

INTERNATIONAL JOURNAL OF LAW MANAGEMENT & HUMANITIES

[ISSN 2581-5369]

Volume 8 | Issue 2

2025

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Federalism in the Balance: Legislative Autonomy and Constitutional Conflicts in Indian Land Governance

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ABSTRACT

Land acquisition in India represents an important intersection of federalism, development needs, and property rights. The complex constitutional framework on center-state relations establishes various opportunities and challenges for land governance. This research will examine the ability of state legislative autonomy on federalism in India and recent changes to land acquisition legislation in Maharashtra and Tamil Nadu, identifying prominent tensions between development needs and constitutional protections.

Keywords: *Federalism, Land Acquisition, Constitutional Repugnancy, Judicial Deference, Legislative Autonomy.*

I. INTRODUCTION

In India, land acquisition straddles the lines of federalism, development objectives, and concerns for socio-environmental justice. As India advances its objective for rapid economic development, land acquisition for infrastructure, industry, and urbanization has increasingly become a focal point of controversy. The powers allocated constitutionally to the Union and the States can complicate land governance, as land management is primarily a state subject of governance, while acquisition powers stem from a concurrent subject of governance.² This delicate balance becomes further complicated as states exercise legislative autonomy to facilitate development, sometimes at the expense of protections established by central legislation.

(A) Research Problem

There is an inherent tension between state control over land governance and the national framework established by the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act (LARR Act) of 2013. The result is that states

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² INDIAN FEDERALISM-AN ANALYSIS, DR. MARRI CHANNA REDDY HUMAN RESOURCE DEVELOPMENT INSTITUTE OF TELANGANA (Mar. 28, 2025), <https://www.mcrhrdi.gov.in/mes2022/week3/INDIAN%20FEDERALISM-AN%20ANALYSIS.pdf>.

increasingly have enshrined their circumvention of central protections into law, creating a patchwork of inconsistent and competing laws across India. For example, in Tamil Nadu, approximately 80% of lands acquired are exempt from the LARR Act.³ Maharashtra has similarly implemented numerous amendments to streamline land acquisition and conversion processes⁴. These legislative actions raise critical questions about the constitutional balance of federalism in land governance.

(B) Research Questions

This paper seeks to answer the following questions:

1. How does the constitutional division of legislative powers enable conflicts in land acquisition laws?
2. To what extent do state amendments to land laws diminish the protections afforded by central legislation?
3. How have judicial interpretations of Article 254 (repugnancy) and Article 300A (right to property) shaped the federal balance in land governance?
4. What are the socio-environmental consequences of unchecked state legislative autonomy in land acquisition?
5. What policy reforms could better harmonize the federal approach to land acquisition while balancing development needs with rights protection?

(C) Methodology

This study utilizes a doctrinal analysis of constitutional provisions, with emphasis on Articles 254 and 300A, along with relevant entries in the Seventh Schedule. It will do a comparative legal assessment of the central legislation in relation to the amendments made by the respective states of Maharashtra and Tamil Nadu. It will also examine case law involving the Supreme Court regarding issues of federalism related to land acquisition, particularly relating to repugnancy and compensation.

(D) Thesis Statement

States lack of legislative discipline in land acquisition initially compromises India's federalism due to the creation of a patchwork of separate laws, supplanting protections created by

³ FromPolicyToPeople – Rocky Road Behind and Ahead: How the LARR Act of 2013 has fared (Part I), BAR & BENCH (Mar. 1, 2018), <https://www.barandbench.com/columns/policy-people-larr-act-2013>.

⁴ Pratik Dixit et al., Whose Land is it Anyway? A Look at Agricultural Land Laws in Maharashtra, CENTRE FOR CIVIL SOCIETY & VIDHI CENTRE FOR LEGAL POLICY (Mar. 2022), <https://ccs.in/sites/default/files/2022-07/maharashtra-policy-brief.pdf>.

Parliament, resulting in unequal development impacts and socio-environmental injustice.

II. THEORETICAL FRAMEWORK & LITERATURE REVIEW

(A) Federalism & Legislative Autonomy

Indian federalism represents a unique blend of federal and unitary elements rather than adhering to a rigid federal model⁵. The constitutional character of Indian federalism encompasses dual government, written constitution, division of powers, constitutional supremacy, independent judiciary, and bicameral legislature⁶. The allocation of legislative powers between the Union and States is governed by the Seventh Schedule, which divides subjects into Union, State, and Concurrent Lists.

Article 254 of the Constitution deals with the doctrine of repugnancy, which becomes relevant when laws of the Central and State government conflict on a Concurrent List subject. Article 254 (1) provides that in case of a conflict between a Central law and a State law on a subject in the Concurrent List, the Central law prevails and the State law is void to the extent of repugnancy.⁷ However, Article 254(2) provides an important exception whereby a state law, despite being repugnant to a central law, can prevail if it receives the President's assent⁸. This constitutional provision has become the primary mechanism through which states maintain legislative autonomy in land matters despite central legislation.

(B) Judicial Interpretation

The Supreme Court has developed an extensive body of case law with respect to the interpretation of constitutional provisions regarding federalism and land acquisition. In *Forum for People's Collective Efforts v. State of West Bengal*, the Court identified three features of Article 254 that stand out: it embodies repugnancy where the Concurrent List is concerned; where there is conflict between state law and parliament law, the former must yield; and where there are conflicting or repugnant laws, parliament law prevails.⁹

In *State of West Bengal v. Kesoram Industries Ltd.*, the Court struck down certain levies by way of cess on coal as unconstitutional for want of legislative competence in the State Legislature¹⁰.

⁵ INDIAN FEDERALISM: AN ANALYSIS, DR. MARRI CHANNA REDDY HUMAN RESOURCE DEVELOPMENT INSTITUTE, <https://www.mcrhrdi.gov.in/mes2022/week3/INDIAN%20FEDERALISM-AN%20ANALYSIS.pdf>.

⁶ Ibid

⁷ Evolution of 'The Doctrine of Repugnancy'—A Perspective of the Supreme Court, SCC ONLINE (Sept. 16, 2023), <https://www.scconline.com/blog/post/2023/09/16/evolution-of-the-doctrine-of-repugnancy-a-perspective-of-the-supreme-court/>.

⁸ Ibid

⁹ Ibid

¹⁰ *State of West Bengal v. Kesoram Indus. Ltd.*, (2004) 10 SCC 201 (India).

This case illustrates the judicial enforcement of constitutional limitations on state legislative authority.

The Supreme Court has also stressed the significance of compensation when it comes to land acquisitions. In a recent case, the Court reaffirmed that "under the command of Article 300A, the State may only deprive a person of the right to property if it is for a public purpose and the right to compensation has been discharged," and stated that "the right to compensation is an embedded component of Article 300A"¹¹. This judgment reinforces constitutional protections against uncompensated land acquisition.

In 2025, the Supreme Court further ruled that "government land acquisition for public purposes cannot be undermined by third-party rights created after acquisition"¹². This decision addresses delays in infrastructure projects caused by litigation but raises questions about balancing public purpose with individual rights.

(C) Existing Research

Academic literature has documented a shift in land governance approaches "from distributive justice to efficient reallocation"¹³. This shift in paradigm has huge ramifications for how states continue to assert their legislative authority regarding land. Much research has shown that regulations over agricultural land markets can at times exclude rural farmers and that state legislative amendments often privilege development needs over social protections.¹⁴

The opposition to state land laws by farmers and environmental groups reflects the tension between development imperatives and social justice issues. For example, in Tamil Nadu, the Land Consolidation Act of 2023 has been criticized as a "law against farmers" even as the government positioned it as a way to protect water bodies.¹⁵ This highlights the contested nature of state legislative autonomy in land governance.

(D) Federalism and Land Acquisition: A Doctrinal Analysis

a. Central vs. State Legislative Powers

¹¹ State Cannot Deprive a Person of the Right to Compensation Under Article 300A: Supreme Court, NEWSCLICK (Apr. 30, 2022), <https://www.newsclick.in/state-cannot-deprive-person-the-right-compensation-article-300A-supreme-court>.

¹² Land acquisition by govt can't be overturned by private deals: SC cites 'Alice in Wonderland' in ruling over land dispute, THE ECONOMIC TIMES (Mar. 21, 2025), <https://economictimes.indiatimes.com/news/india/land-acquisition-by-govt-cant-be-overturned-by-private-deals-sc-cites-alice-in-wonderland-in-ruling-over-land-dispute/articleshow/119296895.cms>.

¹³ Dixit et al., *supra* note 3, at 1.

¹⁴ *Ibid*

¹⁵ Land Consolidation Act comes into force in TN; farmers, activists demand its repeal, THE NEW INDIAN EXPRESS (Aug. 26, 2023), <https://www.newindianexpress.com/states/tamil-nadu/2023/Aug/26/land-consolidation-act-comes-into-force-in-tn-farmers-activists-demand-its-repeal-2608731.html>.

The constitutional allocation of powers generates a basis for an inherent tension in land governance. Land is primarily situated in the State List (Entry 18, List II) of the Seventh Schedule, which refers to "rights in or over land, land tenures, transfer and alienation of agricultural land." In contrast, "acquisition and requisition of property" is found in the Concurrent List (Entry 42, List III), allowing both Parliament and state legislatures to make laws in relation to acquisition regimes.

This dual jurisdiction sets up the possibility of legislative conflict. States assert their independence by stating their predominant authority over land and use the exception under Article 254(2) to seek presidential assent of laws that conflict with central legislation. This has allowed states to make laws that fundamentally alter or bypass provisions of the central LARR Act, which has resulted in a lack of regulatory consistency across India.

III. CASE STUDIES OF STATE LAWS

(A) Tamil Nadu Land Consolidation Act

The Tamil Nadu Land Consolidation (for Special Projects) Act, 2023, took effect on August 17, 2023, showing the exercise of legislative prerogative to affect land matters by states. The Act is described by the government as "aiming to smoothen the process of consolidation of government lands for large projects and regulate the process of exchange of lands involving waterbodies and the protection of such waterbodies"¹⁶.

However, farmers' associations and environmental organizations have vehemently opposed the legislation, calling it "an anti-farmer law" and planning to challenge it before the Madras High Court¹⁷. The president of the All Farmers Organisations' Coordination Committee declared, "August 17, the day when the Land Consolidation Act came into force, is a dark day for our farmers"¹⁸. This controversy highlights the contested nature of state legislative autonomy in land matters.

(B) Maharashtra's Land Law Amendments

Particularly active in the process of revising its land rules in order to assist growth is the state of Maharashtra. Recent changes include the following:

1. The Maharashtra Prevention of Fragmentation and Consolidation of Holdings (Amendment) Ordinance, 2024, which reduced the regularization premium from 25%

¹⁶ Ibid

¹⁷ Ibid

¹⁸ ibid

to 5% of the market value of land¹⁹. This significant reduction aims to encourage regularization of land transfers that were previously deemed irregular.

2. Amendments to the Hyderabad Abolition of Inams and Cash Grants Act, 1954, reducing the amount of Nazarana (payment) required for transfer, regularization, or conversion of certain lands²⁰
3. Changes to the land survey process, reducing the time from 180 to 90 days for regular surveys and introducing a streamlined "Quick Measurement" option²¹
4. A decision to return defaulted agricultural land (4,949 acres) to 973 original farmers who had lost their land due to non-payment of government dues²²
5. Directives on deemed non-agricultural use of lands, which allow certain lands within development plans to be automatically converted to non-agricultural use without separate permission²³

In general, the purpose of these revisions is to lessen the regulatory obstacles that are getting in the way of land transactions and changes in land use. Despite the fact that they could make development easier, they also raise problems about whether or not they effectively safeguard the interests of vulnerable groups and the environment.

(C) Judicial Responses

The judiciary has had an important role in resolving conflicts between legislation by the centre and states with regard to land. The doctrine of repugnancy that is enshrined in Article 254 has been a key instrument in that regard.

In its interpretation of Article 254, the Supreme Court has established that in cases of repugnancy between state and central laws on concurrent subjects, the parliamentary legislation prevails²⁴. However, the application of this principle has not been entirely consistent, creating

¹⁹ Maharashtra Government Issues Amendment Ordinance on Land Holdings, LEGALITY SIMPLIFIED (Oct. 19, 2024), <https://www.legalitysimplified.com/maharashtra-government-issues-amendment-ordinance-on-land-holdings/>

²⁰ The Hyderabad Abolition of Inams and Cash Grants (Amendment) Act, 2024, Bill No. XXIX, Maharashtra Legislative Assembly (India), https://prsindia.org/files/bills_acts/bills_states/maharashtra/2024/Bill29of2024M H.pdf.

²¹ From 180 to 90 Days: Maharashtra Slashes Land Survey Time with New Reforms, PUNEKAR NEWS (Dec. 3, 2024), <https://www.puneekarnews.in/from-180-to-90-days-maharashtra-slashes-land-survey-time-with-new-reforms/>.

²² Return of Maharashtra farm land soon', THE NEW INDIAN EXPRESS (Jan. 3, 2025), <https://www.newindianexpress.com/nation/2025/Jan/03/return-of-maharashtra-farm-land-soon>.

²³ Government's Directives on Deemed Non-Agricultural Use of Lands in Maharashtra, FOX MANDAL (May 9, 2024), <https://www.foxmandal.in/governments-directives-on-deemed-non-agricultural-use-of-lands-in-maharashtra/>.

²⁴ SCC ONLINE, *supra* note 6, at 3.

legal uncertainty and allowing states to enact laws that potentially undermine central protections.

The Supreme Court has emphasized that land acquisition must satisfy both public purpose and compensation requirements. In a recent case involving farmers whose land was taken without compensation, the Court held that the actions were "arbitrary, unreasonable and clearly a violation of Article 300A of the Constitution"²⁵. This ruling reinforces constitutional protections against uncompensated land acquisition.

In its 2025 ruling, the Supreme Court addressed delays in infrastructure projects caused by litigation over acquired land, holding that "post-acquisition transactions cannot nullify the government's authority"²⁶. This decision strengthens the government's position in land acquisition for public purposes but raises questions about balancing development needs with individual rights.

IV. SOCIO-ENVIRONMENTAL IMPLICATIONS OF STATE-LEVEL LEGISLATIVE AUTONOMY

(A) Dilution of Safeguards

State amendments to land laws have frequently resulted in the dilution of safeguards established by the central LARR Act. In Tamil Nadu, approximately 80% of lands acquired are exempt from the LARR Act due to state laws that do not include stringent consent clauses or requirements for social impact assessments²⁷. This exemption significantly reduces the protections available to landowners and affected communities.

Maharashtra's amendments simplifying the conversion of agricultural land to non-agricultural use represent another example of diminished safeguards²⁸. By allowing automatic conversion in certain circumstances, these amendments may bypass important environmental and social assessments that would otherwise be required.

(B) Impact on Displacement & Rehabilitation

The dilution of safeguards has direct implications for displacement and rehabilitation of affected communities. The central LARR Act includes comprehensive provisions for rehabilitation and resettlement, but state laws that bypass these provisions may leave affected communities with inadequate support.

²⁵ NEWSCLICK, *supra* note 10, at 3.

²⁶ THE ECONOMIC TIMES, *supra* note 11, at 3.

²⁷ BAR & BENCH, *supra* note 2, at 1.

²⁸ FOX MANDAL, *supra* note 22, at 5.

The Supreme Court's recognition that "the right to compensation is an inbuilt part of Article 300A"²⁹ provides some constitutional protection. However, the details of compensation and rehabilitation are largely determined by specific legislation. When state laws reduce these protections, affected communities may face greater hardship and uncertainty.

(C) Environmental Consequences

State-level legislative autonomy can have significant environmental consequences. The Tamil Nadu Land Consolidation Act has been opposed by environmental organizations concerned about the protection of waterbodies despite government assurances³⁰. This highlights the potential environmental risks of state legislation that prioritizes development over ecological considerations.

The ease with which agricultural land can be converted to non-agricultural use under Maharashtra's recent amendments may also have environmental implications³¹. Agricultural land often provides important ecosystem services, and its conversion without adequate environmental assessment can lead to ecological degradation and loss of biodiversity.

V. POLICY RECOMMENDATIONS & THE WAY FORWARD

(A) National Land Governance Council (under Article 263)

In order to resolve the tension between federal and state policies for land acquisition, I suggest that we create a National Land Governance Council under Article 263 of the Constitution. This would be composed of members of the central and state governments to develop a coordinated policy approach to resolving land conflicts, establish a baseline for land acquisitions throughout India, and resolve conflicts before they reach the courts. The Council could also facilitate exchanges on best practices while also monitoring compliance with legislation across state lines and reform recommendations that would apply the cooperative federal approach to land governance. In creating a venue for conversation between federal and state representatives it could fulfil the constitutional protections of the federal structure while also reducing legislative friction over issues of land governance.

(B) Judicial Reform in Federalism Conflicts

Establishing clearer judicial guidelines for the interpretation of Article 254 would ameliorate the inconsistency in how repugnancy is addressed. A clearer, consistent judicial framework established by the Supreme Court for determining when and how a state law can conflict with

²⁹ NEWSCLICK, *supra* note 10, at 3.

³⁰ THE NEW INDIAN EXPRESS, *supra* note 14, at 4.

³¹ FOX MANDAL, *supra* note 22, at 5.

central legislation and repugnancy (with specific reference to the social and environmental impact of a law) is the obvious next step. This may include developing an order of the repugnancy which takes not only into account the law but also the purpose and effect of the law. Greater clarity and delineation of state legislative autonomy would reduce uncertainty about what is permissible and promote a more cooperative federalism land governance architecture.

(C) Balancing Development with Equity

Policy changes should aim to balance the legitimate need for development with the protection of vulnerable communities and environmental sustainability. This could include:

1. Establishing minimum safeguards that must be included in all state land acquisition laws, regardless of exemptions from the central LARR Act.
2. Requiring transparent processes for determining compensation and rehabilitation that meet constitutional standards.
3. Implementing mandatory environmental impact assessments for all significant land use changes.
4. Ensuring meaningful consultation with affected communities throughout the acquisition process.

These measures would help to ensure that state legislative autonomy does not come at the expense of social justice and environmental sustainability.

VI. CONCLUSION

(A) Summary of Key Findings

This study showed how the unfettered legislative autonomy of states in land acquisition matters has led to the enactment of differing laws, which may result in a dilution of protections conferred by central level legislation. The constitutional structure has been unevenly interpreted, mainly through Article 254 on repugnancy, allowing states to pass legislation that would circumvent central protective mechanisms. Ultimately, this has led to weaker protections for landowners and communities affected by land appropriation, with potential consequences for displacement and rehabilitation and leaving issues of environmental sustainability unresolved. The recent amendments to land laws in Maharashtra and Tamil Nadu are examples of this trend, where states prefer a view of development and a simpler process to land acquisition in the interests of expediency at the expense of broader protective mechanisms. While these amendments are likely to encourage economic growth, they do pose serious concerns related to social equity and environmental sustainability.

(B) Final Thoughts

The necessity of an appropriately balanced federal approach to land acquisition is required to ensure that India's development goals can be realized without compromising social justice and environmental sustainability. This approach will require improved coordination between central and state governments, clearer judicial directions, and a commitment to ensuring the rights of affected communities. While states should have some measure of flexibility to respond to their unique development challenges, they must not be permitted to do so at the expense of basic protections for land rights or the environment. In part, increasing the constitutional framework for resolving legislative conflicts, establishing minimum standards for land acquisition, and balancing the merits of federalism with its drawbacks can help. The future of land governance in India rests on this balance: respecting state autonomy while ensuring that state decisions occur within a framework that provides constitutional values and protects the vulnerable. Only by effectively balancing these considerations can India achieve sustainable and equitable development.
