



The Maharashtra Agricultural Land Leasing Act, 2017

Act No. 28 of 2023

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महाराष्ट्र शासन राजपत्र

असाधारण भाग आठ

वर्ष ९, अंक ३१]

मंगळवार, जून २७, २०२३/आषाढ ६, शके १९४५

[पृष्ठे १०, किंमत : रुपये २७.००

असाधारण क्रमांक ४८

प्राधिकृत प्रकाशन

महाराष्ट्र विधानमंडळाचे अधिनियम व राज्यपालांनी प्रख्यापित केलेले अध्यादेश व केलेले विनियम आणि विधि व न्याय विभागाकडून आलेली विधेयके (इंग्रजी अनुवाद).

In pursuance of clause (3) of article 348 of the Constitution of India, the following translation in English of the Maharashtra Agricultural Land Leasing Act, 2017 (Mah. Act No. XXVIII of 2023), is hereby published under the authority of the Governor.

By order and in the name of the Governor of Maharashtra,

SATISH WAGHOLE,

Secretary (Legislation) to Government,
Law and Judiciary Department.

MAHARASHTRA ACT No. XXVIII OF 2023.

(First published, after having received the assent of the President in the "Maharashtra Government Gazette", on the 27th June 2023).

An Act to enact the law relating to agricultural land leasing in the State of Maharashtra and for the matters connected therewith or incidental thereto.

WHEREAS the prohibitions and restrictions contained under the various existing State tenancy laws governing agricultural land leasing have forced the land owners and lessee cultivators to have informal agreements only for cultivating the land, thereby depriving the lessee cultivators of the benefits which are normally due to them;

AND WHEREAS such existing laws also create insecurity among land owners to lease-out agricultural land which reduces the access to land by the landless poor, small and marginal farmers and others by way of leasing;

AND WHEREAS it is expedient to enact a law to permit and facilitate leasing of agricultural land in the State of Maharashtra, so as to improve agricultural efficiency and equity, access to land by the landless and semi-landless poor, occupational diversity and to promote accelerated rural growth and transformation; to provide recognition to farmers cultivating agricultural land on lease for enabling them to access loans through credit institutions, insurance, disaster relief and other support services provided by the Government, while protecting fully the land rights of the owners; and for the matters connected therewith or incidental thereto; it is hereby enacted in the Sixty-eighth Year of the Republic of India as follows :—

CHAPTER I

PRELIMINARY

Short title,
extent and
commence-
ment.

1. (1) This Act may be called the Maharashtra Agricultural Land Leasing Act, 2017.

(2) It shall extend to the whole of the State of Maharashtra.

(3) It shall come into force on such date as the State Government may, by notification published in the *Official Gazette*, appoint.

Definitions.

2. In this Act, unless the context otherwise requires,-

(a) “agricultural land” means the land which is used or is capable of being used for the agriculture and allied activities including fallow land;

(b) “Agricultural Year” means the year commencing on the 1st August and ending on the 31st July, or such other year as specified by the State Government, by notification published in the *Official Gazette* ;

(c) “agriculture and allied activities ” means raising of crops including food and non-food crops, fodder or grass, fruits and vegetables, flowers, any other horticultural crops and plantation, animal husbandry and dairy, poultry farming, stock breeding, fishery, agro forestry, agro-processing and other related activities by farmers and farmer groups;

(d) “Competent Authority” means the Tahsildar or such revenue officer of equal rank, as may be notified by the State Government under section 8;

(e) “farmer” means a person who owns and cultivates land himself or herself and includes a person who may or may not own land but cultivates land by leasing in from others;

(f) “farmer groups” includes self-help groups, joint liability groups, Farm Producers Organizations (F.P.O.s) and the like;

(g) “Government” means the Government of Maharashtra;

(h) “lease” means a contract between the Land Owner - Lessor and the Lessee Cultivator by which the Land Owner - Lessor conveys use of his agricultural land to the Lessee Cultivator for agriculture and allied activities for a specified period for a consideration, based on an agreement with terms and conditions mutually agreed upon by the Land Owner-Lessor and the Lessee Cultivator ;

(i) "Leasing in" means the use of agricultural land by a Lessee Cultivator under lease for a consideration which could be in cash or kind or share of produce;

(j) "Leasing out" means transfer of land under lease by a Land Owner - Lessor to a Lessee Cultivator for an agreed lease period for a consideration which could be in cash or kind or share of produce;

(k) "Lessee Cultivator" means a person who leases in agricultural land for the purpose of agriculture and allied activities against a consideration in cash or kind or a share of produce, payable to the Land Owner - Lessor as per the lease agreement;

(l) "Land Owner - Lessor" means a person who owns agricultural land and has leased out such land to a Lessee Cultivator, under mutually agreed terms and conditions;

(m) "prescribed" means prescribed by rules made under this Act.

CHAPTER II

LAND LEASE – AGREEMENT, TERMINATION, RIGHTS AND RESPONSIBILITIES

3. (1) Notwithstanding anything contained in any other law, on and from the commencement of this Act, every person who is competent to transfer agricultural land under section 7 of the Transfer of Property Act, 1882 and who intends to lease in or lease out agricultural land for agriculture and allied activities shall be entitled to enter into a lease agreement, consistent with the provisions of this Act:

Agricultural
land leasing
under this
Act.

4 of
1882.

Mah.
XLI of
1966.

Provided that, for Leasing out any land held by a person belonging to the Scheduled Tribes, prior permission of the Collector under section 36A of the Maharashtra Land Revenue Code, 1966 shall be necessary and no such permission shall be given unless the person Leasing in such land also belongs to the Scheduled Tribes.

(2) The lease shall be between the Land Owner – Lessor who leases out his land and the Lessee Cultivator who leases in such land for agriculture and allied activities.

(3) The leasing in of agricultural land in the Scheduled Areas shall be only by the person belonging to Scheduled Tribes or any other person permitted by the laws in force in Scheduled Areas.

(4) The Land Owner-Lessor and the Lessee Cultivator shall be required to enter into a written lease agreement with mutually agreed terms and conditions which shall be required to be duly registered as per the provisions of the Registration Act, 1908.

XVI
of
1908.

(5) The lease agreement shall *inter alia* contain the following details, terms and conditions, namely:—

(a) the names of the Land Owner - Lessor and Lessee Cultivator;

(b) survey number, boundaries, location and area of the land being leased out;

- (c) the duration of lease, expressed in months or years, clearly indicating the starting and ending dates of the lease, which should, as far as practicable, be compatible with the crop cycle or Agricultural Year;
- (d) the lease rent or consideration payable by the Lessee- Cultivator and the due date on which such amount shall be payable by the Lessee Cultivator;
- (e) the terms and conditions for renewal or extension of lease, if any;
- (f) any major default which shall make the lease liable for termination;
- (g) the circumstances in which land may be resumed by the Land Owner - Lessor and methodology therefor;
- (h) the minimum period during which such resumption of land by the Land Owner-Lessor shall not be permissible;
- (i) any other mutually agreed provision, consistent with the provisions of this Act.

(6) The duration of lease shall be decided and mutually agreed upon by the Land Owner-Lessor and the Lessee Cultivator and any period of lease as per the lease agreement executed under this Act shall not create any protected tenancy right in favour of the Lessee Cultivator.

(7) The consideration payable by the Lessee-Cultivator for use of land leased under this Act in the form of lease rent, or share of produce or in any other form shall be decided and mutually agreed upon by the Land Owner-Lessor and the Lessee Cultivator.

(8) The lease agreement under this Act shall not be entered into the record of rights, but the information regarding lease agreement under this Act shall be entered in a Register, maintained by the Competent Authority in such form as may be prescribed.

(9) A lease agreement under this Act, even though registered under the Registration Act, 1908 shall not create or confer any right over land including protected tenancy or occupancy right or any other right against lawful eviction or lease termination or interest in favour of the Lessee Cultivator other than those contained in this Act or the lease agreement and shall not be used to establish any permanent right over the land in any court of law. XVI of 1908.

(10) The possession of the land leased out under this Act shall be deemed to have reverted to the Land Owner-Lessor upon the expiry of agreed lease period, unless the lease is renewed by a fresh written lease agreement which is registered by following the provisions of this section for a period mutually agreed upon by the Land Owner-Lessor and the Lessee Cultivator.

(11) Any dispute between the Lessee Cultivator and the Land Owner - Lessor shall be resolved through the dispute resolution mechanism provided under section 9 of this Act.

4. The Land Owner –Lessor,—

Rights and responsibilities of Land Owner-Lessor.

(a) shall put the Lessee Cultivator in possession of the leased out land on the first day of the lease and shall not interfere with the Lessee Cultivator's use and possession thereof so long as the Lessee Cultivator,-

(i) does not default in the payment of lease amount ;

(ii) does not cause damage to the health of the soil;

(iii) does not use the land for purposes other than what is agreed upon in the lease agreement; or

(iv) does not sub-lease the land to any other person;

(b) shall have right to receive the agreed lease consideration in the form of lease rent or fixed cash or share of produce from the Lessee Cultivator as per the agreed time schedule as per the lease agreement;

(c) shall be entitled to automatic resumption of the land without any encumbrances on the expiry of the lease period as initially agreed upon or as extended with mutual consent and the Land Owner-Lessor shall not be liable for discharge of any charge or interest or liability created by the Lessee Cultivator during the lease period;

(d) shall have the right to resume the leased out land during the subsistence of lease if and only if the written lease agreement so provides, with prior written notice to the Lessee Cultivator, as mutually agreed upon;

(e) shall have the right to terminate the lease if the Lessee Cultivator commits any of the defaults set out under clause (a) ;

(f) shall have the right to alienate the leased out agricultural land including by way of a sale, gift, mortgage, etc. during the currency of the agreed lease period, subject to the condition that such transfer shall not affect in any manner the Lessee Cultivator's agricultural right to cultivate the land until the expiry of the agreed lease period;

(g) shall pay all applicable taxes and cess on the land;

(h) shall, during the term of the lease agreement, not create any hindrance in the works being done by the Lessee Cultivator as per the lease agreement.

5. The Lessee Cultivator,—

Rights and responsibilities of Lessee Cultivator.

(a) shall be entitled to an undisturbed possession and use of the land for the agreed period as provided for in the lease agreement;

(b) shall not claim any right over the land by virtue of the lease other than those set forth in this Act or in the lease agreement;

(c) shall not sub-lease or mortgage the land leased in by him;

(d) shall have, notwithstanding anything to the contrary contained in any other law for the time being in force, no right to create change of any kind on the land under lease agreement other than the rights granted in the lease agreement;

(e) shall be eligible to raise loans from banks or co-operative societies or other financial institutions without mortgaging the leased in land, based on the lease agreement. The expected value of production or returns from

leased in land during the lease period may be used as collateral by credit institutions for advancing loan to a Lessee Cultivator if this is mutually agreed between the institution and the Lessee Cultivator;

(f) shall, during the currency of the lease period, be entitled to obtain crop insurance, disaster relief or any other benefits or facilities that may be provided to the farmers by the State or the Central Government, based on the lease agreement;

(g) shall have the right to voluntarily surrender the leased in land after giving such notice to the Land Owner-Lessor, as specified in the terms and conditions of the lease agreement;

(h) shall vacate the land leased in by him immediately at the end of the initially agreed term of the lease or the mutually extended period, without any encumbrances created during the lease period;

(i) shall not have the right to build structures or erect any fixtures on the land without the express permission of the Land Owner – Lessor;

(j) shall be entitled to compensation for the improvements or fixtures made on the agricultural land leased in from the Land Owner – Lessor, provided the improvements or fixtures are consistent with the lease agreement and the lease agreement provides for such compensation.

Explanation.— Compensation is the residual value of the improvements or developments made on the land leased in, at the time of termination or expiry of lease;

(k) shall pay the lease consideration in time, as specified in the lease agreement, and any delay in payment beyond three months from the due date, shall constitute a major default, entitling the Land Owner-Lessor to issue notice for termination of lease;

(l) shall use the land only for agriculture and allied activities, as mentioned in the lease agreement;

(m) shall not cause any damage to the land and shall be liable to the Land Owner – Lessor for any damage caused to the leased in land and any immovable asset on it;

(n) shall not have any right on the land leased in, other than those specifically set forth in the lease agreement or in this Act;

(o) shall not sublease the land leased in by him to any other person, and any such act shall constitute a major default, entitling the Land Owner - Lessor to issue notice for termination of lease;

(p) shall not disturb the boundary of the land and survey stones, if any, during the lease period.

Non-transferability and non-heritability of lease.

6. (1) Leases under this Act shall not be heritable and the rights of the Lessee Cultivator granted under the lease shall not be transferable except as provided in the lease agreement.

(2) In the event of death of Land Owner - Lessor, the Lessee Cultivator shall continue to cultivate the land leased in for the remaining lease period, unless the Lessee Cultivator and the heirs of Land Owner-Lessor agree to end the lease agreement early by mutual consent. In case of land leased out by multiple Land Owners- Lessors, as long as one of the original Land Owners is alive, the lease agreement shall stand.

(3) If there is single Lessee Cultivator who dies, the land shall revert to the Land Owner - Lessor, at the end of the crop year, unless the Land Owner - Lessor and heirs of such deceased Lessee Cultivator mutually agree to continue the lease. In case the Lessee Cultivator has included the name(s) of his or her son(s) or daughter(s) as a co-Lessee in the lease agreement, the surviving co-Lessee shall be entitled to continue the lease for the remaining lease period or any mutually agreed extended lease period.

7. The lease executed under this Act shall be terminated,—

Termination
of lease.

(a) on expiry of the agreed lease period;

(b) if the Lessee Cultivator fails to pay the lease consideration as per the agreed terms and as per the agreed time schedule;

(c) if the Lessee Cultivator uses the land for the purposes other than agriculture and allied activities or those specified in the lease agreement;

(d) if the Lessee Cultivator sub-leases the leased in land;

(e) if there is any damage caused to the land by the Lessee Cultivator;

(f) if the Land Owner- Lessor and Lessee Cultivator mutually agree to terminate the lease;

(g) if the Lessee Cultivator dies during the lease period, in which case the termination of lease shall be subject to the provisions under section 6 of this Act;

(h) when the Lessee Cultivator voluntarily surrenders the land during the lease period, under provisions of clause (f) of section 5 of this Act; or

(i) if the Lessee Cultivator is adjudicated as undischarged insolvent or of unsound mind.

CHAPTER III

ENFORCEMENT OF LEASE AGREEMENT AND DISPUTE RESOLUTION

8. The Government shall notify the Competent Authority which shall be responsible for the following, namely :—

Enforcement of
lease
agreement.

(a) enforcement of terms of lease;

(b) facilitating return of the leased out land to the Land Owner - Lessor on expiry of the lease period.

9. (1) The Lessee Cultivator and the Land Owner-Lessor shall make all efforts to amicably settle any dispute between them arising out of lease agreement under this Act, using third party mediation whenever feasible.

Dispute
resolution.

(2) If the dispute is not settled through the mechanism mentioned in sub-section (1), either party may file a petition before the Competent Authority, which shall adjudicate the dispute using summary procedure within a maximum period of three months.

(3) For every order other than interim order passed by the Competent Authority under this Act, an appeal shall lie to the Collector.

(4) An appeal against the order of the Collector shall lie to the Maharashtra Revenue Tribunal which shall be the final authority to adjudicate disputes, under this Act.

(5) Any appeal preferred to the Collector or the Maharashtra Revenue Tribunal under this Act shall be disposed of within a maximum period of one year.

(6) During the pendency of dispute between the Land Owner - Lessor and the Lessee Cultivator, the Competent Authority or the Collector or the Maharashtra Revenue Tribunal, may pass such interim order for compliance of the conditions of the lease agreement as he or it deems appropriate:

Provided that, he or it shall not pass any such order, as shall allow Lessee Cultivator to remain in possession of land even after the expiry or termination of lease agreement.

(7) If any stay order is passed then on the expiry of the term of lease agreement, such stay order shall automatically cease to operate and the Land Owner -Lessor shall be given possession of the land compulsorily.

Breach of agreement.

10. On receiving an application from a party aggrieved by the non-compliance or violation of any condition of lease agreement under this Act, or breach of such agreement, the Competent Authority by issuing show cause notice, require the other party, to immediately stop such violation or breach and comply with the lease agreement and to personally furnish a compliance report in this regard or else show cause as to why such fine at a maximum rate of fifty thousand per hectare as the Competent Authority may specify should not be imposed on such party. After considering the reply to the show cause notice and the evidence on affidavit, and after hearing both the parties, the Competent Authority may pass appropriate order for ensuring compliance of the lease agreement and the case shall be disposed of after ascertaining the compliance of such order :

Provided that, if the Competent Authority is satisfied that the compliance of the lease agreement is not possible, then he shall order termination of the agreement and determine the claims of both the parties and may imposed fine upto a maximum rate of rupees fifty thousand per hectare, the party responsible for breach of agreement, which shall be recoverable as an arrears of land revenue :

Provided further that, the State Government shall be competent to prescribe higher limit for the maximum rate of fine that can be imposed under this section, by making rules in this regard.

Reinstatement of Land Owner - Lessor.

11. (1) On expiry of term, or termination of lease agreement, if the land Lessee Cultivator does not vacate the possession of land under lease agreement, directly or indirectly, then on application of the Land Owner - Lessor, the Competent Authority shall within seven days, issue notice to the Lessee Cultivator, directing him to hand over possession of the land to the Land Owner-Lessor within 15 days from the date of service of notice to the Lessee-Cultivator.

(2) If even after service of show cause notice as aforesaid, the Lessee Cultivator does not hand over vacant possession of the land to the Land Owner-Lessor within the time specified in such notice, the Competent Authority shall, within 30 days from the date of receipt of application from the Land Owner-Lessor, under sub-section (1), secure actual possession of

land by using reasonable force, as may be necessary, and hand over the same to the Land Owner-Lessor.

12. (1) No decision made or order passed or proceeding taken by any officer or authority or the State Government under this Act, not being a decision, order or proceeding affecting the title to the land of a person, shall be called in question before a Civil Court in any suit, application or other proceeding and no injunction shall be granted by any court in respect of any proceeding taken or about to be taken by such officer or authority or the State Government in pursuance of any power conferred by or under this Act.

Bar of jurisdiction of Civil Courts.

(2) No Civil Court shall have jurisdiction over disputes under this Act.

CHAPTER IV

MISCELLANEOUS

13. No suit, prosecution or other legal proceeding shall lie before any court or authority against any public servant for anything done or intended to be done in good faith in performance of duty, pursuant to this Act or the rules made thereunder.

Protections for persons acting in good faith.

14. (1) The State Government may, by notification in the *Official Gazette*, and subject to the condition of previous publication, make rules to carry out all or any of the purposes of this Act.

Power to make rules.

(2) Every rule made under this section shall be laid as soon as may be after it is made before each House of the State Legislature while it is in session for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session in which it is so laid or the session immediately following, both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, the rule shall, from the date of publication of notification in the *Official Gazette*, of such decision have effect only in such modified form or be of no effect, as the case may be ; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done or omitted to be done under that rule.

15. (1) The provisions of the Act shall have overriding effect over the provisions of any other law in force on the subject from the date of its coming into force:

Overriding effect and savings.

Provided that, any rights accrued, actions taken, cases pending under any other law in force shall be governed by the provisions of such law:

Provided further that, if an existing lease agreement between the Land Owner-Lessor and the Lessee Cultivator is sought to be further extended or replaced by a new lease, the provisions of this Act shall apply.

(2) For the removal of doubts, it is hereby declared that this Act shall not have any retrospective effect and the existing protected tenants or share croppers, existing on the date of coming into force of this Act, under the existing Tenancy laws in the State of Maharashtra shall not be affected by this Act.

Power to
remove
difficulties

16. (1) If any difficulty arises in giving effect to the provisions of this Act, the State Government may, as occasion arises, by order published in the *Official Gazette* do anything not inconsistent with the provisions of this Act which appears to it to be necessary or expedient for the purpose of removing the difficulty:

Provided that, no such order shall be made after the expiry of a period of two years from the date of commencement of this Act.

(2) Every order made under sub-section (1) shall be laid, as soon as may be, after it is made, before each House of the State Legislature.