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REAL ESTATE

GOVT. OF MAHARASHTRA EASES THE PROCESS OF CONVERTING AGRICULTURAL LAND FOR NON- AGRICULTURAL PURPOSES:

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The process of converting the agricultural land for Non-Agricultural (N.A.) usage which routinely took months and sometimes years and running from pillar to post, has now been made easy with an amendment to [Sections 42 to 44 of the Maharashtra Land Revenue Code, 1966 \(MLRC\)](#).

With the enactment of Maharashtra Land Revenue Code, 1966 (Amendment) Act, 2017 and Maharashtra Land Revenue Code, 1966 (Amendment) Act, 2018; Sections 42B, 42C, and 42D were inserted.

While Section 42 of the MLRC refers to obtaining permission from the Collector to utilize agricultural land for non-agricultural purposes or to change the usage of non-agricultural land from one purpose to another; [Section 42A](#) (added by Mah. XXXVII of 1996) of the MLRC states that no prior permission from the Collector shall be necessary for the conversion of use of any land held as an Occupants—Class I for any purpose as defined in the **sanctioned Development Plan or draft Development Plan** prepared and published as per the provisions of the Maharashtra Regional and Town Planning Act, 1966 (MRTP Act); however, the Planning Authority shall ascertain from the concerned revenue authority the Class of land, its occupancy, and encumbrances, if any, thereupon, and after ascertaining the same, it shall grant the development permission as per the provisions of the MRTP Act.

Section 42B states that upon publication of the **final Development plan** in any area as per the provisions of the MRTP Act, the use of any land comprised in such area shall, if conversion tax, NA assessment and, *nazarana* or premium and other Government dues are paid, the land is deemed to have been converted to the use shown by way of allocation, reservation or designation in such Development Plan and no separate permission under section 42 or section 44 shall be required for the use of such land permissible under such Development plan

Section 42C pertains to the land situated in an area, for which a **draft Regional Plan** has been prepared and necessary notice regarding such draft Regional Plan has been duly published in the Official Gazette, the use of such land for the purposes of section 42 or section 44, shall be deemed to have been converted to corresponding non-agricultural use, once development permission on such land under section 18 of the MRTP is granted.

Section 42D refers to any land situated in an area (“peripheral area”) within 200 meters from the limits of; (i) the site of any village, or (ii) town or city, where such land adjacent to the limits of such town or city is **allocated to a developable zone in the draft or final Regional Plan**; shall be deemed to have been converted to non-agricultural use for residential purpose or the purpose admissible as per draft or final Regional Plan, subject to the provisions of the Development Control Regulations applicable to such area.

Once the necessary charges like conversion tax, N.A. assessment fee, premium or *nazarana*, and other dues are paid, the land should be converted by the officials within 30 days as per the Government resolution. The payment receipt shall be regarded as proof of land having been converted to NA use

However, for lands that are held as Occupant Class-II, the Collector shall examine the documents by which such land is granted as such and the relevant laws, rules, and Government orders by which such land is governed and if the conversion to the use shown in the final Development plan/draft Development Plan/draft or final Regional Plan is permissible, the Collector shall, wherever necessary, after obtaining prior approval of the authority competent to allow such conversion, determine *nazarana* or premium and other Government dues payable for such conversion, as per special or general orders of the Government, along with the amount of conversion tax and non-agricultural assessment and communicate the same to the occupant for making payment.

If the payment as required under this sub-section is done by the occupant, the Collector shall grant a *Sanad* in the form prescribed under the rules within 60 days from payment thereof.

Such a change in the provisions will streamline the process of development for the land owners, builders, and developers and facilitate the ease of doing business.