

**GOVERNMENT OF KERALA**

**Abstract**

LAND-TRANSFER OF GOVERNMENT LAND FROM ONE DEPARTMENT TO ANOTHER- RULES-APPROVED-

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**REVENUE (E) DEPARTMENT**

**G.P.(P) 498/61/Rev.**

**Dated, Trivandrum, 17<sup>th</sup> May 1961.**

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Read:- 1. G.O.. (P) 638/Rev. dated 9-6-1959.

2. From the Board of Revenue, letter No. LR (A) 7-33339/58 dated 28-9-1959.

3. Letter No. Tm. III/17-19/ 59-60 / 620 dated 23-3-1960 from the Comptroller.

**ORDER**

In paragraph 4 of the G.O. read as 1<sup>st</sup> paper above the Board of Revenue was requested to forward draft rules for purposes of the orders contained therein and also to submit proposals for listing out commercial Departments as distinguished from service Departments. Accordingly proposals were forwarded by the Board of Revenue. Governments are pleased to issue the following rules.

**RULES**

1. The transfer of Government lands and improvements thereon , from one Government Department to another shall be ordered by the District Collectors and the Board of Revenue as shown below:-

(i) District Collectors:- Up to a limit of 2 acres in each case, provided the market value of improvements, if any, thereon does not exceed Rs. 2,500.

(ii) Board of Revenue- Above 2 acres up to a limit of 5 acres in each case, provided the market value of improvements, if any , thereon does not exceed Rs. 5,000.

Note- (1) The above powers shall not be exercised by the district Collectors and the Board of Revenue in the case of transfers of Government lands within the Corporation of Trivandrum and the Municipalities of the State and the lands in the Reserve forests.

Note-(2) When land in the possession of one Department is to be transferred to any other Department, such transfer may be made by the Collector or the Board of Revenue as the case may be in consultation with the department concerned.

(iii) All cases not covered by the above delegation shall be submitted to Government for orders.

2. For purposes of inter-departmental transfers of lands and adjustment of their value, the department of the Government shall be divided into Service Departments and Commercial Departments according to the following principles:-

(A) Service Departments:- These are constituted for the discharge of those functions which either (a) are inseparable from and form part of the idea of Government or (b) are necessary to and form part of , the general conduct of the business of Government.

(B) Commercial Departments or Undertakings, - These are maintained mainly for the purposes of rendering services or providing supplies, of certain special kind, on payment for services rendered, or for articles supplied. They perform functions which are not basically governmental functions. They are required to work and maintain accounts according to commercial principles.

3. Government shall be the authority to decide whether a particular Department or particular undertakings of a department shall be regarded as a Commercial Department or undertaking.

4. A list of Departments and undertakings recognized by Government as Commercial Departments or undertakings given in Annexure 1 of this order. The list does not purport to be exhaustive and may be modified by Government where necessary in consultation with the Accountant General, Kerala.

5. When any Government land with improvements thereon or any building is transferred from one Service Department to another under the State Government, the transfer shall be made free of charge.

6. When any Government land with improvement or building in the possession of one Service Department is transferred to another Service Department or a branch of any Service Department, for a specific purpose of starting any industry or commercial undertaking of a remunerative nature, it shall be competent for the Government, to order the collection of market value of the lands and improvements transferred to such Service Department or a branch of the Service Department, according to the merit of each case.

7. When any land with improvements thereon or any building is transferred from or to a Commercial Department, the full market value thereof or the book value whichever is higher should be charged.

8. The value of land with improvements and building transferred to a Commercial Department under rule (7) or to a service Department or branch of a Service Department under rule (6) shall be fixed by the District Collector adopting the principle of valuation accepted under the Land Acquisition Act and Rules.

9. With regard to the credit of the value of the building or lands the classification given in Annexure II of this order shall be adopted.

10. Adjustment of accounts due by one Department to another under these rules shall ordinarily be made by book transfer, except when such adjustments do not suit the method of accounts or of business adopted by the receiving Department. An invoice duly accepted by a competent authority of the Department receiving the land etc. and furnishing full classification of the debit head shall be forwarded to the Accountant General for effecting the necessary adjustments in this behalf.

11. Payment in cash shall be required in all cases where a Department of the Government transfers State land to quasi Government Institution like the Kerala State Electricity Board , the Kerala Financial corporation etc. If any separate fund has been constituted for such board inside or outside the public account the value of land transferred shall be dubitable to such funds, unless the Government by general or special order gives directions to the contrary

12. When the purpose for which the land was transferred to the service or commercial departments as the case may be , under rules (6) and (7) has ceased, or in the event of such land or portion thereof not being required any further by such department or institution, such land or portion thereof shall revert to Government and the amount of compensation, if any, payable to such department shall be fixed by the Collector of the District in which the land is situated, provided that in no case such compensation shall be fixed in excess of the value realized under rules (6) or (7) as the case may be.

13. If any doubt or dispute arises in connection with the interpretation of these rules, the Government shall decide the same in consultation with the Accountant General , Kerala.

By order of the Governor,

C K Kerala Varma.  
Revenue Secretary

To.

The Board of Revenue

All district Collectors

All heads of Departments

All Revenue Divisional Officers

. The account General (through Finance Department)

The Finance Department (vide Fin. Com./2-881/ 61 dated 15-2-1961).

All Departments & Sections of the Secretariat including Law& finance.

## ANNEXURE- 1

1. Irrigation Scheme and projects for which Revenue and Capital accounts are kept.
2. The Government Ceramic Concerns, Kundara.
3. The Kerala Ceramics, kundara.
4. The Travancore Rubber works, Trivandrum
5. The Travancore Plywood Industries, punalur.
6. The Government Shark Liver Oil Factory , Trivandrum
7. The Government Oil Factory, Kozhikode
8. The Kerala Soap Institute, Kozhikode
9. The Government Hydrogenation Factory, Kozhikode
10. The State Transport Department
11. The Kerala Government Cycle Rim Factory , Trivandrum.
12. The Text Book Department.

## ANNEXURE-11

The classification of the sale proceeds of Government land and buildings shall be regulated in accordance with the schedules given below:

### **Schedule-1 –Sale proceeds of Land, etc.**

Head to which creditable

\*(i) When the cost of the land was originally debited to, or remains at the debit of the Capital account of any project or undertaking for which regular Capital and Revenue accounts are kept or was Originally met from the revenue account of such project or undertaking.

The Capital or Revenue Account of the project, as the case may be, according to the allocation rules applicable to the department concerned.

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(\* ) In the case of land acquired by Government on payment for companies railways or of Government land made over to such railways by other Government departments or railway where the cost was originally debited to “ Subsidized companies-Land” the sale –proceeds are creditable to “Subsidized companies’ on the receipt side.

(ii) when the cost was originally debited to a Capital expenditure head outside the Revenue account even though no regular Capital and Revenue accounts are kept for the work covered by the Capital expenditure.

The Capital expenditure head originally debited

(iii) When the cost was originally debited , the Revenue Section of the accounts to any service or Revenue Department for which no Capital and Revenue accounts are kept	The receipt head relating to the within department concerned, or in the case of departments not having a corresponding receipt head :XLVI Miscellaneous- Miscellaneous”
(iv) when the cost was not so debited (a) the rights of Government in agricultural land not covered by clause (b):	VII Land Revenue
© Nazul lands	XLVI. Miscellaneous - Miscellaneous Sales of land and houses etc.
© all other items	XLVI. Miscellaneous - Miscellaneous

**SCHEDULE -II**

**Sale proceeds of Buildings (including the actual area occupied by or auxiliary to a building)**

Heads to which creditable

(i)When the cost of the building was originally debited to or remains at the debit of the Capital Accounts are kept or was originally met from the Revenue Account of such project or undertaking.	The Capital or Revenue Account of the project, as the case may be according to the allocation rules applicable to the department concerned.
(ii)When the cost of the building was originally debited to a Capital expenditure head outside the Revenue Account, even though no regular Capital and Revenue Accounts are kept for the work covered by the Capital expenditure.	The Capital expenditure head originally debited.
(iii)When the sale affects irrigation, navigation, embankment and drainage works for which Capital Accounts are not kept.	XVIII irrigation, navigation, embankment and drainage works for which no Capital Account are kept.
(iv) When the sale is of building the cost	The receipt head relating to the

of which was originally debited, within the revenue section of the accounts to any service or revenue department for which no Capital and Revenue

department concerned, or, in the case of departments not having a corresponding receipt head “XLVI. Miscellaneous-Miscellaneous”

Accounts are kept.

(v) In all other cases;

(i) If sold in the Public works Department

XXXIX. Civil Works

(2) If sold in the Defense Department

XLVII. Defense receipts- Effective

(3) If sold by Civil agency

XLVI. Miscellaneous- Sales of land and houses, etc.

Note:- Any special and non-recurring receipts unconnected with expenditure previously debited to a capital ahead falling under Schedules I and II of this rule may be credited to the Major Head. “ LI.-Extraordinary Receipts” if Government desires to distinguish them from the ordinary revenues of the year, provided that the amount involved is so large as to justify this special treatment.