



From compensation to co-ownership: Reimagining justice in land acquisition and infrastructure development in India

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Abstract

The compulsory acquisition of land for public purposes, especially for infrastructure projects such as national highways and toll-gate operations, represents one of the most intricate intersections of property rights, economic policy, and distributive justice in India. Although the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (hereinafter “RFCTLARR Act”) was conceived as a curative framework promising fairness and enhanced compensation over its colonial predecessor, its underlying philosophy remains largely unaltered. The statute continues to operate within the paradigm of one-time compensation - a notion deeply rooted in the logic of the 1894 Act. While the quantum of payment has evolved, the conceptual foundation has not: landowners are still treated as transient stakeholders, compensated once and permanently detached from the enduring economic value generated by the infrastructure constructed upon their land. This legal architecture, though procedurally sound, fails to preserve any continuing stake for the dispossessed and severs local communities from the long-term value created through their contribution. This paper advances a re-envisioned framework that shifts the discourse from compensation to co-ownership. It argues for an equity-linked model in which affected landowners receive participatory rights through shareholding in toll-operating concessionaires, periodic revenue entitlements, or collective community trusts, thereby ensuring that they remain beneficiaries of the infrastructure they have enabled. Drawing upon constitutional jurisprudence under Article 300A, statutory analysis of the RFCTLARR Act, and comparative paradigms such as Japan’s land readjustment schemes, Singapore’s value-capture mechanisms, and India’s experiments with land pooling in Delhi and Amaravati, the paper proposes a hybrid model. By integrating baseline compensation with structured equity participation, it aligns the constitutional mandate of fairness with the realities of public-private partnerships, aspiring toward a more inclusive and participatory model of infrastructure development.

Keywords: Land acquisition; shareholding; one time compensation

Introduction

The compulsory acquisition of land for public purposes, particularly for infrastructure projects such as national highways and toll-gate operations represents one of the most complex intersections of property rights, economic policy, and distributive justice in India. The State’s power of eminent domain, historically justified as an instrument for national development, has repeatedly ignited debates about fairness and constitutional limits. Infrastructure expansion has been synonymous with progress, yet it simultaneously produces displacement, loss of livelihood, and deep social resentment among the dispossessed (Rani & Pandey, 2023) [1].

In an effort to address this persistent discontent, the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (hereinafter “RFCTLARR Act”) was enacted as a corrective to the colonial Land Acquisition Act, 1894. The 1894 statute, with its wide expropriatory powers and minimal procedural safeguards, epitomized coercive acquisition under the guise of “public purpose.” The RFCTLARR Act introduced a participatory architecture through social impact assessments, enhanced compensation, and rehabilitation provisions (Bhuvaneshwari & Joshikapriya, 2024) [2]. In principle, this new legal framework sought to harmonize the competing imperatives of development and justice.

However, despite these progressive reforms, the Act remains grounded in an outdated philosophy of one-time monetary compensation, which severs landowners permanently from the continuing economic value generated by the acquired land. While the quantum of compensation has increased, its conceptual foundation has not evolved. Land is still treated as a fungible commodity rather than a continuing source of value and livelihood (Johnson & Chakravarty, 2013) [3]. This static view of justice positions affected persons as transient stakeholders, extinguishing their economic connection to the land once payment is made.

This limitation becomes especially pronounced in the context of toll and highway projects—ventures that generate sustained and recurring revenues through long concession periods. Once operational, such projects often yield substantial profits for concessionaires, yet the original landowners remain excluded from these enduring revenue streams. This inequity exposes a structural flaw in India’s compensation regime: those whose land forms the foundation of national infrastructure is permanently alienated from the wealth it subsequently creates (Purwadita *et al.*, 2025) [4].

The paper therefore argues for a paradigm shift from compensation to co-ownership, transforming acquisition from a transaction into a participatory relationship. The State’s constitutional duty under Article 300A should evolve

from mere procedural legality toward substantive fairness that includes continuing economic participation. Courts have already underscored that deprivation of property must be “just, fair and reasonable,” interpreting compensation through lenses of equity and proportionality^[5]. Yet, the jurisprudence remains confined to evaluating adequacy of monetary payment rather than exploring participatory entitlements.

This paper proposes a hybrid framework—integrating baseline compensation under the RFCTLARR Act with structured participatory rights through (i) equity in toll-operating concessionaires, (ii) periodic revenue-sharing models, or (iii) community trusts reinvesting profits into local development. These alternatives convert acquisition into partnership, ensuring dispossessed communities remain beneficiaries of the infrastructure they enable. Similar approaches are found in Japan’s land readjustment schemes, where landowners retain a smaller but developed portion of land, and in Singapore’s value-capture mechanisms, which redistribute development gains for community welfare (Kresse, 2020; Zhao, Das, & Larson, 2012)^[6].

Emerging Indian models like land pooling in Delhi and Amaravati reflect nascent efforts to internalize these principles. Land pooling allows owners to consolidate and reconstitute their land parcels for planned development, thereby sharing in the resulting value appreciation (Dash, 2025; Prakash, 2022)^[7]. Studies on Indian urban financing have similarly noted that value capture and co-ownership mechanisms offer sustainable paths for inclusive infrastructure expansion (Munshi, 2020)^[8].

Ultimately, embedding participatory ownership within land acquisition aligns both with the constitutional morality of fairness and the practical logic of public-private partnerships. It represents a democratization of development—ensuring that those who surrender their land also share in the prosperity it generates. This shift from compensation to co-creation redefines the social contract between citizen and State, transforming compulsory acquisition from a coercive act into a collaborative enterprise.

Research and Discussions

Legal Architecture For Land Acquisition In India

Any equitable reform to compensation and ownership in infrastructure projects must begin with a careful understanding of India’s constitutional protections for property, and the statutory regime vis-a-vis land acquisition. This section examines Article 300A jurisprudence, the scope and limitations of the RFCTLARR Act 2013, and how current legal interpretations frame compensation as a final, one-time transfer rather than a continuing stake.

Article 300A and Judicial Interpretation

Article 300A of the Constitution provides that “no person shall be deprived of his property save by authority of law.” Although the right to property ceased to be a fundamental right with the motion of the 44th Amendment (1978), the Supreme Court has consistently interpreted Article 300A to carry substantive guarantees of fairness, public purpose, and just compensation. This was beautifully articulated in the case of *K.T. Plantation Pvt. Ltd. v. State of Karnataka* (2011, 9 SCC 1), where the Court held that an acquisition in par with Article 300A of the Constitution of India must satisfy two prerequisites: (a) that it be for a public purpose,

and (b) that the compensation be “just, fair, and reasonable.” Recent judicial trends continue to emphasize that deprivation, without compensation or with merely nominal or delayed compensation violates Article 300A. In *Kalyani vs. The Sulthan Bathery Municipality & Ors.* (2022)^[9], the Supreme Court reaffirmed that nonpayment of compensation, even in instances of land being used for a public purpose like road widening without legal authority or written instrument, constitutes arbitrariness under Article 300A.

The Supreme Court has recently emphasized that the constitutional protection against deprivation of property under Article 300A extends beyond mere compensation. The Court highlighted that the right to property encompasses a broader framework of procedural safeguards, which are integral to the concept of 'authority of law'. In this context, the Court identified seven essential procedural sub-rights that must be adhered to in any land acquisition process

- **Right to Notice:** The obligation of the state to inform the property owner about the intended acquisition.
- **Right to Be Heard:** The opportunity for the property owner to present objections to the acquisition.
- **Right to a Reasoned Decision:** The duty of the state to provide a reasoned explanation for its decision to acquire the property.
- **Duty to Acquire Only for Public Purpose:** The requirement that the acquisition is undertaken solely for a public purpose.
- **Right to Restitution or Fair Compensation:** The entitlement to fair compensation or restitution for the acquired property.
- **Right to an Efficient and Expeditious Process:** The assurance that the acquisition process is conducted efficiently and within a reasonable timeframe.
- **Right to Conclusion:** The necessity for the acquisition proceedings to reach a definitive conclusion.

The Court emphasized that these procedural safeguards are not mere formalities but constitute the substantive content of the right to property under Article 300A. Non-compliance with any of these sub-rights renders the acquisition process invalid, as it would be considered outside the 'authority of law'. These ruling underscores the importance of adhering to due process in land acquisition matters, ensuring that individuals' property rights are protected through transparent and fair procedures^[10].

These judgments underscore that Article 300A embodies more than just substantive guarantees like fair compensation and equity; it equally enshrines procedural duties, which form a crucial foundation for any re-envisioned framework of participatory or co-ownership-based compensation.

The RFCTLARR Act, 2013: Its Intent, Provisions, and the Gap

The RFCTLARR Act, 2013 was intended to repair the injustices of the colonial Land Acquisition Act, 1894, which had allowed expropriation with minimal procedural

safeguards, often resulting in inadequate compensation and rehabilitation (Das, 2020). Among the key improvements under the 2013 Act are expanded definitions of “affected persons” (including sharecroppers, tenants, livelihood dependents, STs and other tribes whose forest rights are affected), requirement of Social Impact Assessment (SIA), consent thresholds for private projects, and higher compensation multipliers in rural vs. urban areas.

Despite these reforms, critical scholarly research suggests that RFCTLARR preserves the transactional mentality of past regimes. The compensation framework remains a one-time payment, extinguishing all property rights upon payment—with no mechanism for continuing economic participation. A paper in Indian Journal of Law & Legal Research observes that while the Act includes “enhanced compensation” and “hearing of objections,” it does not provide for long-term entitlements to the owners once infrastructure begins generating revenues^[11].

Implementation reports also highlight that many “affected families” (especially those who depend on land for livelihood) continue to feel excluded because lump-sum payments seldom account for future gains from land value appreciation, opportunity costs, or ongoing use.

The One-Time Compensation Model: Limitations

There are several legal limitations to the one-time compensation model that flow from constitutional interpretation and practical outcomes

Temporal Disadvantage: Although awards may be fair and enhanced when compared to that provided under the Old Act, delays reduce real value via inflation and missed opportunity. Judicial decisions have invalidated acquisition where compensation was delayed or not paid.

Lack of Future Stake: Once the payment is made, landowners lose rights to any further economic benefits, no share in toll revenues, profit, or land appreciation.

Procedural Gaps: While RFCTLARR requires certain procedures (SIA, consent, disclosure), courts have emphasized that these are necessary but not sufficient; deprivation without due procedure (notice, hearing, reasoning) is impermissible under Article 300A.

Implications for Co-Ownership Framework

Given the constitutional and statutory landscape, several implications emerge for any model seeking to embed continuing participation or equity

- Judicial precedent under Article 300A supports that compensation must be fair not just in amount but in process and impact—thus providing legal basis for arguing entitlement to ongoing benefit.
- The RFCTLARR’s definition of “affected persons” and its recognition of non-owners (tenants, sharecroppers) gives room to propose that revenue-sharing or equity models should include broader categories beyond formal land title holders.
- Constitutional law recognizes that the State cannot deprive property arbitrarily; thus a model that leaves landowners without any economic stake, while infrastructure is operated on their land for profit, may be increasingly viewed as constitutionally vulnerable under Article 300A.

- Any reform must respect both the substance (just compensation, fair process) and structure (statutory amendments or policy measures) to ensure that co-ownership or participatory entitlement is lawful, enforceable, and sustainable.

Toll Projects, Ppp Models, And The Exclusion Of Landowners

Public infrastructure such as highways, expressways, and toll-gate corridors forms the backbone of India’s growth narrative. Yet, the governance and financial structure of these projects especially those developed under Public-Private Partnership (PPP) models often reveal a profound asymmetry between the entities who profit and the communities whose land underpins the development.

PPP Framework and Legal Context

India’s National Highways Authority of India (NHAI) implements the majority of highway projects through PPP arrangements such as Build–Operate–Transfer (BOT), Build–Own–Operate (BOO), Hybrid Annuity Model (HAM), and Toll–Operate–Transfer (TOT). Under these frameworks, private concessionaires finance and operate projects for concession periods extending 15–30 years, collecting toll revenues before transferring assets back to the government (Planning Commission, 2012; NITI Aayog, 2020)^[12].

PPP models were promoted to attract private capital and managerial expertise while alleviating fiscal constraints on the State (World Bank, 2018)^[13]. However, research by Dey and Ghosh (2021)^[14] in Transport Policy indicates that the social costs - displacement, livelihood loss, and inequitable benefit distribution are often inadequately addressed in concession agreements. The land acquisition component remains squarely within the State’s domain, with compensation governed by the RFCTLARR Act 2013, thus maintaining the traditional transactional approach (Raghuram & Thakkar, 2022)^[15].

Revenue Dynamics and Disparities

The economic structure of PPP toll projects demonstrates clear, long-term profitability potential. Studies by the Comptroller and Auditor General (CAG, 2019) found that toll collections on many BOT projects exceeded initial projections by 25–40 percent within a decade, even after cost recovery^[16]. Similarly, NITI Aayog (2020) observed that private concessionaires under the HAM and TOT models have reported internal rates of return between 14 and 18 percent, sustained over multi-decadal periods.

Despite this recurring revenue generation, landowners displaced for these highways receive a one-time compensation that terminates any continuing economic relationship with the asset. As Bhan and Raman (2019) argue in Economic & Political Weekly, this asymmetry “transforms citizens into one-time sellers of perpetual public goods,” effectively severing their livelihood link to the land^[17]. The present model thereby perpetuates distributive injustice—where the public purpose is financed by those most affected, but benefits are privatized through concessionaire profits (Sampat, 2020)^[18].

Absence of Participatory Entitlements

Legal scholars have time and again noted that PPP contracts rarely integrate social equity clauses that could entitle

affected landowners to continuing benefits. An empirical review of 30 highway PPPs by the Indian Institute of Management-Ahmedabad found no provisions for equity participation or community development trusts funded through toll revenues (IIM-A Report, 2021) ^[19]. Instead, concession agreements focus almost exclusively on financial closure, toll rate indexation, and risk allocation between the government and private partner (Kumar & Mukherjee, 2022) ^[20].

This omission persists despite the RFCTLARR Act's intent to provide comprehensive rehabilitation and resettlement. The Act's Schedule II includes provisions for annuities or jobs to one member per affected family, yet empirical implementation shows that these are seldom realized in PPP projects due to coordination failures between the NHA and concessionaires (TERI, 2021) ^[21]. Consequently, the compensation framework remains detached from the project's future economic returns.

Judicial and Policy Discourse

The judiciary has intermittently acknowledged these disparities. In *Indore Development Authority v. Manoharlal & Others* (2020) 8 SCC 129 ^[22], the Supreme Court reiterated that compensation must be interpreted in the light of justice, equity, and proportionality—a triad that arguably demands some continuing linkage between dispossession and development benefits. Nonetheless, courts have not yet extended this principle to require participatory ownership or revenue-sharing.

Recent parliamentary interventions have amplified ongoing concerns regarding procedural fairness and substantive adequacy under the RFCTLARR Act, 2013. In a Rule 377 submission before the Lok Sabha, Shri Sudhakar Singh (Buxar) critically examined the inequities embedded in Section 29(1), which restricts compensation to the portion of a house that is physically acquired, provided the remaining portion is deemed “habitable.” Singh argued that this provision, though administratively convenient, has led to arbitrary and inconsistent determinations by district officials and engineers regarding what qualifies as “habitable.” In many cases, families are left in structurally unsafe and undignified living conditions, despite being formally recorded as adequately compensated. He urged the Government to revisit and revise the compensation framework to ensure that assessments reflect not only technical habitability but also dignity, safety, and holistic well-being of affected households. The statement further called for transparent and uniform guidelines to evaluate habitability and expedite grievance redressal mechanisms for affected persons (Lok Sabha Debate, 2024) ^[23]. NITI Aayog's PPP Reform Framework (2020) also suggested exploring “community benefit mechanisms” akin to Corporate Social Responsibility (CSR) contributions linked to toll revenues.

This parliamentary observation is significant because it expands the discourse on “fair compensation” beyond economic valuation to encompass qualitative dimensions of justice—safety, habitability, and procedural transparency. It demonstrates a growing recognition that fairness under Article 300A must integrate both substantive equity and procedural safeguards, aligning closely with the Supreme Court's recent interpretation that fair compensation cannot be delinked from fair procedure. Thus, the legislature itself now acknowledges the need for a more inclusive and

participatory model of compensation—one that the present paper extends through its proposal for equity-linked and community-based benefit mechanisms.

Implications

This institutional configuration where the State acquires land in the name of public purpose, but private concessionaires reap ongoing revenue illustrates a structural exclusion of local stakeholders from national development gains. It highlights why any new compensation model must transcend the “transactional closure” of the RFCTLARR Act and embed co-ownership or revenue participation within the legal and financial design of toll concessions.

From Compensation To Co-Ownership: Rethinking Justice In Infrastructure Development

Theoretical Basis: From Transaction to Partnership

The traditional model of land acquisition in India treats compensation as a one-time financial transaction, where landowners are detached from the ongoing economic benefits of the infrastructure developed on their land. While this approach satisfies procedural requirements under the RFCTLARR Act, it fails to capture the moral and economic dimensions of distributive justice. Scholars such as Amartya Sen ^[24] and John Rawls ^[25] have argued that justice should extend beyond procedural fairness to ensure equitable outcomes that sustain the well-being of individuals affected by state action. Applied to land acquisition, this perspective highlights the inadequacy of one-time payments, particularly when toll and highway projects continue generating significant revenue over decades.

Chakravorty describes the current system as a “static moral economy,” where compensation terminates any continuing relationship between dispossession and benefit ^[26]. An equity-linked or co-ownership model reframes this relationship by embedding affected communities in the ongoing economic life of the project. Rather than merely compensating for past loss, the model transforms landowners into active stakeholders, allowing them to share in the profits generated by infrastructure they helped create. Baviskar notes that such an approach not only enhances economic justice but also contributes to social legitimacy, reducing the likelihood of protests and litigation that often accompany large-scale projects ^[27].

Legal and Constitutional Compatibility

The shift toward participatory entitlements is consistent with India's constitutional framework. Article 300A safeguards the right to property, while Articles 38 and 39(b) of the Directive Principles of State Policy direct the State to distribute resources for social welfare. Judicial interpretations, including *K.T. Plantation Pvt. Ltd. v. State of Karnataka* ^[28], have emphasized that fair compensation must meet tests of legality, reasonableness, and proportionality. In this context, equity-linked mechanisms are not only legally permissible but also morally consonant with the constitutional vision of inclusive justice.

Further, Bhatia underscores that the Constitution's transformative ethos encourages mechanisms that operationalize socio-economic justice alongside procedural safeguards ^[29]. Embedding landowners into the financial success of infrastructure projects aligns with this ethos, ensuring that acquisition respects both individual dignity and collective welfare. Such participatory frameworks are

particularly justified in toll projects, where the economic value of land continues to accrue long after construction, creating an enduring potential for shared benefit.

Policy Precedents and Emerging Discourse

Although the concept of co-ownership has not yet been codified, parliamentary debates and policy discussions reveal a growing acknowledgment of its necessity. During deliberations on the RFCTLARR Bill in Lok Sabha (2013) and Rajya Sabha (2015) ^[30], several MPs proposed mechanisms through which displaced landowners could receive either shares in concessionaire companies or an annual revenue dividend from toll operations. While these proposals were not formalized into law, they indicate a nascent policy recognition that lump-sum compensation alone is insufficient to achieve justice.

Think tanks such as NITI Aayog ^[31] and the Centre for Policy Research ^[32] have further explored community-centred models, including Land Value Capture and Infrastructure Benefit Sharing. These frameworks aim to link financial returns from infrastructure directly to the affected communities, moving beyond paternalistic compensation toward participatory ownership and economic inclusion. Such policy initiatives provide a conceptual and practical basis for experimenting with hybrid compensation structures in India.

Comparative Models: Lessons from Global Practices

International experiences offer instructive lessons for equity-linked compensation. Japan's Land Readjustment Scheme ^[33] allows landowners to contribute parcels for public development while receiving a reduced but significantly more valuable portion of redeveloped land, ensuring participation in enhanced economic value. Singapore's Value Capture Framework ^[34] channels development gains into community trusts, reinforcing the principle that public infrastructure should benefit the people it affects. Similarly, South Korea ^[35] grants affected landowners transferable development rights and options to invest in concessionaire entities, aligning personal benefit with public progress.

India itself has experimented with land pooling models, notably in Delhi (2018) and Amaravati, Andhra Pradesh ^[36]. While these schemes revealed legal and administrative challenges, they demonstrated that participatory models could coexist with large-scale development. Embedding equity or revenue-sharing entitlements within the RFCTLARR framework would thus follow both international best practices and domestic experiments, ensuring that infrastructure development is both economically and socially inclusive.

Conceptual Implications

By integrating co-ownership into compensation, land acquisition becomes a mechanism for partnership rather than dispossession. The economic life of infrastructure is recognized as ongoing, and landowners are converted from one-time sellers to long-term beneficiaries. This approach strengthens legitimacy, reduces social unrest, and aligns with the constitutional vision of a welfare-oriented state. In effect, equity-linked compensation serves not only as an economic instrument but also as a moral and legal corrective to the transactional ethos that has historically dominated land acquisition in India.

A Hybrid Model For Inclusive Growth: Pathways For Reform (Suggestions And Recommendations For Active Implementation)

The discussions in preceding sections reveal both the conceptual and constitutional imperatives for reimagining India's compensation framework, particularly in the context of highway and toll infrastructure. A one-time monetary compensation model, while procedurally compliant, severs landowners from the long-term economic value generated by the acquired land. The next logical step is the design of a hybrid compensation framework that combines immediate financial relief with participatory mechanisms such as equity participation, annuity payments, and community investment trusts. This approach seeks to reconcile efficiency with equity, positioning landowners not as passive recipients but as enduring stakeholders in India's infrastructure growth story ^[37].

Conceptual Framework of the Hybrid Model

The proposed hybrid framework envisions a multi-layered structure encompassing immediate monetary compensation, deferred annuity linked to toll revenues, and equity participation through Landowner Shareholding Trusts (LSTs) or Community Development Funds (CDFs) ^[38]. Immediate payments would provide liquidity and resettlement security, while deferred components embed landowners in the ongoing economic life of the infrastructure. This mixed-mode approach echoes the World Bank's recommendation that cash flow continuity be combined with community integration to ensure inclusive growth ^[39]. The framework also draws lessons from global experiments: Brazil's Participatory Budgeting Mechanism and Indonesia's Land Consolidation and Benefit-Sharing Scheme, both of which demonstrate that infrastructure can simultaneously generate profits and expand citizen welfare ^[40].

Institutional Design and Operational Mechanisms

Operationalizing this hybrid model requires a tripartite institutional structure. First, a government or NHAI oversight authority would regulate valuation, ensure transparency, and supervise benefit-sharing instruments. Second, the concessionaire entity would allocate a defined portion of equity or revenue-linked units to the Landowner Trust. Third, the Landowner Shareholding Trust (LST) would function as a collective legal entity representing displaced households, managed by independent trustees under statutory supervision, similar to SEBI-regulated mutual benefit trusts ^[41]. Landowners could opt for a mixed compensation package—for instance, 60% upfront payment and 40% deferred benefits through LST participation. Annual dividends from toll revenues or infrastructure annuity payments would then be distributed proportionally among beneficiaries. This arrangement could mitigate delays, disputes, and cost escalations commonly noted in NHAI projects ^[42].

Legal and Policy Integration

Legally, this hybrid model requires integration within the RFCTLARR Act through suitable amendments or enabling guidelines. Sections 26, 30, and 31, which govern market value, solatium, and rehabilitation entitlements, can be adapted to accommodate optional participatory compensation mechanisms. Constitutionally, these measures

align with the Doctrine of Progressive Realization of Socio-Economic Rights, recognized in *Olga Tellis v. Bombay Municipal Corporation* (1985) [43] and *State of Kerala v. N.M. Thomas* (1976) [44], and fulfil Article 38(2)'s mandate to reduce inequalities and ensure equitable distribution of material resources [45]. Policy instruments like the National Monetisation Pipeline (NMP) and Bharatmala Pariyojana can operationalize the allocation of minor equity shares to landowner trusts without diluting private investment incentives [46].

Advantages, Challenges, and Implementation Pathways

The hybrid approach offers several advantages. It ensures sustained livelihood security through deferred annuities and dividends, reduces social resistance by aligning community interests with infrastructure projects, enhances fiscal sustainability by spreading payments over time, and reinforces the moral legitimacy of state acquisition powers [47]. Challenges include valuation complexities, administrative capacity constraints, trust governance transparency, and potential political resistance from concessionaires wary of profit dilution. To address these, the establishment of a National Infrastructure Benefit Sharing Authority (NIBSA) could regulate equity distribution, monitor annuity flows, and adjudicate disputes, while capacity-building programs for district authorities could strengthen implementation. Pilot projects in states like Tamil Nadu, Maharashtra, and Gujarat could test and refine the hybrid model under Section 104 of the RFCTLARR Act, which allows states to enact more beneficial provisions.

Towards a Just Development Paradigm

Ultimately, this hybrid model envisions a shift from land for compensation to land for partnership, embedding justice across both form and function. By linking acquisition with ongoing participation, the model transforms dispossession into a collaborative process that respects constitutional morality, promotes economic efficiency, and safeguards human dignity. As Dreze and Sen envisaged, true development involves not just output growth but the expansion of substantive freedoms [48]. Applying this principle to infrastructure projects ensures that each kilometre of highway represents not just connectivity, but shared prosperity.

Conclusion

India's land acquisition framework, particularly under the RFCTLARR Act, 2013, represents a significant improvement over its colonial predecessor in procedural transparency and enhanced compensation. However, the model remains rooted in a transactional understanding of justice—providing one-time monetary settlements while disconnecting landowners from the ongoing economic value generated by infrastructure projects. This paper argues that the future of equitable infrastructure development lies in transitioning from mere compensation to co-ownership and participatory entitlement. Embedding landowners as stakeholders through equity participation, annuity payments, and community-managed trusts not only aligns with constitutional mandates of fairness under Articles 38, 39(b), and 300A but also strengthens social legitimacy, reduces disputes, and promotes sustainable, inclusive growth. Comparative experiences from Japan, Singapore, South Korea, and domestic experiments in Delhi and Amaravati

demonstrate the feasibility and benefits of such participatory frameworks. A hybrid compensation model, combining immediate relief with long-term economic stakes ensures that infrastructure development is not achieved at the cost of justice and dignity. Ultimately, redefining acquisition as a partnership rather than dispossession is both a constitutional and moral imperative. By operationalizing co-ownership, India can pioneer a new paradigm in infrastructure governance—one where national growth and citizen welfare are no longer mutually exclusive, but mutually reinforcing.

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