td>
<td>0.34</td>
<td>75.83</td>
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<tr>
<td>Birbhum</td>
<td>451.12</td>
<td>3.51</td>
<td>20.13</td>
<td>0.09</td>
<td>0.07</td>
<td>0.17</td>
<td>0.65</td>
<td>0.58</td>
<td>5.77</td>
<td>69.04</td>
</tr>
<tr>
<td>Barddhaman</td>
<td>698.74</td>
<td>3.19</td>
<td>26.14</td>
<td>0.34</td>
<td>0.09</td>
<td>0.43</td>
<td>1.41</td>
<td>0.48</td>
<td>1.15</td>
<td>66.78</td>
</tr>
<tr>
<td>Nadia</td>
<td>390.66</td>
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<td>19.12</td>
<td>0.05</td>
<td>0.03</td>
<td>0.68</td>
<td>0.15</td>
<td>0.01</td>
<td>1.01</td>
<td>78.64</td>
</tr>
<tr>
<td>N 24 Parganas</td>
<td>386.52</td>
<td>0.00</td>
<td>30.52</td>
<td>0.00</td>
<td>0.00</td>
<td>2.25</td>
<td>0.00</td>
<td>0.00</td>
<td>0.62</td>
<td>66.61</td>
</tr>
<tr>
<td>Hooghly</td>
<td>312.22</td>
<td>0.17</td>
<td>25.80</td>
<td>0.31</td>
<td>0.04</td>
<td>0.74</td>
<td>0.52</td>
<td>0.04</td>
<td>0.27</td>
<td>72.12</td>
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<tr>
<td>Bankura</td>
<td>688.10</td>
<td>21.46</td>
<td>20.66</td>
<td>0.34</td>
<td>0.08</td>
<td>0.13</td>
<td>0.54</td>
<td>0.22</td>
<td>5.98</td>
<td>50.59</td>
</tr>
<tr>
<td>Punilia</td>
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<td>12.00</td>
<td>13.55</td>
<td>0.69</td>
<td>0.10</td>
<td>0.13</td>
<td>1.02</td>
<td>0.59</td>
<td>17.70</td>
<td>54.22</td>
</tr>
<tr>
<td>Purba Medinipur</td>
<td>396.59</td>
<td>0.23</td>
<td>23.12</td>
<td>0.44</td>
<td>0.02</td>
<td>0.99</td>
<td>0.02</td>
<td>0.04</td>
<td>0.20</td>
<td>74.96</td>
</tr>
<tr>
<td>Paschim Medinipur</td>
<td>928.58</td>
<td>18.27</td>
<td>15.73</td>
<td>0.26</td>
<td>0.07</td>
<td>0.70</td>
<td>0.45</td>
<td>0.41</td>
<td>3.23</td>
<td>60.88</td>
</tr>
<tr>
<td>Howrah</td>
<td>138.68</td>
<td>0.00</td>
<td>31.56</td>
<td>0.54</td>
<td>0.10</td>
<td>0.53</td>
<td>0.10</td>
<td>0.80</td>
<td>3.55</td>
<td>62.81</td>
</tr>
<tr>
<td>S 24 Parganas</td>
<td>953.37</td>
<td>44.72</td>
<td>13.21</td>
<td>0.06</td>
<td>0.00</td>
<td>0.29</td>
<td>0.05</td>
<td>0.02</td>
<td>1.43</td>
<td>40.22</td>
</tr>
<tr>
<td>West Bengal</td>
<td>8687.54</td>
<td>13.48</td>
<td>18.52</td>
<td>0.31</td>
<td>0.06</td>
<td>0.67</td>
<td>0.40</td>
<td>0.25</td>
<td>3.84</td>
<td>62.47</td>
</tr>
</tbody>
</table>
The initiative – land acquisition for economic development

Given the challenges involved in the present state as mentioned above, in order to achieve the desired state of *achieving development via process of industrialization*, the government responded in the following way-

1. It directly acquired land for the nonagricultural economic activity which was meant for public welfare.

2. It initiated a programme to create a land bank. The objective of the government is that, in future, when land is required for industrialization, housing and infrastructure development, the State Government be able to specify land identified through rational criteria as being available for industrialization.

The outcome – assessment at the micro level

The State government acquired 997.11 acres of land, spread across the five mouzas within the Panchayat Samity of Singur, for the TATA’s small car factory project in Hooghly district. The five mouzas are Bajemelia, Beraberi, Gopalanagar, Singherberi, and Khaserberi. As per the State government, the acquisition of land in Singur has been carried out with due process of law as laid down in the Land Acquisition Act, 1894. The process began with the publication of Notifications under Section 4 of the Act from 20th July 2006 onwards, and was completed with the Declaration of Awards under Section 11 of the Act on 23rd and 25th September 2006.

Based on my analysis, there appears to be some discrepancy in case of Gopalanagar mouza, wherein the consent for land award appears to have been obtained for 421.14 acres against the 399.98 acres of land acquired (see Table-3 below). In all, consents to award of compensation received till 31st December 2006 covers an area of 958.84 acres, against the acquired area of 997.11 acres. The

<table>
<thead>
<tr>
<th></th>
<th>Forest area (%)</th>
<th>Area under non-agricultural use (%)</th>
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<th>Permanent pasture &amp; other grazing land (%)</th>
<th>Land under misc. trees &amp; grooves not included in net area sown (%)</th>
<th>Culturable waste land (%)</th>
<th>Fallow land other than current fallow (%)</th>
<th>Current fallow (%)</th>
<th>Net area sown (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td><em>India</em></td>
<td>22.66</td>
<td>7.70</td>
<td>6.29</td>
<td>3.56</td>
<td>1.10</td>
<td>4.46</td>
<td>3.33</td>
<td>4.83</td>
<td>46.07</td>
</tr>
<tr>
<td><em>West Bengal</em></td>
<td>13.48</td>
<td>18.52</td>
<td>0.31</td>
<td>0.06</td>
<td>0.67</td>
<td>0.40</td>
<td>0.25</td>
<td>3.84</td>
<td>62.47</td>
</tr>
</tbody>
</table>
analysis is, however, based on the record of consents to land award covering an area of 958.62 acres. Excluding the state government from its share of the land, there are 5031 individual landowners who lay claim to the land and have given their consent.

Table 3- Details of the land acquired in TATA Project at Singur

<table>
<thead>
<tr>
<th>Mouzas</th>
<th>Total area of the Mouzas (in acres)</th>
<th>Land acquired in the Mouzas (in acres)</th>
<th>Consent obtained of Land Award (in acres)</th>
<th>Consent Remaining/obtained in excess (in acres)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gopalnagar</td>
<td>1656.55</td>
<td>399.98</td>
<td>421.14</td>
<td>(21.16)</td>
</tr>
<tr>
<td>Beraberi</td>
<td>1043.82</td>
<td>327.21</td>
<td>308.49</td>
<td>18.72</td>
</tr>
<tr>
<td>Khaserbheri</td>
<td>229.62</td>
<td>180.59</td>
<td>160.43</td>
<td>20.16</td>
</tr>
<tr>
<td>Bajemelia</td>
<td>355.13</td>
<td>47.77</td>
<td>28.75</td>
<td>19.02</td>
</tr>
<tr>
<td>Singherbheri</td>
<td>310.75</td>
<td>41.56</td>
<td>39.82</td>
<td>1.74</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>3595.87</td>
<td>997.11</td>
<td>958.62</td>
<td>38.49</td>
</tr>
</tbody>
</table>

As per the publicly available information provided by the West Bengal state government, the compensation payable to the landowners has the following components-

1. Basic Price;
2. Solatium @ 30% of the Basic Price;
3. Interest @12% per annum for the period between the date of notification under section 4 and the date
of declaration of award;

4. Crop Compensation etc as assessed by the Collector as laid down in Section 23 of the Act.

The sum of the above constitutes the total compensation payable to the landowners. In addition landowners who have submitted consent-agreement in writing under section 11(2) will be paid a further 10% on the total compensation payable.

As an illustrative example (including additional 10% compensation payment for consent):

**For Sali Land:**

*Basic Price: Rs. 6.02 Lakh per acre*

*Compensation payable to the landowners: Rs. 8.70 Lakh per acre*

**For Suna Land:**

*Basic Price: Rs. 8.80 Lakh per acre*

*Compensation payable to the landowners: Rs.12.76 Lakh per acre*

Given the above structure of compensation, we can form a mathematical equation and do iterative calculation to find out the amount of compensation paid for the damages to the standing crop, lets say Rs. C. For an acre of Sali land, the equation would be as follows-

\[6.02 \times (1+0.3) + 6.02 \times 0.12 \times \frac{n}{365} + C\] \* 1.10 = 8.70

Since we know from the government records, the date of notification under section 4 and the date of declaration of award, we can find the value of n. Plugging the value of n (as 45 days) and solving it, we find that the equality holds for C=0 i.e. compensation for the damages to the standing crop is nil. The explanation of zero compensation lies in the fact that in this case, and so also often otherwise, the state government acquired land at the time of the year when there was no standing crop. Choosing such a time helps government save some money, as is the case here.

**Current status of payment of compensation to the landowners**

The only action remaining is the payment of compensation to the awardees or their legal heirs, which is presently in progress. Payment requires verification of entitlement, and in cases where the recorded owner is since deceased, verification of the title of the legal heirs. Such verification is also concurrently in progress. So far, i.e. upto 31st December 2006, a total of 9839 cheques, for a total amount of about Rs. 83 crores, covering 658 acres have been disbursed.
ANALYSIS

Distribution of the Land acquired and compensated for
Total compensation payable is Rs. 119 crores, out of which Rs. 83 crores have been disbursed till 31st Dec 2006. The area of land in respect of which payment has been made covers 658 acres. Thus, total disbursement of amount Rs. 36 crores is yet to be made.

Using Land Acquisition compensation and Land Area information, linear programming (LP) problem has been formulated to find out, on a simplistic basis –

1. the distribution of Sali and Suna land in the total land acquired.
2. the distribution of Sali and Suna land for which consent has been given by the landowners.

Suppose:

X – acres of Sali land (single-crop) out of the total acquired land
Y - acres of Suna land (multi-crop) out of the total acquired land

X' – acres of Sali land (single-crop) out of the land for which compensation has been paid till 31st Dec 2006
Y' - acres of Suna land (multi-crop) out of the land for which compensation has been paid till 31st Dec 2006

Linear Programming problem formulation

A. For the total land (997.11 acres)-

\[ X + Y = 997.11 \]
\[ 8.70X + 12.76Y = 11900 \]

B. For the land for which payments have been made till 31st December 2006-

\[ X' + Y' = 658 \]
\[ 8.70X' + 12.76Y' = 8300 \]

The two set of equations, A and B, can be independently solved and have unique solution. Solving them, we obtain the following results:

1. Out of 997.11 acres of land acquired, 794.37 acres is of type Suna - the multi-crop land. The remaining 202.74 acres of land is of type Sali -the single-crop land.
2. Up to 31st December 2006, 634.33 acres i.e. 80% of the 794.37 acres of Suna land, has been compensated for. While in case of Sali land, only 23.67 acres i.e. 12% of the total 202.74 acres has been compensated for.

Above results indicate that the government may have given preference to the landowners of multi-crop Suna land while verifying their land claims and compensating them. This preference may be driven by the fact that there is higher public outcry in case of acquisition of fertile multi-crop land by the government. The government would then want to acquire such contentious land as early as possible and convert its usage from agriculture to factory in accordance with the Section 4(C) of the West Bengal Land Reforms Act, 1955.

**Distribution of the size of landholding and range of compensation awarded**

It may seem given the rate of compensation, Rs. 8.76 lacs for an acre of Sali land and Rs. 12.76 lacs for an acre of Suna land, that the compensation amount is fairly attractive and thus, landowners must accept them for their own good. Many economists came out with their figures of how much this compensation would translate into when deposited as savings amount at a risk-free rate of 8% in post-office scheme. A closer look at the numbers provides us an altogether different insight.

**Table-4 Distribution of size of landholding for 958.62 acres of land**

<table>
<thead>
<tr>
<th>Mouzas</th>
<th>Bajemelia</th>
<th>Beraberi</th>
<th>Goplnagar</th>
<th>Singherberi</th>
<th>Khaserberi</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number of individuals (excl. govt)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>260</td>
<td>1489</td>
<td>2269</td>
<td>224</td>
<td>789</td>
<td>5031</td>
</tr>
<tr>
<td>Individual landholding</td>
<td>% distribution of individuals</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>More than 1 acre</td>
<td>0.8</td>
<td>3.5</td>
<td>3.0</td>
<td>0.9</td>
<td>3.7</td>
<td>3.0</td>
</tr>
<tr>
<td>Greater than 0.5 acre but less than 1 acre</td>
<td>2.3</td>
<td>5.7</td>
<td>5.3</td>
<td>2.2</td>
<td>5.8</td>
<td>5.2</td>
</tr>
<tr>
<td>Greater than 0.1 acre but less than 0.5 acre</td>
<td>23.5</td>
<td>33.9</td>
<td>28.3</td>
<td>33.5</td>
<td>32.4</td>
<td>30.6</td>
</tr>
<tr>
<td>Greater than 0.05 acre but less than 0.1 acre</td>
<td>20.0</td>
<td>16.5</td>
<td>16.3</td>
<td>13.8</td>
<td>14.2</td>
<td>16.1</td>
</tr>
<tr>
<td>Greater than 0.01 acre but less than 0.05 acre</td>
<td>35.8</td>
<td>28.6</td>
<td>34.3</td>
<td>32.6</td>
<td>32.6</td>
<td>32.3</td>
</tr>
<tr>
<td>Greater than 0.005 acre but less than 0.01 acre</td>
<td>10.4</td>
<td>6.1</td>
<td>6.5</td>
<td>7.1</td>
<td>8.5</td>
<td>6.9</td>
</tr>
<tr>
<td>Less than 0.005 acre</td>
<td>7.3</td>
<td>5.7</td>
<td>6.3</td>
<td>9.8</td>
<td>2.8</td>
<td>5.8</td>
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<tr>
<td>Total</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Acres (of Award consentees)</td>
<td>28.75</td>
<td>308.49</td>
<td>421.14</td>
<td>39.82</td>
<td>160.43</td>
<td>958.62</td>
</tr>
</tbody>
</table>

**Note:** Total consents to award of compensation received till 31st December 2006 covers an area of 958.84 acres.
Some of the **key findings** are as follows (refer to Table 4 and Table 5):

1. Only 3% of landowners possess landholding of size 1 acre or greater. In Bajemelia and Singherberi Mouza, the corresponding figures are even more depressing at 0.8% and 0.9% respectively.

2. 79% of individual landowners, excluding government, fall in the landholding range of 1/100th of an acre to half acre. In terms of average compensation amount, the range for such landowners could lie between Rs.11,934 and Rs.5,96,724 respectively. (see Table-6)

### Table-5 Aggregate Distribution of the size of landholding

<table>
<thead>
<tr>
<th>% individuals</th>
<th>Bajemelia</th>
<th>Beraberi</th>
<th>Gopalnagar</th>
<th>Singherberi</th>
<th>Khaserberi</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>above 0.5 acres</td>
<td>3.1</td>
<td>9.2</td>
<td>8.3</td>
<td>3.1</td>
<td>9.5</td>
<td>8.2</td>
</tr>
<tr>
<td>between 0.01 acres &amp; 0.5 acres</td>
<td>79.2</td>
<td>79.0</td>
<td>78.8</td>
<td>79.9</td>
<td>79.2</td>
<td>79.0</td>
</tr>
<tr>
<td>below 0.01 acres</td>
<td>17.7</td>
<td>11.8</td>
<td>12.9</td>
<td>17.0</td>
<td>11.3</td>
<td>12.7</td>
</tr>
</tbody>
</table>

3. 12.7% of individual landowners possess landholding of size below 1/100th of an acre. These 641 individual landowners would be compensated below Rs. 11,934. Again in Bajemelia and Singherberi Mouza, the corresponding figures are more depressing at 17.7% and 17% respectively.

4. The above analysis does not take into account the bargadars and the agricultural labourers who are significant in numbers and are dependent on the land as a source of their livelihood. In this case, WBIDC decided to pay higher compensation to the recorded bargadars, to the extent of 25% of the amount of compensation paid to the owners of those lands.

### Table-6 Estimation of the average compensation amount

<table>
<thead>
<tr>
<th>Type of Land @ rate of compensation</th>
<th>Upper limit</th>
<th>Lower limit</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.5 acres</td>
<td></td>
<td></td>
</tr>
<tr>
<td>0.01 acres</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Compensation amount (in Rs.)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>for 100% Sali @ Rs. 8.7 lacs/acre</td>
<td>4,35,000</td>
<td>8,700</td>
</tr>
<tr>
<td>for 100% Suna @ Rs. 12.76 lacs/acre</td>
<td>6,38,000</td>
<td>12,760</td>
</tr>
<tr>
<td>Proportion of Sali land (%)§</td>
<td>20.33</td>
<td></td>
</tr>
<tr>
<td>Proportion of Suna land (%)§</td>
<td>79.67</td>
<td></td>
</tr>
<tr>
<td><strong>Average Compensation (in Rs.)</strong></td>
<td>5,96,724</td>
<td>11,934</td>
</tr>
</tbody>
</table>

§Out of 997.11 acres of land acquired, 794.37 acres is of type Suna, while the remaining 202.74 acres of land is of type Sali.
Conclusion—the way forward

As can be understood from the above analysis, the challenges for the government while making the desired transition are two-fold. One, the current land use pattern is highly intensive. The share of fallow land, unculturable land and pastures in West Bengal is very low. This means a direct pressure on the agricultural land for its conversion into industrial or commercial use. Second, when the possibility of the conversion is explored land needs to be acquired from the landowners. The above analysis points to a fact that the distribution of landholding is highly skewed towards large number of very small holdings. In such a scenario, even a relatively higher compensation amount may not be sufficient and remain sustainable in the longer run for the individual who owns as little as 1/100th of an acre.

The callousness of the government machinery in providing the humane relief and rehabilitation package to the new group of landless farmers and their dependents makes the alternative living quite unsustainable even in the short run. Given the government plans to acquire 43,180 acres of agricultural land in the near future, we are going to witness a large number of individuals going landless. Landlessness and rural poverty are closely linked. In fact, a World Bank report, India: Achievements and Challenges in Reducing Poverty (A World Bank Country Study 1997), showed that landlessness is by far the greatest predictor of poverty in India—even more so than caste or illiteracy. So what the present exercise translates into is the creation a sizeable number of people who are instead of being made beneficiaries of the development process are made more vulnerable to poverty. This is in conflict with the public welfare policy of the government. In such a situation the government perhaps need to have a serious relook at its actions i.e. in the way things are being done, if not it’s new adopted larger development objectives i.e. how things should be.
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