

THE KERALA REVENUE RECOVERY (AMENDMENT) BILL, 2024

(As Passed by the Assembly)

A

BILL

further to amend the Kerala Revenue Recovery Act, 1968.

Preamble.—WHEREAS, it is expedient further to amend the Kerala Revenue Recovery Act, 1968 for the purposes hereinafter appearing;

BE it enacted in the Seventy-fifth Year of the Republic of India as follows:—

1. *Short title and commencement.*—(1) This Act may be called the Kerala Revenue Recovery (Amendment) Act, 2024.

(2) It shall come into force at once.

2. *Amendment of section 2.*—In section 2 of the Kerala Revenue Recovery Act, 1968 (15 of 1968) (hereinafter referred to as the principal Act),—

(i) after clause (b), the following clauses shall be inserted, namely:—

“(ba) “bought-in-land” means and includes any immovable property purchased on behalf of the Government or the institution under sub-section (2) of section 50 of this Act;

(bb) “collection charges” means and includes any amount payable by the defaulter to the Government, at such rate as may be prescribed by the Government in this behalf, for the realisation of amounts due under the provisions of this Act;”;

(ii) in item (ii) of clause (d) after the words “any property attached”, the words “and service of the notice under postage” shall be inserted;

(iii) after clause (f), the following clause shall be inserted, namely:—

“(fa) “e-auction” means an auction conducted through online mode;”;

(iv) after clause (i), the following clause shall be inserted, namely:—

“(ia) “processing charge” means the amount payable to the Government by an institution notified under section 71 of this Act, at such rate as may be prescribed by the Government in this behalf, in the instances of realisation of arrears directly by the requisition authority after the initiation of revenue recovery proceedings;”.

3. *Amendment of section 6.*—In section 6 of the principal Act,—

(i) for the words “twelve per cent”, the words “nine per cent” shall be substituted;

(ii) after the existing provision, the following proviso shall be added, namely:—

“Provided that such interest rate shall not exceed the contractual rate of interest, if any, entered into between the defaulter and the institution, in cases where the recovery is initiated upon the application of the institution notified under section 71 of this Act.”.

4. *Amendment of section 12.*—In sub-section (1) of section 12 of the principal Act,—

(i) after the words “public auction”, the words “which may include e-auction” shall be inserted;

(ii) after the words “notice shall also be published”, the words “in a newspaper having circulation in the area in which the attachment or sale takes place or both and in the website of the District Administration concerned” shall be inserted.

5. *Amendment of section 36.*—In section 36 of the principal Act, after sub-section (2), the following sub-section shall be added, namely:—

“(3) The defaulter may request the Collector to limit the attachment to a portion of the immovable property attached, if it is found that the total amount of the fair value and the value of improvements in it exceeds the arrear amount. On receiving such application the Collector may limit the attachment to a portion of such property if he is satisfied that the arrear can be collected by selling such portion of the property.

Explanation:—For the purpose of this sub-section, fair value means fair value fixed under the Kerala Stamp Act, 1959 (Act 17 of 1959).”.

6. *Amendment of section 44.*—In section 44 of the principal Act, after sub-section (3) the following sub-section shall be inserted, namely:—

“(4) Notwithstanding anything contained in this Act, the defaulter may be permitted to make an agreement for sale of the immovable property attached wholly or in part after getting permission from the Collector upon an application jointly submitted by the defaulter and the purchaser of the property. The purchaser shall, before executing the sale deed, remit the revenue recovery dues with interest and other charges out of the sale consideration as per the said agreement at the village office or at the treasury through challan and the original receipt shall be produced before the Collector.”.

7. *Amendment of section 49.*—In section 49 of the principal Act,—

(i) in item (1) after the words “public auction”, the words and symbol “including e-auction” shall be inserted;

(ii) in item (2) after the words “duly served and published”, the words “in a newspaper having circulation in the area in which the attachment or sale takes place or both and in the website of the District Administration concerned” shall be inserted.

8. *Amendment of section 50.*—In section 50 of the principal Act,—

(1) for the marginal heading, the following marginal heading shall be substituted, namely:—

“Bidding on behalf of the Government or the institution notified under section 71 of this Act”;

(2) in sub-section (2),—

(a) in item (i), for the words “on behalf of the Government for an amount of ten paise”, the words and figure “on behalf of the Government or the institution notified under section 71 of this Act for an amount of one rupee” shall be substituted;

(b) in item (ii),—

(i) for the words “on behalf of the Government for an amount higher than such bid by ten paise”, the words, figure and symbols “on behalf of the Government or the institution notified under section 71 of this Act, as the case may be, for an amount higher than such bid by one rupee,” shall be substituted;

(ii) after the words “in either case the Government”, the words and figure “or the institution notified under section 71 of this Act” shall be inserted;

(3) in sub-section (3), after the words “on behalf of the Government”, the words and figure “or the institution notified under section 71 of this Act” shall be inserted;

(4) in sub-section (4),—

(a) after the words “on behalf of the Government”, the words and figure “or the institution notified under section 71 of this Act” shall be inserted;

(b) after the words “take possession of the property”, the words, figure and symbols “and if the property is purchased under this section on behalf of the institution notified under section 71 of this Act, possession of the property shall

be handed over to such institution and appropriate changes shall be effected in the revenue records, after realising the collection or processing charges, as the case may be, from such institution” shall be inserted;

(5) after sub-section (4), the following sub-sections shall be added, namely:—

“(5) When a property is purchased as bought-in-land, necessary changes are to be made in the revenue records and the same shall be intimated to the defaulter and to the sub-registry office concerned in the prescribed form.

(6) When an immovable property is purchased on behalf of the Government or any institution notified under section 71 of this Act, the Collector shall calculate the value of the property in accordance with the provisions contained in clause (b) of sub-section (1) of section 26 and section 27 of the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (Central Act 30 of 2013). If the value so calculated is not sufficient to discharge the arrear dues and the interest thereon and other charges, it shall be deducted from such dues and the deficit amount shall be continued as arrear and if the value so calculated exceeds such dues, the balance amount shall be paid over to the defaulter after liquidating such dues, in such manner as may be prescribed.”.

9. *Insertion of new section 50A.*—After section 50 of the principal Act, the following section shall be inserted, namely:—

“50A. *Reconveyance of Bought-in-Land.*—(1) If the defaulter applies for reconveyance of bought-in-land within a period of 5 years from the date of confirmation of sale, after remitting the entire revenue recovery dues with processing charge and interest till the date of application with the permission of the Collector, the Collector shall on the acceptance of the original receipt or treasury challan of such remittance and ensuring that the arrears are realised in full, order reconveyance of such bought-in-land in favour of the defaulter. In cases where the property is purchased as bought-in-land in favour of the institution notified under

section 71 of this Act, if the defaulter applies for reconveyance of bought-in-land within a period of 5 years from the date of confirmation of sale, after remitting the entire revenue recovery dues with processing charge and interest till the date of application with the permission of the Collector, the institution concerned on satisfaction of the same shall reconvey the bought-in-land in favour of the defaulter.

(2) No application for reconveyance of bought-in-land shall be entertained on expiry of five years from the date of confirmation of such sale.

(3) The Government or the institution notified under section 71 of this Act shall not transfer the land or set apart the land for any public purpose for the said period of five years and no changes shall be made on the property during such period.

Explanation:—For the purpose of this section defaulter includes legal heirs also.”.

10. *Amendment of section 54.*—In section 54 of the principal Act, in the proviso after the words and symbols “which has been made and rejected, he may, after” the words “ giving the parties concerned a reasonable opportunity of being heard and” shall be inserted.

11. *Amendment of section 57.*—For sub-section (2) of section 57 of the principal Act, the following sub-section shall be substituted, namely:—

“(2) The certificate of sale issued under sub-section (1) of section 56 of this Act shall be registered as per the provisions of the Indian Registration Act, 1908 (Central Act 16 of 1908).”.

12. *Amendment of section 69.*—In sub-section (2) of section 69 of the principal Act, after the words “certified by him”, the words, symbols and figures “before the debt is barred by limitation under the Limitation Act, 1963 (Central Act 36 of 1963)” shall be inserted.

13. *Amendment of section 74.*—In section 74 of the principal Act,—

(i) in item (a) the word “male” shall be omitted;

(ii) in item (b) after the word “by registered post” the words and symbol “or by e-mail” shall be inserted.

14. *Insertion of new sections 83A, 83B, 83C and 83D.*—After section 83 of the principal Act, the following sections shall be inserted, namely:—

“83A. *Special power of the Government to issue stay and instalments.*—Notwithstanding anything contained in this Act or rules made thereunder, after the service of a demand notice under section 7 or section 34, upon an application by the defaulter, the Government may postpone further proceedings under this Act and the Government or such other officer duly notified by the Government may allow the defaulter to remit such arrear in instalments subject to such other conditions, as may be prescribed by the Government, except the cases of compensation under the Employee's Compensation Act, 1923 (Central Act 8 of 1923), gratuity benefits amount to be paid in compliance with the order of any Courts or Tribunals.

83B. *Power of the Government to issue Moratorium.*—Notwithstanding anything contained in this Act, the Government have the power to issue moratorium for the entire revenue recovery proceedings subject to the conditions and guidelines, as may be notified by the Government, from time to time.

83C. *Settlement Scheme for Bought-in-Land.*—The Government or requisition authority of the institutions notified under section 71 of this Act may introduce settlement scheme for the recovery of arrear amounts before the period stipulated under section 50A of this Act for the reconveyance of the bought-in-land. The settlement entered into between the defaulter and the requisition authority after initiation of revenue recovery proceedings shall be done under the prior intimation of the Collector or authorised officer concerned.

83D. *Intimation of Settlement Scheme.*—If any settlement scheme is introduced by the requisition authority for the recovery of arrears or any settlement is entered into between the defaulter and the requisition authority concerned, after the initiation of revenue recovery proceedings, it shall be done under the prior intimation of the Collector or the authorised officer concerned:

Provided that in such instances of settlement of arrears under the settlement scheme, the requisition authority concerned is liable to remit the expenses incurred in connection with the recovery proceedings till the date of such settlement along with the processing charges or collection charges, as the case may be.”.
