

THE LAND ACQUISITION ACT, 1894

(Act 1 of 1894)

As amended upto Act 6 of 1984*

[2nd February, 1894]

*An Act to amend the law for the acquisition of land
for public purposes and for Companies*

WHEREAS it is expedient to amend the law for the acquisition of land needed for public purposes and for Companies and for determining the amount of compensation to be made on account of such acquisition; it is hereby enacted as follows:—

PART I

PRELIMINARY

1. Short title, extent and commencement.— (1) This Act may be called the Land Acquisition Act, 1894.

(2) It extends to the whole of India except ¹[the State of Jammu and Kashmir].

(3) It shall come into force on the first day of March, 1894,

Case Law

Effect of amendment of sub-section (2) of S.1: (As amended by Act 68 of 1984): Effect of amendment of sub-section (2) of S.1 on acquisition proceedings initiated under Kerala Land Acquisition Act, 1961 prior to September 24, 1984. *Pariapoornan v. State of Kerala — 1992 (1) SCC 684 : AIR 1992 SC 1488 : (1992) 2 Mah LJ 28 (SC).*

2. Repeal and saving.— Repealed in part by the Repealing and Amending Act, 1914 (X of 1914), Section 3 and Schedule II, and later in part by the Repealing Act, 1938 (1 of 1938), Section 2 and Schedule.

3. Definitions.— In this Act, unless there is something repugnant in the subject or context,—

(a) the expression "land" includes benefits to arise out of land, and things attached to the earth or permanently fastened to anything attached to the earth;

²[(aa) the expression "local authority" includes a town planning authority (by whatever name called) set up under any law for the time being in force;]

(b) the expression "person interested" includes all persons claiming an interest in compensation to be made on account of the acquisition of land under this

* Act 68 of 1984 received the assent of the President on 24/09/1984.

1. Substituted for the words "the territories which immediately before the 1st November, 1956, were comprised in Part B States; and" by Act 68 of 1984.

2. Inserted by Act 68 of 1984.

Act; and a person shall be deemed to be interested in land if he is interested in an easement affecting the land;

(c) the expression "Collector" means the Collector of a district, and includes a Deputy Commissioner and any officer specially appointed by the ³[appropriate Government] to perform the functions of a Collector under this Act;

^{3A}[(cc) the expression "corporation owned or controlled by the State" means any body corporate established by or under a Central, Provincial or State Act, and includes a Government company as defined in Section 617 of the Companies Act, 1956, a society registered under the Societies Registration Act, 1860, or under any corresponding law for the time being in force in a State, being a society established or administered by Government and a co-operative society within the meaning of any law relating to co-operative societies for the time being in force in any State, being a co-operative society in which not less than fifty-one per centum of the paid-up share capital is held by the Central Government, or by any State Government or Governments, or partly by the Central Government and partly by one or more State Governments;]

(d) the expression "Court" means a Principal Civil Court of original jurisdiction, unless the ³[appropriate Government] has appointed (as it is hereby empowered to do) a special judicial officer within any specified local limits to perform the functions of the Court under this Act;

⁴[(e) the expression "Company" means—

(i) a company as defined in Section 3 of the Companies Act, 1956, other than a Government company referred to in clause (cc);

(ii) a society registered under the Societies Registration Act, 1860, or under any corresponding law for the time being in force in a State, other than a society referred to in clause (cc);

(iii) a co-operative society within the meaning of any law relating to co-operative societies for the time being in force in any State, other than a co-operative society referred to in clause (cc);]

⁵[(ee) the expression "appropriate Government" means, in relation to acquisition of land for the purposes of the Union, the Central Government and in relation to acquisition of land for any other purposes, the State Government;]

⁴[(f) the expression "public purpose" includes—

(i) the provision of village-sites, or the extension, planned development or improvement of existing village-sites;

(ii) the provision of land for town or rural planning;

(iii) the provision of land for planned development of land from public funds in pursuance of any scheme or policy of Government and subsequent disposal thereof in whole or in part by lease, assignment or outright sale with the object of securing further development as planned;

3. Substituted for the words "Provincial Government" by A. L. O. 1950.

3A. Inserted by Act 68 of 1984.

4. Substituted by Act 68 of 1984.

5. Added by A. L. O. 1950.

- (iv) the provision of land for a corporation owned or controlled by the State;
- (v) the provision of land for residential purpose to the poor or landless or to persons residing in areas affected by natural calamities, or to persons displaced or affected by reason of the implementation of any scheme undertaken by Government, any local authority or a corporation owned or controlled by the State;
- (vi) the provision of land for carrying out any educational, housing, health or slum clearance scheme sponsored by Government or by any authority established by Government for carrying out any such scheme, or, with the prior approval of the appropriate Government, by a local authority or a society registered under the Societies Registration Act, 1860, or under any corresponding law for the time being in force in a State, or a co-operative society within the meaning of any law relating to co-operative societies for the time being in force in any State;
- (vii) the provision of land for any other scheme of development sponsored by Government, or, with the prior approval of the appropriate Government, by a local authority;
- (viii) the provision of any premises or building for locating a public office, but does not include acquisition of land for Companies;]

(g) the following persons shall be deemed persons "entitled to act" as and to the extent hereinafter provided (that is to say)—

trustees for other persons beneficially interested shall be deemed the persons entitled to act with reference to any such case, and that to the same extent as the persons beneficially interested could have acted if free from disability;

a married woman, in cases to which the English law is applicable, shall be deemed the person so entitled to act, and, whether of full age or not, to the same extent as if she were unmarried and of full age; and

the guardians of minors and the committees or managers of lunatics or idiots shall be deemed respectively the persons so entitled to act, to the same extent as the minors, lunatics, or idiots themselves, if free from disability, could have acted:

Provided that—

- (i) no person shall be deemed "entitled to act" whose interest in the subject-matter shall be shown to the satisfaction of the Collector or Court to adverse to the interest of the person interested for whom he would otherwise be entitled to act;
- (ii) in every such case the person interested may appear by a next friend, or, in default of his appearance by a next friend the Collector or Court, as the case may be, shall appoint a guardian for the case to act on his behalf in the conduct thereof;
- (iii) the provisions of [Order XXXII of the First Schedule to the Code of Civil Procedure, 1908] shall, mutatis mutandis, apply in the case of persons

interested appearing before a Collector or Court by a next friend, or by a Guardian for the case, in proceedings under this Act; and

- (iv) no person "entitled to act" shall be competent to receive the compensation-money payable to the person for whom he is entitled to act, unless he would have been competent to alienate the land and receive and give a good discharge for the purchase money on a voluntary sale.

Case Laws

The question of title of the State over the acquired land cannot be decided under S.18: State cannot be a person interested to agitate any claim under S.18 or S.30. Land owned by State cannot be acquired. *Ahad Brothers v. State of M. P. and Another* — 2005 (1) SCC 545 : AIR 2005 SC 355. (DB)

"Person interested": Government is not a person interested within the meaning of the definition. *Sharda Devi v. State of Bihar* — 2003 (3) SCC 128 : AIR 2003 SC 942 : JT 2003 (1) SC 18.

Satisfaction of appropriate Government that land needed for public purpose and prior approval of the Government. Obtained for acquisition of the land for Housing Co-operative Society: State Government directing Assistant Registrar of Co-operative Societies to verify the requirement of members of the Co-operative Society. Matter placed before a Committee of three members (Registrar, Cooperative Societies, Secretary, Bangalore Development Authority and Special Deputy Commissioner, Revenue Deptt.) For scrutiny. Recommendations of the Committee considered by a State-level Coordination Committee. Approval thereafter conveyed by the Government for initiating proceedings for acquisition. Held, there was no lapse in observing the procedure prescribed and prior approval was granted after due verification and scrutiny. *Kanaka Gruha Nirman Sahakara Sangha v. Narayanamma* — 2003 (1) SCC 228.

Land for the passage of a religious procession can be acquired: The land for the passage of a religious procession can be acquired for a company, even if to be utilised every year on a single occasion for approaching the place of religious worship. *Jnanedaya Yogan v. Pankajakshy* — 1999 (3) KLT 916.

Person interested: A Corporation owned or controlled by the State is a 'person interested'. Before fastening liability upon it, notice must be issued to it. *ESI Corporation v. State of Kerala* — 1998 (1) KLT 712.

Providing house sites to the members of Cooperative Society is a "public purpose": Acquisition cannot be held to be *mala fide* merely because on earlier occasion also some of the lands belonging to the appellants were acquired for such or some other purpose. *Venkataswamappa v. Special Dy. Commr. (Revenue)* — 1997 (9) SCC 128 : AIR 1997 SC 503.

Local amendment empowering the authorised officer to satisfy himself whether the land was needed for a public purpose: Held, does not take away the power of the Government to take a decision that the land was needed for a public purpose. *Laxmanrao Bapurao Jadhav v. State of Maharashtra* — 1997 (3) SCC 493 : AIR 1997 SC 334.

Acquisition for providing houses to the weaker sections: (As amended in Andhra Pradesh): Acquisition for providing houses to the weaker sections of society constitutes "Public purpose" by virtue of local amendment made in S.17(1). *Collector v. Narra Venkateswarlu* — 1996 (7) SCC 150.

Public purpose: Acquisition of land for an educational institution receiving aid out of State funds is a public purpose. Right of education is a fundamental right to every child. *Ganapathi National Middle School v. M. Durai Kannan* — 1996 (6) SCC 464.

The Collector is not a Court: Application for a reference must be made within time prescribed in S.18(2). Collector has no power to condone delay in making application for reference. Even a Court cannot entertain an invalid reference. *Officer on special Duty v. S. M. Chandulal* — 1996 (2) KLT SN 60.

"Public purpose": Scope: Acquisition of land for university campus and staff quarters covered. Deemed University of Kashi Vidyapith, held, "other authority" and its fund, a "local fund" within S.3(31) of the General Clauses Act. Hence, acquisition of land for building its campus including staff quarters constitutes a public purpose. *Kashi Vidyapith v. Motilal* — 1996 (1) SCC 456.

"Public purpose": Scope: Setting up of a paper mill, held, covered. *Sarmukh Singh Grewal v. State of U.P.* — 1995 Supp (4) SCC 489.