The first land acquisition legislation in India was enacted by the British government in 1824. Called the Bengal Resolution I of 1824, the law applied “to the whole of Bengal province subject to the presidency of Fort William.” The law enabled the government to “obtain, at a fair valuation, land or other immovable property required for roads, canals or other public purposes.” In 1850, the British extended the regulation to Calcutta (now Kolkata), through another legislation, the Act I of 1850, with “the object of confirming the title to lands in Calcutta for public purposes”.

It was also that time when the British were building railway lines across the country, and needed some form of legislation, which would enable them to acquire land for the same. The Act XLII of 1850 “declared that Railways were public works and thus enabled the provisions of Resolution I of 1824 to be used for acquiring lands for the construction of railways.” Likewise, similar Acts in Bombay (now Mumbai) in 1839, the Building Act XXVII and Act XX of 1852 in Madras (now Chennai) were passed to facilitate land acquisition in these presidencies (within the “islands of Bombay and Colaba” and the Presidency of Fort St. George).

However, it was in 1857 that the British enacted legislation that applied to the rest of the provinces or presidencies and the whole of British India. Act VI of 1857 “repealed all previous enactments relating to acquisition and its object as stated in its preamble, was to make better provision for the acquisition of land needed for public purposes within the territories in the possession and under the governance of The East India Company and for the determination of the amount for the compensation to be paid for the same.” This act, owing to “unsatisfactory settlement”, “incompetence” and “corruption” was further amended in 1861 (Act II) and 1863 (Act XXII) and subsequently led to the enactment of Act X of 1870.

The 1870 law, which for the first time, brought a mechanism for settlement (the reference to a civil court for compensation, if the collector couldn’t settle by agreement), was eventually replaced by the Land Acquisition Act, 1894 (Act I of 1894). The 1894 law did not apply to princely states like Hyderabad, Mysore and Travencore, who enacted their own land acquisition legislation.

After India gained independence in 1947, it adopted the Land Acquisition Act of 1894 by the “Indian Independence (Adaptation of Central Acts and Ordinances) Order” in 1948.

Since 1947, land acquisition in India has been done through the British-era act. It was in 1998 that the rural development ministry initiated the actual process of amending the act. The Congress-led United Progressive Alliance (UPA) in its first term (2004-09) sought to amend the act in 2007 introduced a bill in parliament. It was referred to the standing committee on rural development, and subsequently, cleared by the group of ministers in December 2008, just ahead of its eventual passage. The 2007 amendment bill was passed in Lok Sabha as the “Land Acquisition (Amendment) Act, 2009” in February 2009, and the UPA returned to power for a second term in May that year. However, with the dissolution of the 14th Lok Sabha soon after, the bill lapsed. The government did not have the required majority in the Rajya Sabha to pass the bill.

The 2007 bill called for a mandatory social impact assessment (SIA) study in case of large-scale “physical displacements” in the process of land acquisition. The act ensured the eligibility of tribals, forest-dwellers and persons having tenancy rights under the relevant state laws. As per the bill, while acquiring the land, the government had to pay for loss or damages “caused to the land and standing crops in the process of acquisition” and additionally, the costs of resettlement and rehabilitation of affected persons or families. This cost or compensation would be determined by the “intended use of the land” and as per prevailing market prices.

It also sought to establish the Land Acquisition Compensation Disputes Settlement Authority at both the state and central levels “for the purpose of providing speedy disposal of disputes relating to land acquisition compensation.” Besides, the bill also proposed that land acquired as per the act which is unused for a period of five years shall be returned to the appropriate government.

After the UPA came back to power with a bigger mandate, it sought to reintroduce the bill in 2011 as the “Land Acquisition Rehabilitation and Resettlement Bill, 2011” or LARR, 2011. The bill proposed that for a private project, land could be acquired only if 80% of the affected families agree to its acquisition. For a public-private partnership (PPP) project, 70% affected families must agree. Besides, it proposed compensation for the affected parties—four times the market rate in rural areas and two times of the market rate in urban areas. It also sought to compensate artisans, traders and other affected parties through a one-time payment, even if they didn’t own land in the area considered for acquisition. The bill was passed in August 2013 as “The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013” and came into effect on 1 January 2014.

In May 2014, as the Bharatiya Janata Party-led National Democratic Alliance (NDA) swept to power, riding high on its development-driven agenda, it sought to bring about immediate reforms in land acquisition procedures. Without land acquisition, it argued, the government will find it difficult to execute its ambitious pet projects, including the “Make in India” programme, which seeks to revive and boost domestic manufacturing.

Land acquisition is also central to the government’s thrust in infrastructure development. To facilitate its economic agenda, it promulgated the land acquisition amendment ordinance in December 2014 with a view to introducing legislation in the Budget session of parliament.

Under the proposed 2015 bill, there will be five categories which will be exempt from certain provisions of the previous act, including consent for acquisition. They are: national security and defence production; rural infrastructure including electrification; affordable housing for the poor; industrial corridors; and PPP (public private partnership) projects where the land continues to vest with the central government.

These categories are also exempted from the SIA provisions, as provided for in the 2013 act.

The 2013 act facilitated land acquisition by private companies, which the 2015 bill has changed to “private entities.” As per its definition, a “private entity” is “an entity other than a government entity” and includes “a proprietorship, partnership, company, corporation, nonprofit organisation, or other entity under any other law.”

The 2015 version also removes restrictions on acquisition of land for private hospitals and private educational institutes.