

South Indian States On Law Relating To Purchase And Sale Of Agricultural Land

written by Aishwarya S | June 16, 2020



Guide to Purchase Sale of Agricultural Land in South India

Mahatma Gandhi once rightly said, "*Agriculture is the backbone of India's economy*". In other words, the majority of the population was dependent on agriculture. So the government took steps to improve agriculture by introducing modern technology and other necessary measures. However, the growth of the economy was very slow and with the emergence of industrialization to increase the growth, the government had to encourage the establishment of industries.

Many policies were introduced through the five-year plan to further industrialization. But the government soon realized the importance of agriculture and the need to maintain a perfect balance between agriculture and the industrial side of India. In furtherance to the same, various laws were formulated by various state governments with respect to the purchase of agricultural lands. Some of those laws are listed below.

Laws Regarding Purchase of Agricultural Land

Every state in India has different laws for the purchase of agricultural lands i.e. some states allow the purchase of such lands while some states do not allow the purchase of agricultural lands. The following are the laws which are followed by the South Indian states with respect to the purchase of agricultural lands:

KARNATAKA

In Karnataka, a non-agriculturist cannot purchase agricultural lands, however, if the person has an annual income of more than INR 25 lakhs (previously Rs. 2 lakhs) can purchase agricultural land[1]. Also, Section 109 of the Karnataka Land Reforms Act 1960 lays down the ceiling limit on the use of agricultural land for the following purposes:

Purpose	Ceiling limit(previously)	Ceiling limit(present)
Industrial Development	20 units	40 units
Educational institutions specified by state or central government	4 units	8 units
Places of worship specified by the government	1 unit	2 units
Housing project approved by the state government	10 units	20 units

Horticulture including floriculture and agro-based industries	20 units	40 units
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Further, Deputy Commissioner can grant permission for agricultural lands up to certain units.

Purpose	Ceiling limit(Previously)	Ceiling limit(present)
Industrial Development	10 units	20 units
Educational institutions specified by state or central government	2 units	4 units
Places of worship specified by government	One- fourth of a unit	Half of a unit(2.22 acres)
Housing project approved by state government	10 units	20 units
Horticulture including floriculture and agro-based industries	10 units	20 units

TAMILNADU

Comparatively, there is no restriction in the state of Tamil Nadu for purchasing and selling of agricultural lands, however, there is a ceiling limit on the extent of acquisition of agricultural lands. As a result, there is a limit on acres of land which can be owned and possessed by any person. This also varies for different categories in the following manner[4]:

- Individual or Family- In order to understand this, we must know how a family is defined under the Land Reforms (Ceiling on fixation of land)Act, 1961. It has been defined as follows:

Family in relation to a person means the person, wife or husband of the person of such person and his or her –

1. Minor sons or unmarried daughters
2. Minor grandsons and granddaughters in male line whose mother or father is dead

In the case of agricultural land held by a family consisting of 5 members, the ceiling limit is 15 standard acres (previously 30 standard acres). For a family consisting of more than 5 members every additional member can hold upto 5 standard acres. However, there is an overall limit for holding the agricultural land which is 30 standard acres.

If one of the female members in the family or an individual woman is gifted an agricultural land as a stridhan land then such individual or family can additionally own upto 10 standard acres.

- Companies- Any company which is involved in the business of industrial or commercial undertaking can own upto 15 standard acres. In other words, if the companies want to establish industries or commercial establishments on an agricultural land then they are allowed to own upto 15 standard acres of such lands.
 - Public Trusts- The public trusts are further sub-divided into religious trust, charitable trust, hospital and educational institutions. Religious trust does not have any restrictions on the acquisition of agricultural land. However, a charitable trust can own an agricultural land upto 5 standard acres while the hospital and educational institutions can own an agricultural upto the extent fixed by their norms or regulations as per law.
- Earlier a person was not allowed to own an agricultural land beyond ceiling

limits but now as per the amendment in the year 2008 owning an agricultural land beyond ceiling limit is allowed with the permission of government.[5]

TELANGANA AND ANDHRA PRADESH

Although they are different states, the laws in the state of undivided Andhra Pradesh were adopted in the state of Telangana and Andhra Pradesh except in certain matters. Therefore in case of purchase of agricultural lands both the states are the same and currently there is no amendment.

Even in Telangana and Andhra Pradesh, there is a ceiling limit on holding of agricultural land by person which is assessed based on standard holding as specified in the below-mentioned table[6]:[7]

As per the law, a family consisting of five members can own an agricultural land which is equivalent to one standard holding. In case of a family consisting of more than 5 members, every additional member can hold a land equivalent to 1/5th of one standard holding. However, the additional members cannot hold the total extent of land together more than two standard holdings.

In case of an individual who is holding an agricultural land, not as a family property then the ceiling limit is one standard holding.

KERALA

Although there are no restrictions in the purchase and sale of agricultural land like in the case of Tamil Nadu, there is a ceiling limit on agricultural lands. The following are the ceiling limits on the purchase of agricultural land[8]:

- In case of an adult unmarried person or a sole surviving person, it is five standard acres but the ceiling area should not be less than six acres and more than seven and a half acres.
- In case of a family consisting of two or more members but upto five members, it is ten standard acres but the ceiling area should not be less than twelve acres and more than fifteen acres.
- In case of a family consisting of more than five members, it is ten standard acres increased by one standard acre for every additional member, however, the ceiling area should not be less than twelve and more than twenty acres in extent.
- In case of any person who is not a part of a joint family then it is ten standard acres but the ceiling area should not be less than twelve and more than fifteen acres in extent.

CONCLUSION

On analysis of the above-mentioned, we notice that almost every state in the southern part of India does not have many restrictions for the purchase and sale of agricultural lands except for the state of Karnataka. However, the intention behind imposing these restrictions is the protection of agriculture and farmers. Although these laws have been enacted, exploitation of farmers and decline in agriculture is something that can not be prevented in spite of taking such stringent measures.

[1] Karnataka Land Reforms(Amendment) Act 2015

[4] Tamil Nadu Land Reforms(Fixation of Ceilings on Land) Act 1961

[5] Tamil Nadu Land Reforms (Fixation of Ceilings) Amendment Act 2008

[6] Telangana Land Reforms(Ceilings on agricultural holdings) Act 1973

[7] Andhra Pradesh Land Reforms(Ceilings on agricultural holdings) Act 1973.

[8] Sec 6 of Kerala Land Reforms Act 1963

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