

L. A. BILL No. XXVII OF 2024.

A BILL

further to amend the Maharashtra Prevention of Fragmentation and Consolidation of Holdings Act.

5 (As passed by the Legislative Assembly on the 17th December 2024.)

WHEREAS both Houses of the State Legislature were not in session ;

AND WHEREAS the Governor of Maharashtra was satisfied that circumstances existed which rendered it necessary for him to take immediate action further to amend the Maharashtra Prevention of Fragmentation and Consolidation of Holdings Act, for the purposes hereinafter appearing ; and, therefore, promulgated the Maharashtra Prevention of Fragmentation and Consolidation of Holdings (Amendment) Ordinance, 2024 on the 15th October 2024 ;

LXII of
1947. 10
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Ord.
XIV of
2024

AND WHEREAS it is expedient to replace the said Ordinance, by an Act of the State Legislature ; it is hereby enacted in the Seventy-fifth Year of the Republic of India as follows :—

- Short title and commencement. **1. (1)** This Act may be called the Maharashtra Prevention of Fragmentation and Consolidation of Holdings (Amendment) Act, 2024. 5
- (2) It shall be deemed to have come into force on the 15th October 2024.
- Amendment of section 9 of LXII of 1947. **2. In section 9** of the Maharashtra Prevention of Fragmentation and Consolidation of Holdings Act (hereinafter referred to as “ the Principal Act”), LXII of 1947. in sub-section (3), in the first proviso,—
- (1) for the words, brackets and figures “Maharashtra Prevention of Fragmentation and Consolidation of Holdings (Amendment) Act, 2017” 10 Mah. LVIII of 2017. the words, brackets and figures “the Maharashtra Prevention of Fragmentation and Consolidation of Holdings (Amendment) Act, 2024” Mah. of 2024. shall be substituted ;
- (2) for the words and figures “at such per centum not exceeding 25 15 per cent. of the market value of such land as per the Annual Statement of Rates, as the Government may notify from time to time, in the *Official Gazette*” the words “of five per cent. of the market value of such land as per the Annual Statement of Rates” shall be substituted.
- Repeal of Mah. Ord. XIV of 2024 and saving. **3. (1)** The Maharashtra Prevention of Fragmentation and Consolidation of Holdings (Amendment) Ordinance, 2024, is hereby repealed. 20 Mah. Ord. XIV of 2024.
- (2) Notwithstanding such repeal, anything done or any action taken (including any notification or order issued) under the corresponding provisions of the principal Act, as amended by the said Ordinance, shall be deemed to have been done, taken or issued, as the case may be, under the 25 corresponding provisions of the principal Act, as amended by this Act.

STATEMENT OF OBJECTS AND REASONS

Sub-section (3) of section 9 of the Maharashtra Prevention of Fragmentation and Consolidation of Holdings Act (LXII of 1947) is amended by the Maharashtra Prevention of Fragmentation and Consolidation of Holdings (Amendment) Act, 2017 (Mah. LVIII of 2017) to regularise the transfer or partition of a land contrary to the provisions of the said Act, made during the period starting from 15th November 1965 till the date of the commencement of the said Amendment Act, by payment of regularization premium at such per cent. not exceeding 25 per cent. of the market value of such land as per the Annual Statement of Rates, as the Government may notify, from time to time, in the *Official Gazette*. Accordingly, the Government of Maharashtra has notified the regularization premium at 25 per cent. of the market value of land as per the Annual Statement of Rates. The purpose of the said amendment was that, the occupants of such fragments can start their permissible use and number of land parcels which are not in use can be brought back into productive use, thereby contributing to the growth of economy.

It was noticed that, there is less response of people to such regularization. The Government was of the view that, there may be a possibility that the less response to regularise such transfers were due to higher regularization premium.

2. A Committee headed by Shri Umakant Dangat was formed by the Government to study the important laws related to the revenue and to recommend the amendments thereto, if required. The said Committee recommended to reduce the said regularization premium to ten per cent. of market value of land.

In order to achieve the abovereferred purposes of the said amendment, it was considered expedient to allow the regularization of such transfers or partition of a land upto the date of commencement of this Act and to reduce the regularization premium and fix it in the Act itself at 5 per cent. of the market value of such land.

3. As both Houses of the State Legislature were not in session and the Governor of Maharashtra was satisfied that circumstances existed which rendered it necessary for him to take immediate action further to amend the Maharashtra Prevention of Fragmentation and Consolidation of Holdings Act, for the purposes aforesaid, the Maharashtra Prevention of Fragmentation and Consolidation of Holdings (Amendment) Ordinance, 2024 (Mah. Ord. XIV of 2024), was promulgated by the Governor of Maharashtra on the 15th October 2024.

4. The Bill is intended to replace the said Ordinance by an Act of the State Legislature.

Nagpur,

Dated the 15th December, 2024.

DEVENDRA FADNAVIS,

Chief Minister

*ANNEXURE TO THE L.A. BILL No. XXVII OF 2024—
THE MAHARASHTRA PREVENTION OF FRAGMENTATION AND
CONSOLIDATION OF HOLDINGS (AMENDMENT) BILL, 2024.*

**(Extracts from the Maharashtra Prevention of Fragmentation
and Consolidation of Holdings Act, 1947)**

(MAH. LXII of 1947)

1. to 8.	**	**	**	**
9. (1) to (2)	**	**	**	**

Penalty for
transfer or
partition
contrary to
provisions of
Act.

(3) Any person unauthorizedly occupying or wrongfully in possession of, any land, the transfer or partition of which, either by the act of parties or by the operation of law, is void under the provisions of this Act, may be summarily evicted by the Collector.

Provided that, save as otherwise provided in section 31, the Collector may, upon an application made in this regard, regularise a transfer or partition of a land contrary to the provisions of this Act made on or after 15th day of November 1965 and before the date of commencement of Maharashtra Prevention of Fragmentation and Consolidation of Holdings (Amendment) Act, 2017, if such land is allocated to residential, commercial, industrial, public or semi-public or any non-agricultural use, in the prevailing draft or final Regional Plan; or is intended to be used for any bona fide non-agricultural user, subject to payment of regularisation premium at such per centum not exceeding 25 per cent. of the market value of such land as per the Annual Statement of Rates, as the Government may notify, from time to time, in the Official Gazette:

Provided further that, save as otherwise provided in section 31, if a transaction of transfer or partition of land contrary to the provisions of this Act is regularised on the ground that the land would be used for any bona fide non-agricultural use, then failure to start such bona fide non-agricultural use within 5 years from the date of regularisation shall result in forfeiture of such land by the Collector. Such land thereafter shall be first offered to the holder or occupant of a neighbouring contiguous survey number or recognised sub-division of a survey number on payment of 50 per cent. of the market value of such land as per the prevailing Annual Statement of Rates and three-fourth of the amount so collected shall be paid to the defaulting person from whom such land was forfeited to the Government and the remaining one-fourth of the amount so collected shall be credited into the Government account. Where occupant of such neighbouring contiguous survey number or recognised sub-division refuses to purchase the fragment, the fragment shall be auctioned by the State Government and the proceeds thereof shall be divided between the defaulting person and the Government in the ratio of 3:1.

Explanation.— For the purpose of this sub-section, the term “Annual Statement of Rates” shall mean the Annual Statement of Rates published under the provisions of the Bombay Stamp (Determination of True Market Value of Property) Rules, 1995 or any other Rules for the time being in force in this regard, prevalent in respect of the year in which the order of regularisation is issued by the Collector or the year in which such premium is paid, whichever is later.

10. to 38.

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**MAHARASHTRA LEGISLATURE
SECRETARIAT**

[L. A. BILL No. XXVII OF 2024]

**[A Bill further to amend the Maharashtra
Prevention of Fragmentation and Consolidation
of Holdings Act.]**

**[SHRI DEVENDRA FADNAVIS,
Chief Minister.]**

**[As passed by the Legislative
Assembly on the 17th December 2024.]**

**JITENDRA BHOLE,
Secretary(1)(I/C),
Maharashtra Legislative Assembly.**