

**THE TELANGANA AGRICULTURAL LAND (CONVERSION FOR  
NON AGRICULTURAL PURPOSES) ACT, 2006.**

**(ACT NO. 3 OF 2006)**

**ARRANGEMENT OF SECTIONS**

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# THE TELANGANA AGRICULTURAL LAND (CONVERSION FOR NON AGRICULTURAL PURPOSES) ACT, 2006.<sup>1</sup>

## ACT No.3 OF 2006.

1. (1) This Act may be called the <sup>2</sup>Telangana Agricultural Land (Conversion for Non Agricultural purposes) Act, 2006. **Short title, extent and commencement.**

(2) It extends to the whole of the State of <sup>2</sup>Telangana.

(3) It shall come into force on such date as the Government may, by notification, appoint.

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

(a) **“Agriculture”** means,-

(i) the raising of any crop or garden produce; or

(ii) the raising of orchards; or

(iii) the raising of pasture; or

(iv) hay-ricks;

(b) **“Agriculture lands”** means lands used for agriculture;

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1. The Andhra Pradesh Agricultural Land (Conversion for Non Agricultural purposes) Act, 2006 received the assent of the Governor on the 30<sup>th</sup> December, 2005. The said Act in force in the combined State, as on 02.06.2014, has been adapted to the State of Telangana, under section 101 of the Andhra Pradesh Reorganisation Act, 2014 (Central Act 6 of 2014) vide. the Notification issued in G.O.Ms.No.4, Revenue (Land Matters) Department, dated 05.01.2016.

2. Substituted by G.O.Ms.No.4, Revenue (Land Matters) Department, dated 05.01.2016.

(c) **“Conversion”** means change of land use from agricultural to non-agricultural purposes;

(d) **“Non-agricultural land”** means land other than Agricultural land;

(e) **“Government”** means the State Government of <sup>3</sup>Telangana;

(f) **“Collector”** means the District Collector in whose jurisdiction the agricultural land for which conversion is applied for is situated and also includes Joint Collector or any other officer not below the rank of the Joint Collector authorized by the Government to exercise the powers and perform the functions of the District Collector under this Act;

(g) **“Revenue Divisional Officer”** means the Revenue Divisional Officer including Sub-Collector or Asst. Collector in whose jurisdiction the agricultural land or a part thereof is situated and includes any officer not below the rank of a Revenue Divisional Officer empowered by the Government to exercise the powers and perform the functions of the Revenue Divisional Officer under this Act;

(h) **“Mandal Revenue Officer”** means the Mandal Revenue Officer, in whose jurisdiction the agricultural land or a part thereof is situated, and includes any Officer not below the rank of a MRO empowered by the Government to exercise the powers and perform the functions of the Mandal Revenue Officer under this Act;

(i) **“Mandal Revenue Inspector”** means the Mandal Revenue Inspector in whose jurisdiction the agricultural land or a part thereof is situated and includes any officer

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3. Substituted by G.O.Ms.No.4, Revenue (Land Matters) Department, dated 05.01.2016.

empowered by the Revenue Divisional Officer to exercise the powers and perform the functions of a Mandal Revenue Inspector under this Act;

(j) “**Prescribed**” means prescribed by rules made by the Government under this Act;

(k) “**Notification**” means a notification published in the <sup>4</sup>Telangana Gazette and the word “Notified” shall be construed accordingly;

(l) “**Occupier**” includes:

(i) Any person for the time being paying or liable to pay to the owner rent, or any portion of the rent, for the land or for the structure constructed;

(ii) A rent-free occupant;

(m) “**Owner**” includes any person for the time being receiving or entitled to receive, whether on his own account, or as agent, trustee, guardian, manager or receiver, for another person, or for any religious, educational or charitable purpose, rent or profits for the agricultural land or for the structure constructed on such land and includes in respect of the lands that have been leased out by the State Government or the Central Government,-

(i) a lessee, if the land has been leased out by the Government for any non-agricultural purpose; and

(ii) a local authority, if the land is vested in the local authority and used for any non-agricultural purpose deriving income therefrom.

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4. Substituted by G.O.Ms.No.4, Revenue (Land Matters) Department, dated 05.01.2016.

**Land use  
Conversion.**

3. (1) No agricultural land in the State shall be put to non-agricultural purpose, without the prior permission of the competent authority.

(2) An application for such conversion of the agricultural land for non-agricultural purposes shall be made before the competent authority in the form prescribed along with conversion \*[tax] as specified under section 4.

(3) If the conversion \*[tax] so paid as per sub-section (2) is found to be less than the \*[tax] prescribed under section 4, a notice shall be issued by the competent authority to the applicant <sup>5</sup>[within 7 days] of the receipt of application intimating him the deficit amount.

(4) The applicant shall pay the deficit amount indicated in the notice issued under sub-section (3) <sup>5</sup>[within one week] of the receipt of such notice.

(5) In case no intimation is received by the applicant <sup>5</sup>[within 7 days] about the deficit payment of conversion \*[tax], it shall be deemed that the amount paid is sufficient for the purpose.

(6) The conversion permission requested for shall either be issued, rejected in full or part by the competent authority <sup>5</sup>[within fifteen days] after such request is received in the office of the competent authority or <sup>5</sup>[within 7 days] after the receipt of the deficit amount as the case may be, provided that such requests are rejected, the reasons for such rejection shall be recorded in writing and communicated to the applicant:

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\* Throughout the Act for the words “fee/fees”, the word “tax” shall be substituted [Act No.16 of 2012].

5. Substituted by G.O.Ms.No.4, Revenue (Land Matters) Department, dated 05.01.2016.

Provided that, if no order is passed on such request, within the time prescribed in sub-section (6), the required permission shall be deemed to have been given.

4. (1) With effect on and from the date of commencement of this Act, every owner or occupier of agriculture land shall have to pay a conversion <sup>\*</sup>[tax] for non-agricultural purposes, at the rate of <sup>6</sup>[3%] of the basic value of the land in areas as may be notified by the Government from time to time:

**Power to levy and collect conversion <sup>\*</sup>tax.**

<sup>7</sup>[Provided that the owner or occupier of agriculture land in the areas covered under Greater Hyderabad Municipal Corporation, <sup>8</sup>[XXX] shall have to pay a conversion tax for non-agricultural purposes, at the rate of <sup>9</sup>[2%] of the basic value of the land.]

(2) For the purpose of this section, the basic value of the land shall be fixed in such manner as may be prescribed.

5. The Revenue Divisional Officer or any officer to be notified by the Government in this behalf shall be competent to order, in respect of the lands situated within his territorial jurisdiction, conversion of land use from agricultural purpose to non-agricultural purpose.

**Authority competent to convert agricultural land for non agricultural purpose.**

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6. Substituted for 9% by G.O.Ms.No.4, Revenue (Land Matters) Department, dated 05.01.2016.

7. Added by Act No.16 of 2012.

8. Omitted by G.O.Ms.No.4, Revenue (Land Matters) Department, dated 05.01.2016.

9. Substituted for 5% by G.O.Ms.No.4, Revenue (Land Matters) Department, dated 05.01.2016.

**Penalty.**

6. (1) If any agricultural land has been put to non-agricultural purpose without obtaining the permission as required under section 3, the land shall be deemed to have been converted into non-agricultural purpose.

(2) Upon such deemed conversion, the competent authority shall impose a fine of 50% over and above the conversion \*[tax] for the said land specified under section 4 in such manner as may be prescribed.

(3) The owner or occupier of the land shall pay the fine so imposed under sub-section (2) in such manner as may be prescribed.

(4) Any \*[tax] or penalty which remains unpaid after the date specified under sub-section (2) for payment, shall be recoverable as per the provisions of <sup>10</sup>the Telangana Revenue Recovery Act, 1864.

**Act not to apply to certain lands.**

7. Nothing in this Act shall apply to,-

(a) Lands owned by the State Government;

(b) Lands owned by a local authority and used for any communal purposes so long as the land is not used for commercial purposes;

(c) Lands used for religious or charitable purposes;

(d) Lands used by owner for household industries involving traditional occupation, not exceeding one acre;

(e) Lands used for such other purposes as may be notified by the Government from time to time;

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10. Adapted by G.O.Ms.No.45, Law (F) Department, dated 01.06.2016.

<sup>11</sup>[(f) Lands used for Aquaculture, Dairy and Poultry.]

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| <p>8. Any person aggrieved by an order of the Revenue Divisional Officer may file an appeal before the Collector within sixty days of receipt of such order by the applicant.</p>  | <p><b>Appeal.</b></p>                                   |
| <p>9. The provisions of this Act shall have effect notwithstanding anything inconsistent there with contained in any other law for the time being in force, or any custom or usage having the force of law or contract or judgment, decree or order of a court or any other authority.</p>   | <p><b>Act to override other laws.</b></p>               |
| <p>10. For the purpose of giving effect to the provisions of this Act it shall be competent for the Government to issue such directions as they may deem fit to any officer, authority or person subordinate to the Government.</p>  | <p><b>Power to give directions.</b></p>                 |
| <p>11. Save as otherwise expressly provided in the Act, no Court shall entertain any suit, or other proceeding to set-aside or modify, or question the validity of deficit *[tax] under section 3 or fine imposed under section 6, or order or decision made or passed by any officer or authority under the Act or any rules made thereunder, or in respect of any other matter falling within its scope.</p> | <p><b>Bar of Jurisdiction.</b></p>                      |
| <p>12. No suit, prosecution or other legal proceedings shall be instituted against any person for anything which is in good faith done or intended to be done under this Act or under the rules made thereunder.</p>   | <p><b>Protection of action taken in good faith.</b></p> |
| <p>13. If any difficulty arises in giving effect to the provisions of this Act, the Government may by order in the <sup>12</sup>Telangana Gazette make such provisions not inconsistent with the</p>   | <p><b>Power to remove difficulties.</b></p>             |

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11. Added by Act No.16 of 2012.

12. Substituted by G.O.Ms.No.4, Revenue (Land Matters) Department, dated 05.01.2016.



purposes or provisions of this Act as appear to them to be necessary or expedient for removing the difficulty.

**Power to make rules.**

14. (1) The Government may by notification make rules for carrying out all or any of the purposes of this Act.

(2) Every rule made under this Act shall immediately after it is made, be laid before the Legislature of the State, if it is in session and if it is not in session, in the session immediately following for a total period of fourteen days which may be comprised in one session or in two successive sessions, and if before the expiration of the session in which it is so laid or the session immediately following, the Legislature agrees in making any modification in the rule or in the annulment of the rule, the rule shall from the date on which the modification or annulment is notified have effect only in such modified form or shall stand annulled as the case may be, so however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

**Repeal of Act 14 of 1963.**

15. (1) The Andhra Pradesh Non-Agricultural Lands Assessment Act, 1963 is hereby repealed.

(2) Upon such repeal,-

(a) the provisions of section 8 of the <sup>13</sup>Telangana General Clauses Act, 1891 shall apply;

(b) all the outstanding arrears from individuals/ institutions under the Andhra Pradesh Non-Agricultural Lands Assessment Act, 1963 as on the date of commencement of this Act shall be recovered under the provisions of the <sup>13</sup>Telangana Revenue Recovery Act, 1864.

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13. Adapted by G.O.Ms.No.45, Law (F) Department, dated 01.06.2016.