

INTERNATIONAL JOURNAL FOR LEGAL RESEARCH AND ANALYSIS



Open Access, Refereed Journal Multi-Disciplinary
Peer Reviewed

www.ijlra.com

DISCLAIMER

No part of this publication may be reproduced, stored, transmitted, or distributed in any form or by any means, whether electronic, mechanical, photocopying, recording, or otherwise, without prior written permission of the Managing Editor of the *International Journal for Legal Research & Analysis (IJLRA)*.

The views, opinions, interpretations, and conclusions expressed in the articles published in this journal are solely those of the respective authors. They do not necessarily reflect the views of the Editorial Board, Editors, Reviewers, Advisors, or the Publisher of IJLRA.

Although every reasonable effort has been made to ensure the accuracy, authenticity, and proper citation of the content published in this journal, neither the Editorial Board nor IJLRA shall be held liable or responsible, in any manner whatsoever, for any loss, damage, or consequence arising from the use, reliance upon, or interpretation of the information contained in this publication.

The content published herein is intended solely for academic and informational purposes and shall not be construed as legal advice or professional opinion.

**Copyright © International Journal for Legal Research & Analysis.
All rights reserved.**

ABOUT US

The *International Journal for Legal Research & Analysis (IJLRA)* (ISSN: 2582-6433) is a peer-reviewed, academic, online journal published on a monthly basis. The journal aims to provide a comprehensive and interactive platform for the publication of original and high-quality legal research.

IJLRA publishes Short Articles, Long Articles, Research Papers, Case Comments, Book Reviews, Essays, and interdisciplinary studies in the field of law and allied disciplines. The journal seeks to promote critical analysis and informed discourse on contemporary legal, social, and policy issues.

The primary objective of IJLRA is to enhance academic engagement and scholarly dialogue among law students, researchers, academicians, legal professionals, and members of the Bar and Bench. The journal endeavours to establish itself as a credible and widely cited academic publication through the publication of original, well-researched, and analytically sound contributions.

IJLRA welcomes submissions from all branches of law, provided the work is original, unpublished, and submitted in accordance with the prescribed submission guidelines. All manuscripts are subject to a rigorous peer-review process to ensure academic quality, originality, and relevance.

Through its publications, the *International Journal for Legal Research & Analysis* aspires to contribute meaningfully to legal scholarship and the development of law as an instrument of justice and social progress.

PUBLICATION ETHICS, COPYRIGHT & AUTHOR RESPONSIBILITY STATEMENT

The *International Journal for Legal Research and Analysis (IJLRA)* is committed to upholding the highest standards of publication ethics and academic integrity. All manuscripts submitted to the journal must be original, unpublished, and free from plagiarism, data fabrication, falsification, or any form of unethical research or publication practice. Authors are solely responsible for the accuracy, originality, legality, and ethical compliance of their work and must ensure that all sources are properly cited and that necessary permissions for any third-party copyrighted material have been duly obtained prior to submission. Copyright in all published articles vests with IJLRA, unless otherwise expressly stated, and authors grant the journal the irrevocable right to publish, reproduce, distribute, and archive their work in print and electronic formats. The views and opinions expressed in the articles are those of the authors alone and do not reflect the views of the Editors, Editorial Board, Reviewers, or Publisher. IJLRA shall not be liable for any loss, damage, claim, or legal consequence arising from the use, reliance upon, or interpretation of the content published. By submitting a manuscript, the author(s) agree to fully indemnify and hold harmless the journal, its Editor-in-Chief, Editors, Editorial Board, Reviewers, Advisors, Publisher, and Management against any claims, liabilities, or legal proceedings arising out of plagiarism, copyright infringement, defamation, breach of confidentiality, or violation of third-party rights. The journal reserves the absolute right to reject, withdraw, retract, or remove any manuscript or published article in case of ethical or legal violations, without incurring any liability.

THE EXPANDING MEANING OF “PUBLIC PURPOSE” UNDER LAND ACQUISITION LAW IN INDIA

AUTHORED BY - ANANYA SAMYAL

Introduction

Under article 19(1)(f) of the Indian constitution, Right to Property was a Fundamental right. However, it was removed and formed merely a constitutional right under Article 300A, which states that “*No person shall be deprived of his property save by authority of law.*” This principle had first originated from the Land Acquisition act, 1894 by the British for their economic and strategic interests as “Eminent Domain”. The Doctrine of Eminent Domain refers to the absolute power of the sovereign to take over private property for a public purpose within its territory.¹ However, the acquisition must be for a public purpose, should be attached with just compensation and must follow the due process of law.

This was done to ensure that Article 39(b) & (c) of DPSP is followed, emphasising fair distribution of resources and prevention of wealth concentration in few hands. The significance of this protection was also consolidated in the landmark decision of the *K.T. Plantation v. State of Karnataka*², where the Supreme Court held that the State’s power of acquisition under Article 300A must meet the twin tests of fairness and reasonableness mentioned in Article 14. Basically, it reinforced that any law depriving a person of property under Article 300A must be just, fair, and reasonable, incorporating existing principles of constitutional law and only then will the acquisition be held valid.

However, the socio-economic realities of large-scale infrastructure, urbanisation, Smart Cities, PPP (Public-Private Partnership) projects and the increasing involvement of private enterprises in land development have generated new tensions. To address some of them, the Land Acquisition, Rehabilitation and Resettlement Act (LARR)³ was enacted in 2013 replacing the

¹ Aishwarya Agrawal, 'Doctrine of Eminent Domain' *LawBhoomi* (19 August 2025) https://lawbhoomi.com/doctrine-of-eminent-domain/#Evolution_of_the_Doctrine_of_Eminent_Domain_in_India

² *K.T. Plantation v. State of Karnataka* (2011) 7 SCC 479.

³ The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act 2013 (India).

1894 Act to abide by the seventeenth amendment, i.e., State must pay compensation at the market value for such land, building or structure acquired. It was also derived from the repealed Article 31(2) that the word "Compensation" mentioned implies the market value of the property at the time of the acquisition.

This Act further brings in new features like the social impact assessment (SIA), prior consent for private/PPP acquisitions and other procedural safeguards.

However, there is still uncertainty about whether the idea of "public purpose" under land acquisition law has actually been transformed to strike a fair balance between private property rights and the needs of development, or whether courts continue to show the same old deference to the State, only in a new form. This paper would further analyse this in detail.

Re-shaping "Public Purpose": The Statutory Reform

Under the 1894 Act, the notion of "public purpose" was broad and largely left to the State's discretion, subject only to limited judicial review of mala fides or non-application of mind.³ under the LARR act public purpose refers to land acquisition for a broad range of projects that benefit the public, including **strategic purposes, infrastructure projects, development of public facilities, industrial and economic development, and housing for weaker sections of society.**

In Sooraram Pratap Reddy case⁴, The Supreme Court held that "public purpose" cannot be confined to projects undertaken by the government itself. It can also extend to projects executed by private companies if they serve a public interest. However, it also warned that the phrase must not become "a mere cloak for private purpose."

Still, they discovered the need for procedural safeguards and explicitly tied acquisition to a socially justified rationale. Two key features of this were:

- **Social Impact Assessment (SIA):** Section 4 of the LARR Act mandates that before any acquisition, the appropriate government must conduct an SIA study in consultation with Gram Sabhas and municipal bodies. The study assesses the extent of displacement,

⁴ Sooraram Pratap Reddy v. District Collector, Ranga Reddy District, (2008) 9 SCC 552

alternative land uses, environmental impact and the justification of the acquisition for public purpose.⁵

- **Consent for Private/PPP Projects:** The Act makes acquisitions for private companies or for PPP projects subject to prior consent of a specified percentage of affected families (typically 80 % for private projects and 70 % for PPPs).⁶ This signals a legislative intent to narrow the ambit of acquisition for purely private ends and to ensure that the “public purpose” test is not a mere veil for private profit.

Thus, the statute formally restrains the State’s acquisition power and instils democratic inputs into the “public purpose” inquiry and the its meaning was no longer just rhetorical, but it is also secured in assessment and consent.

Judicial Pronouncements

Although the statutory reforms are significant, the real test lies in how courts apply them in practice. Further, analyzing recent judgments illustrating the evolving nature of the public purpose doctrine.

1. The Vedanta University Case

The *Anil Agarwal Foundation v. State of Orissa*⁷ case dealt with the controversy arising out of the proposed Vedanta University project, Odisha, for which the State government had sought to acquire nearly 6,000 acres of fertile agricultural land affecting over 6,000 families. The land was intended to be transferred to a private entity for establishment of the project.

The key question before Court was whether such acquisition can be carried out under the pretext of public purpose to serve the broader public, or whether it primarily benefited a private corporation under the façade of education and development.

The Supreme Court held that the acquisition process was corrupted by the non-application of mind by the State and undue favour to the private foundation. It pointed out that the beneficiary entity had changed its status from a private to a public company to facilitate acquisition, and that if termed valid, the two rivers running through the acquired land could also easily be

⁵ LARR Act, s 4.

⁶ LARR Act, Chapter II, Part V.

⁷ *Anil Agarwal Foundation v. State of Orissa* – acquisition for Vedanta University (see New Indian Express, 13 April 2023).

controlled by the private trust, which would clearly violate the doctrine of public trust.⁸ Therefore, the Court quashed the acquisition for failing the public purpose test in the facts.

This laid down a new principle that when private entities are immediate beneficiaries, courts will demand a tighter nexus between acquisition and genuine public benefit to reinforce the procedural safeguards introduced by the LARR Act.

2. The Pune Municipal Authority case

While the *Vedanta University* judgment reflected judicial vigilance against the misuse of “public purpose” for private gain, later decisions demonstrate the courts’ ongoing effort to balance developmental objectives with the rights of landowners under the 2013 Act. In *The Pune Municipal Authority case*⁹, the Supreme Court acknowledged that the LARR Act was enacted because the phrase “public purpose” under the 1894 Act had been interpreted too broadly, often allowing forcible dispossession of small landholders. Regarding the intent of the new law, the Court reiterated that it sought to ensure a transparent and humane process of land acquisition, while controlling the discretion of government in the use of eminent domain, through requiring measures like social impact assessments, community consent, and just compensation. The Court said that the exercise of the State’s eminent domain power could no longer be justified based merely on government convenience but on statutory tests of necessity and proportionality.

In similar fashion, the Court observed in the *Bombay Development Authority case* that in disputes over urban development and housing schemes, even though city planning and infrastructure can serve public purposes acknowledged by the Supreme Court, city planning and infrastructure cannot be justified in the way that it serves mainly private developers and ignores proper consultation for fair relocation and rehabilitation. The Court affirmed that the idea of public purpose must not be evaluated alone from intended results, but must be also based upon the adopted process being fair and transparent. Together, these judicial approaches demonstrate a rights-based interpretation of the LARR Act that reconceptualizes public purpose as a standard intertwined with accountability, true public benefit, and process integrity, rather than as an administrative formality.

⁸ Indu Bhan, 'SC junks land acquisition for Anil Agarwal Foundation's varsity in Odisha' *The Economic Times* (13 April 2023) <https://economictimes.indiatimes.com/news/india/sc-junks-land-acquisition-for-anil-agarwal-foundations-varsity-in-odisha/articleshow/99444781.cms?from=mdr>

⁹ *Pune Municipal Corporation v Harakchand Misirimal Solanki* (2014) 3 SCC 183.

Is the Meaning of “Public Purpose” Expanded or Contracted?

The reforms enacted through the LARR Act and interpreted by the judiciary have given a mixed picture of what "public purpose" means today.

In principle, the Act clearly reduces State power by introduced procedures such as social impact assessments, consent, and fair compensation. These protections were developed to prevent land acquisition for merely private or commercial purposes. The Vedanta University cases demonstrate this intended circumscription of power of the Court to invalidate an acquisition that was only for a private foundation, thus not for a broader public. In reality, however, the notion of public purpose is ever wider. Courts conveniently presume that large infrastructure, industrial corridors, or urban renewal are, by the mere fact, serving public purpose, irrespective of the extent of private benefit. As long as procedural formality has been satisfied, courts will usually defer to the government’s judgment.

What this exposes is a sort of “conditional narrowing” of power. The LARR Act theoretically narrows State power but not always practically. The focus on procedure may turn protections into technicalities and not effective barriers from abuse. In effect, acquiring institutions of disproportionate benefit to the private sector may continue under the banner of public purpose, obscuring the very balance of development and property rights that the Act hoped to achieve.

Suggestions for a Rebalanced Doctrine

To truly realize a balance between private rights and public purpose land acquisition, the law has to escape procedural formalism and develop stronger institutional checks.

A key reform would be to explicitly govern what happens to acquired land after it is in the hands of the agency. The LARR Act has to condition any post-acquisition transfer to private parties on legislative approval. If not, there is nothing to stop the acquired land for public purpose from becoming private land.. Another important reform has to be giving some real teeth to the SIA. As a report, the SIA is currently only in advisory capacity and not a determinative test. The administration has to demonstrate within the acquisition notice that the SIA leads to a transparent public good, investigates alternatives, and limits displacement. Similarly, statutory consent levels (70-80%) of families impacted by a land acquisition should

have to be checked independently to provide confidence in participation. Independent monitoring by Gram Sabhas, or a judicial magistrate can support participation as voluntary and informed instead of symbolic. Institutional monitoring will also need strengthening.

It is highly likely that a separate Land Acquisition Commission, possessing legal, economic, and social knowledge, could guarantee an impartial forms of assessing large investments, especially those involving private or public-private transfers. Additionally, rehabilitation needs to be considered a substantive and enforceable right, not a simple policy largesse. Where displacement undermines livelihoods, the right to rehabilitation should follow compensation as an inherent condition of acquisition. Again, development cannot occur at the expense of a meaningful right to justice for the displaced.

Conclusion

The LARR Act, 2013 was intended to remedy the disparity between state power and individual property rights by incorporating consent, social impact assessments, and equitable compensation. While it ostensibly limited the ambit of "public purpose," it remains the case that, in reality, courts and governments frequently interpret the term as broadly as they have always done, enabling acquisitions that primarily serve private interests. For the doctrine of eminent domain to justify its existence, "public purpose" should be an actual protection and not just a perfunctory process. The State must represent a trustee of the public good, and demonstrate that it is acquiring for public benefit while ensuring fairness, accountability and human dignity.