

THE KERALA LAND (FIXATION OF MAXIMUM VALUE) BILL

A bill to fix the maximum value of lands in Kerala and to make any transaction entered into not in accordance with the maximum value so fixed, as an offence;

Preamble.—WHEREAS the value of land in Kerala is increasing day by day without any proportion;

AND WHEREAS even the members of the middleclass in Kerala are unable to purchase land for any purpose, leave above the needy and the poor.

AND WHEREAS lands in Kerala are purchased by a particular group of persons in large scale;

AND WHEREAS real estate owners are gambling in land prices,

AND WHEREAS it is expedient to discourage and to prevent to the extent possible such purchases and sale of land by fixing the maximum value of lands in Kerala,

BE it enacted in the Fifty Ninth year of the Republic of India as follows:—

1. *Short title extent and commencement.*—(1) This Act may be called the Kerala Land (Fixation of Maximum Value) Act, 2008.

(2) It shall extent to the whole of the State of Kerala.

(3) It shall come into force on such date as may be notified by the Government.

2. *Definitions.*—In this Act, unless the context otherwise requires,—

(a) “Board” means the Board constituted under Section 4.

(b) “Committee” means the committee constituted under Section 3.

(c) “Local Authority” means Block Panchayats constituted at block level under clause (b) of sub-section (1) of Section 4 of the Kerala Panchayat Raj Act, 1994 (13 of 1994) and a Municipality constituted under Section 4 of the Kerala Municipality Act, 1994 (20 of 1994) and such other authorities notified by the Government under the Act for the purpose of this section.

3. *Local Authority to recommend the maximum value.*—(1) Every local authority in the State shall recommend to the Board constituted under Section 4, the maximum value of the land within their respective area of jurisdiction.

(2) For the purpose of recommending the maximum value of the land, every local authority may constitute a committee consisting of the following members, namely:—

(a) One officer of the Revenue Department in the cadre of Tahsildar who shall be the Chairperson of the Committee.

(b) One valuer recognized by the Government.

(c) Chairman of the finance committee of the local body concerned.

(3) For fixing the maximum value, the committee may divide the entire area within the local authority into different zones taking into consideration of the importance of each area based on facilities like road, drainage, water supply, nearness to public institutions, schools, colleges or similar other factors. Each zone may, if necessary, be divided into sub zones based on different factors.

(4) Local authority may publish the draft maximum value of the land fixed by the committee in such manner as may be prescribed inviting objections and suggestions to the maximum value proposed.

(5) Local authority shall refer every objection and suggestion received by it from any person to the committee for consideration.

(6) The committee after consideration of the objections and suggestions recommend the maximum value of the land as assessed by them to the Board.

4. *Constitution of Board.*—(1) Government may by notification, constitute a Board consisting of the following members nominated by the Government namely: —

(a) One expert in the engineering field

(b) One expert in the field of auditing

(c) One retired District Judge who shall be the Chairperson of the Board

(d) An officer of the Revenue Department in the rank of Land Revenue Commissioner and

(e) Either a Member of Parliament or Member of Legislative Assembly.

(2) The Board constituted under sub-section (1) shall recommend to the Government the maximum value of land in different parts of the State.

(3) The maximum value of the land recommended by the local authority shall be the basis for the Board to fix maximum value for the land. While fixing the maximum value of land the Board may divide the area within the Municipal Corporation, Municipality or Panchayats into different zones and sub zones depending upon the commercial and other importance of the areas.

(4) The Board may publish a draft of the maximum value of the land in each zone or sub zone in such manner as may be prescribed calling upon the general public to file their objections or suggestions to the maximum value proposed:

Provided that such draft need not be published in cases where the difference between the maximum land value fixed by the local authority in a particular area and that fixed by the Board ultimately is negligible.

(5) The Board, after considering the objections and suggestions may take appropriate decisions on the maximum value and recommend it to the Government.

(6) Government shall, on receipt of the recommendation of the maximum value of the land, notify it in the Gazette as well as in the offices of the Sub Registrar.

(7) Government shall not modify the maximum value recommended by the Board except for reasons to be recorded in writing.

(8) Maximum value of land once fixed shall be valid for a period of five years and is liable to be modified by the Government on the basis of the recommendations of the Board in that behalf after the period of 5 years.

5. Any sale and/or purchase of land in excess of the maximum value is an offence.—(1) After the maximum value of the land is notified by the Government, any person who sells land or purchases land for a value in excess of the value so notified shall be punishable with imprisonment for a term which may extend to two years and a fine of rupees fifty thousand.

(2) If any person intends to sell or purchase land for a value in excess of the maximum value notified by the Government, he may apply to the Collector of the District for permission stating the reason for variation of the maximum value of the land.

(3) The District Collector after conducting such enquiry as he deems fit grant permission or refuse permission.

(4) Any person aggrieved by the decision of the District Collector may file appeal before the Land Revenue Commissioner within 30 days from the date of the order of the District Collector.

(5) The Land Revenue Commissioner may, after hearing the parties decide the appeal. The decision of the Land Revenue Commissioner shall be final.

*6. Suo Motu action by District Collector.—*The District Collector, may, suo motu take action against any person who has sold or purchased land for a value in excess of the maximum value notified by the Government.

7. Petition by Strangers.—(1) Any person who has with him sufficient evidence to prove that any person has sold and/or purchased land for a value in excess of the maximum value notified by the Government, may file a petition before the District Collector.

(2) The District Collector, after conducting such enquiry as he deems fit take a decision in the petition.

(3) If, after enquiry, the Collector finds that the land has been sold or purchased for value in excess of the maximum value notified by the Government, he may initiate prosecution proceedings against either or both of the parties to the transaction depending upon the guilt of the parties.

(4) If on enquiry, it is found that the petition is trivial and was intended only to harass the other party, the District Collector may impose a fine of rupees ten thousand on the petitioner.

(5) The petitioner may file an appeal to the Land Revenue Commissioner against the decision of the District Collector within 30 days from the order.

(6) The Land Revenue Commissioner may deal with and dispose of the appeal after hearing the parties affected.

(7) The decision of the Land Revenue Commissioner shall be final.

8. *Executive no to interfere with orders passed under the Act.*—No officer of the executive shall issue any directive or order which will affect or is likely to affect the decision of any of the authorities functioning under this Act.

9. *Registration of Documents.*—(1) No Sub Registrar or any other officer of the department of registration shall register a document in which the consideration is shown as higher than the maximum value of the land notified by the Government except in the case of documents permitted by the District Collector under Sec. 5(3) of the Act.

(2) Any Sub Registrar who registers a document in contravention of subsection (1) shall be liable for fine of rupees five thousand.

10. *Power to make rules.*—(1) The Government may by notification in the Gazette, make rules to carry out the provisions of this Act.

(2) Every rule made under this section, shall be laid as soon as may be after its is made, before the Legislative Assembly while it is in session for a total period of fourteen days which may be comprised in one session or in two successive sessions and if before the expiry of the session in which it is so laid or the session immediately following, the Legislative Assembly makes any modification in the rule or decides that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect as the case may be; so however that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

Statement of Object and Reasons

The object of the bill is to recommend the enactment of a new law which is considered to be an urgent need to control the sky rocketing price of land in Kerala and to penalize the persons who are responsible for the above social evil. It has now become practically impossible for the needy and the poor to acquire land at reasonable prices even for putting a small house for their occupation. This is the result of allowing real estate owners to dabble in the purchase of land at a throw away price and sale of it for an unreasonably high price. This is an evil to be prevented at the earliest. As per the Bill Government is given power to fix a reasonable and fair value as maximum value of land in the State grouping the lands in Kerala into various zones and sub zones with reference to the various amenities available in each zones or sub zones. Initially local authorities like block panchayats, municipalities and municipal corporations are given powers to determine the maximum value of lands under their respective jurisdictions. The value so determined shall be treated as draft value liable to be published for inviting objections from the public. On receipt of objections the local authority has to examine all the objections and take a decision to fix the land value. Thereafter the local authority has to recommend the value so fixed to a board to be constituted under the Act by the Government. The board after hearing the affected parties if any may finalise the maximum price and recommend the same to the Government for final acceptance. The board to be constituted shall have five members, an MP or MLA, a

retired District Judge, one officer of the Revenue Department and two experts one an engineer and another an auditor. Any party who sells or purchases any land in excess of the maximum value can be prosecuted and punished by the District Collector after going into the guilt of each party. On conviction the offender can be punished with imprisonment for two years or fine of Rs.50,000.
