
PROPOSED AMENDMENTS TO THE MAHARASHTRA AND HYDERABAD TENANCY ACTS.

INTRODUCTION

The Maharashtra State Legislative Assembly recently proposed certain amendments to three key tenancy statutes, namely, the 'The Maharashtra Tenancy and Agricultural Lands Act, 1948'; 'The Hyderabad Tenancy and Agricultural Lands Act, 1950'; and the Maharashtra Tenancy and Agricultural Lands (Vidarbha Region) Act, 1958. The proposed amendments were introduced in L>A> Bill No. XXVII of 2026 in the Legislative Assembly on 23rd March, 2026.

OBJECTIVES OF THE AMENDMENTS

The aforementioned laws provide for restriction of the transfer of land purchased or sold under the said laws. They mandate a payment of a fee called '*nazarana*', which is equal to forty times the land revenue assessment amount. This *nazarana* has to be paid to the Government before selling or purchasing land for which ten years have elapsed from the date of the said purchase or sale. However, *nazarana* is a meagre amount, collection of the same is negligible and delays the process.

The laws also provide for sale of agricultural land without permission of the Collector for *bona-fide* industrial use or for Integrated Township Projects. However, for *bona-fide* use, numerous documents such as title verification, heirship determination, obtaining various statutory clearances, pending litigation, etc. are required. This causes significant delay in putting the land for *bona-fide* industrial use.

The tenancy laws mentioned above also provide for sale or purchase of agricultural land for *bona-fide* industrial use or for any alternative nonagricultural purpose with the permission of the Collector. The state proposes to add another layer of scrutiny (prior permission of the State Government) to ensure compliance and accountability.

PROPOSED AMENDMENTS

The amendments in all the three acts are the same. To summarize, the state has inserted two additional provisos:

First proviso, if land has been purchased for *bona-fide* industrial use between 17th May 2004 and 1st January 2016, then the same shall be permitted to be used within 15 years from the date of purchase, subject to conditions set by the state government;

Second proviso, if land is not put to *bona-fide* industrial use within 10-15 years due to pending litigation or delays, the State Government can grant an extension of maximum 3 years for the same, along with a payment of premium equal to 10% of the prevailing market value of such land;

Existing Third proviso, 10 years have been extended to 15 years;

Existing Fifth proviso to be deleted;

In sub-section (2), only land held by occupant as occupancy Class 1 shall be eligible for purchase, along with a one-time conversion premium as per S.47 of the Maharashtra Land Revenue Code;

In sub-section (4), if a person fails to inform the collector as specifies in sub-section (3), he shall be liable to pay a one-time conversion premium as per S.47 of the MLRC along with a penalty not exceeding five times the amount of conversion premium;

In sub-section (5), and sub-section (6), the words “be permitted by the Collector” shall be substituted with “be permitted by the Collector, with prior approval of the State Government”.

The amendments in their bare form are as follows: -

Sr. No.	Act	Sec. No.	Amendment
1.	1. The Maharashtra Tenancy and Agricultural Lands Act; 2. The Hyderabad Tenancy and Agricultural Lands Act, 1950; 3. The Maharashtra and Agricultural Lands (Vidarbha Region) Act.	43 47A 57	In S.63-IA, S. 89A (Vidarbha Tenancy Act), i) in subsection (1), after the second proviso, the following provisos shall be inserted: - (a) “Provided also that, if the person purchases the land for <i>bona-fide</i> industrial use within a time period from the 17 th May 2004 up to the 1 st January 2016, then he shall be permitted to put such land for <i>bona-fide</i> industrial use within a total period of fifteen years from the date of purchase, subject to such conditions as may be specified by the Government: Provided also that, after expiry of period of ten years or fifteen years, as the case may be, if the purchaser fails to put the land to <i>bona-fide</i> industrial use due to pending litigation, delays in land aggregation or other circumstances beyond the control of purchaser, then the State Government may, on request for extension, if satisfied, grant an extension of not exceeding further three years, subject to the payment of a premium equal to ten per cent of the prevailing market value of such land.” (b) In the existing third proviso, after the words “ten years” the words “or fifteen years or any extended period thereafter as per the above provisos” shall be inserted; (c) The existing fifth proviso shall be deleted ii) for sub section (2), the following sub-section shall be substituted: “(2) The land held by the Occupant as Occupancy Class 1 only shall be eligible for purchase under sub-section (1). The purchaser of such land shall pay one time conversion premium as per section 47 of the Maharashtra Land Revenue Code, 1966”;

			<p>iii) for sub-section (4), the following sub-section shall be substituted:</p> <p>“(4) If the person fails to inform the Collector within the period specified in sub-section (3), he shall be liable to pay, in addition to one time conversion premium which may be leviable under section 47 of the Maharashtra Land Revenue Code, 1966, such penalty not exceeding five times the amount of conversion premium”;</p> <p>iv) in sub-section (5), for the words “be permitted by the Collector”, the words “be permitted by the Collector, with the prior approval of the State Government” shall be substituted;</p> <p>v) in sub-section (6), for the words “be permitted by the Collector”, the words “be permitted by the Collector, with prior approval of the State Government” shall be substituted.</p>
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