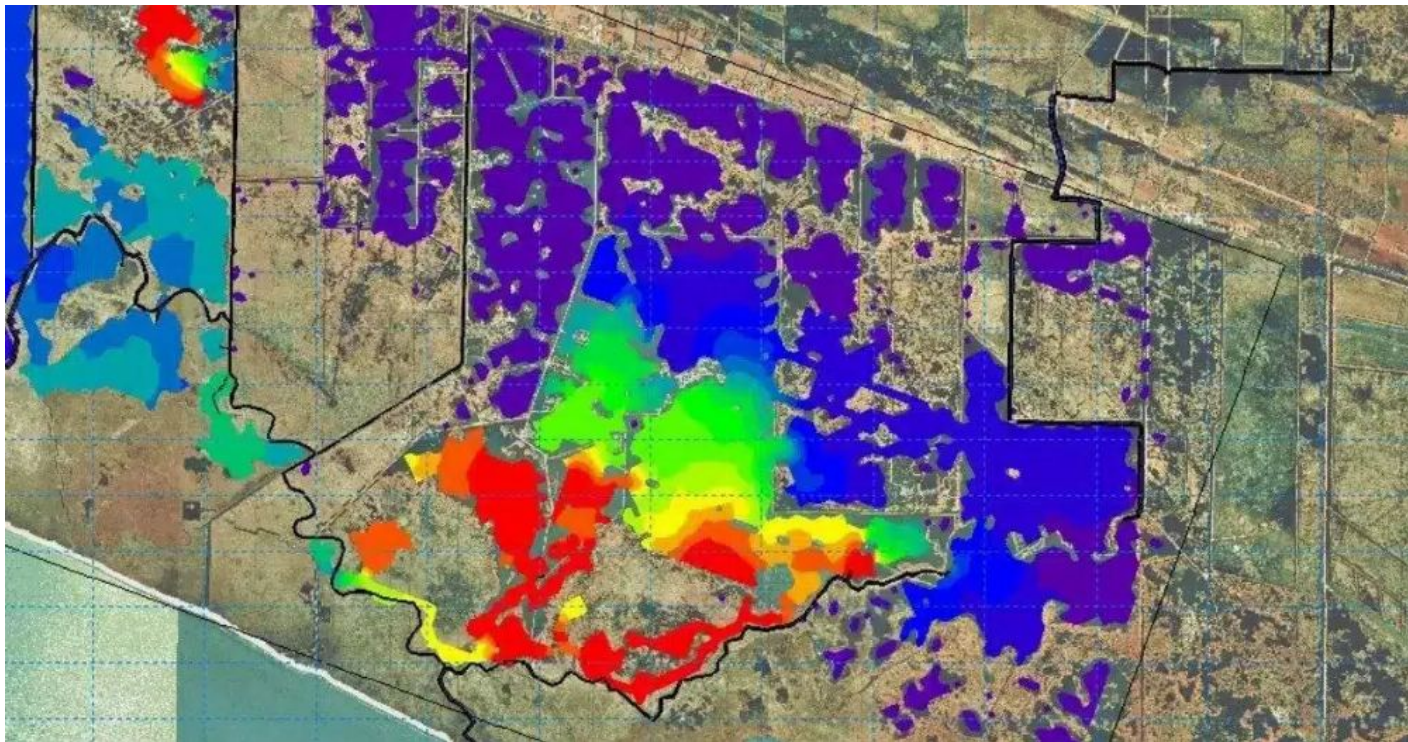


Steps for Implementing Land Reforms in India

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What's in today's article?

- Why in News?
- Promises Related to the Land Reforms Made in the Union Budget 2024-2025
- Significance of Actions on Reforms around Land
- Challenges Towards Implementing Actions on Land Reforms
- What is the Scheme for Special Assistance to States for Capital Investment 2024-25?

Why in News?

- The Centre has decided to provide states with Rs 10,000 crore in incentives for implementing land-related reforms in rural and urban areas, and Rs 5,000 crore for creating a Farmers' Registry during the financial year 2024-25 (FY25).
- The funds will be provided under the Scheme for Special Assistance to States for Capital Investment 2024-25.

Promises Related to the Land Reforms Made in the Union Budget 2024-2025:

- **Land-related reforms in the rural areas:** These will include –

- Assignment of unique land parcel identification numbers (ULPIN) or **Bhu-Aadhaar** for all lands,
- Digitisation of cadastral maps,
- Survey of map subdivisions as per current ownership,
- Establishment of land registry, and
- Linking to the farmers registry.
- **Land-related reforms on the urban front:** These will include –
 - Digitisation of land records with GIS mapping.
 - Establishing an IT-based system for property record administration, updating, and tax administration.
 - These will facilitate **improving the financial position of urban local bodies**.
- **Implementation of the Digital Public Infrastructure (DPI) in agriculture:**
 - The Indian government (in partnership with States) will facilitate the implementation of the DPI in agriculture for coverage of farmers and their lands in 3 years.
 - This programme will include a “**digital survey**” of the kharif crop in 400 districts and the land details being brought into a “**land registry**”.
 - These actions will facilitate credit flow and other agricultural services to rural land.

Significance of Actions on Reforms around Land:

- It points towards a **recognition that States are the key actors** on these issues, and that **approaches and constraints can vary across States**.
- Overall better land registries and cadastral maps are key –
 - **To understanding land-use around the country,**
 - To enforce building codes, and
 - To evaluate the risks due to various hazards, including **natural disasters**.
- Information about land-use and land-use change are also key to understanding India’s **emissions inventory**.

Challenges Towards Implementing Actions on Land Reforms:

- India has been trying to develop such land maps since the 1980s, with limited success.
- One particular pitfall has been **lack of standards**.
 - These maps have been made by **manual digitisation** and are **not properly georeferenced**, i.e. the digital data is not mapped to fixed geographical coordinates.
 - The States have used **different mapping projections**, so maps prepared by one State’s processes are not directly compatible with those of another.
- Thus, it is important to develop GIS data standards and interoperability for various end applications first.
- These efforts also **need technology support and upgrading**, while appropriate and enabling institutional arrangements will need to be worked out at state and city levels.

What is the Scheme for Special Assistance to States for Capital Investment 2024-25?

- In view of a **higher multiplier effect** of capital expenditure and in order to provide a boost to capital spending by States, the scheme was **announced in the Union Budget 2024-25**.
 - The scheme (first launched in 2020-21) **provides financial assistance to state governments** in the form of 50-year interest-free loans for capital investment projects.
 - In 2024-25, the scheme was redesigned with an overall allocation of ₹1.30 lakh crore, and includes 2 mandatory conditions for the next fiscal year:
 - With many states tweaking the names of **centrally sponsored schemes (CSSs)**, the Centre has made it mandatory that to avail of the capex loan, **states would have to retain the official name of all schemes**.
 - The Centre has now mandated that states have to deposit the central share of interest earned in SNA accounts till March 31 (2024), in the Consolidated Fund of India.
 - **The single nodal agencies (SNA) model** requires states to notify an SNA for each CSS to receive funds from both the Centre and from state budgets.
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Q.1. Why is capital expenditure important?

Capital expenditure, which leads to the creation of assets, is long-term in nature and allows the economy to generate revenue for many years by adding or improving production facilities and boosting operational efficiency.

Q.2. What do you mean by multiplier effect?

In macroeconomics, the multiplier effect refers to the increase in national income due to an external stimulus, like an increase in demand or spending power.

Source: **Centre's guidelines for special assistance to states finalised, Rs 10,000 crore for land reforms**

Source: <https://vajiramandravi.com/current-affairs/steps-for-implementing-land-reforms-in-india/>

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