

## The Lands Act, 2021(1964)

### Date of Authentication and Publication

2021.8.1(15 November 1964)

### Amendments:

1. The Lands (First Amendment) Act, 2022(1966) 2022.12.10 (23 March 1966)
2. The Lands (Second Amendment) Act, 2025 (1968) 2025.7.9 (25 October 1968)
3. The Lands (Third Amendment) Act, 2038(1981) 2038.4.25 (9 August 1981)
4. The Administration of Justice Reforms (Fourth Amendment) Act, 2043(1986) 2043.7.24 (10 November 1986)
5. The Administration of Justice Act, 2048(1991) 2048.2.16 (30 May 1991)
6. The Lands (Fourth Amendment) Act, 2053(1997) 2053.9.24 (8 January 1997)
7. The Act Amending Some Nepal Acts, 2055 (1999) 2055.10.7 (21 January 1999)
- 8.<sup>1</sup> The Lands (Fifth Amendment) Act, 2058 (2002) 2058.10.25(7 February 2002)

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<sup>1</sup> The Lands (Fifth Amendment) Act, 2058 (2001) came into force on 2058.4.32 (16 August 2001).

- 10 Amending Some Nepal Acts to Maintain Gender Equality Act, 2063 (2006) 2063.7.17 (3 Nov., 2006)
- 11 Republic Strengthening and Some Nepal Laws Amendment Act, 2066 2066.10.7 (Jan. 21, 2010)

Act No. 25 of the year 2021(1964)

**An Act Made to Amend and Consolidate the Lands Act**

**Preamble:** Whereas, it is expedient; to divert inactive capital and burden of population from the land to the other sectors of economy in order to accelerate the pace of economic development of the country; to bring about improvement in the standards of living of the actual peasants dependent on the land by making equitable distribution of the cultivable land and by making easily accessible the necessary know-how and resources on agriculture and to keep up the convenience and economic interests of the general public by providing encouragement to make maximum increase in agricultural production;

Now, therefore, be it enacted by His Majesty King Mahendra Bir Bikram Shah Dev on the advice and with the consent of the *Rastriya Panchayat*.

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<sup>✍</sup> This Act came into force from 2065-2-15 (28 May 2008).

## Chapter-1

### Preliminary

#### 1. Short title, extent and commencement:

- (1) This Act may be called as the "Lands Act, 2021 (1964)".
- (2) Chapters 1, 7, 8, 10 and 11 shall come into force immediately all over Nepal, and the rest Chapters, Sections or Sub-sections shall commence in such areas and on such dates as may be appointed by Government of Nepal by Notification in the Nepal Gazette, from time to time.

#### 2. Definitions:

Unless the subject or the context otherwise requires, in this Act:

- (a) "Landowner" means a person who has the land registered in his/her name, subject to the payment of land revenue to Government of Nepal under the prevailing law and has, by virtue thereof, the title to the land, and this term also includes the following person in respect of the following land:
  - (1) A person who is registered as a landowner in regard to the *Birta* land abolished pursuant to the *Birta* Abolition Act, 2016 (1960),
  - (2) *Jimidar* in the case of the land with *Jimidari*,
  - (2a)<sup>2</sup> In the case of *Kipat*, a person who possesses such land on payment of government revenue in accordance with the customs, traditions and practices or a person who

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<sup>2</sup> Inserted by the Second Amendment.

possesses such land on making payment of revenue to such person,

- (3) A person who, by virtue of being an heir or coparcener of such landowner or by virtue of the relinquishment by such landowner of his/her title in accordance with law, is entitled to get the land registered in his/her name,
  - (4) Where any other person has obtained the land of such landowner on usufruct mortgage or pledge and been possessing and using the land in accordance with law, that person so long as he/she so possesses and uses the land.
- (b) "Tenant" means a peasant who holds the land that belongs to another landowner to till the same on any terms and cultivates the land by him/herself or his/her family's labour.
- (c) "Family", in relation any person, means that person and only his/her relative in the following status:
- (1) husband or wife, irrespective of whether they are partitioned or not,
  - (2) until the father or mother is alive, a son, <sup>3</sup>daughter who has not attained the age of 16 years irrespective of whether he has been partitioned,
  - (3) <sup>4</sup> .....
- (d) "Rent (*Kut*)" means any consideration in money or in kind or both payable by a tenant to the landowner on account of the occupation of the landowner's land for cultivation.

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<sup>3</sup> Inserted by the Amending Some Nepal Acts to Maintain Gender Equality Act, 2063 (2006)

<sup>4</sup> Omitted by the Amending Some Nepal Acts to Maintain Gender Equality Act, 2063 (2006)

- (e) "House and premises (*Gharbari*)" means a dwelling house and the land appurtenant to such a house and this term also includes such a cattle shade, grain store (*Bhakari*), well, pond, garage, stable, fruits garden, bamboo bush, grass field, sports or recreation site and land used for other purposes similar thereto as is adjoined or not adjoined to the house.
- (f) "Main annual crop yield" in relation to any land means the yield of the crop having the highest yield among all the crops grown in that land throughout the year.
- (g) "Peasant" means a person engaged in cultivating the land.
- <sup>5</sup>Provided, however, that, for purposes of the determination of a debt pursuant to Chapter-9, this term means a person who cultivates land by his/her or his/her family's labor.
- (h) "*Jimidari*" means a system of collecting the revenue under the law and depositing, or causing to be deposited, such revenue with Government of Nepal, by making agent in the name of *Jimidar*, *Patawari*, *Talukdar*, *Jimmawal*, *Mukhiya*, *Thari*, *Dware* or in any other name, and includes the *Kipat* system.<sup>6</sup>
- (i) "Revenue" means the revenue or any other consideration equivalent thereto payable by a landowner to Government of Nepal under the prevailing law of Nepal.
- (j) "Notified Order" means an order published by Government of Nepal in the Nepal Gazette.
- (k) "Prescribed" or "as prescribed" means prescribed or as prescribed in the rules or notified orders under this Act.

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<sup>5</sup> Inserted by the Second Amendment.

<sup>6</sup> Amended by the Second Amendment.

## Chapter-2

### Abolition of Jimidari

#### 3. Abolition of Jimidari:

*Jimidari* is hereby abolished. As a result of such abolition, all the rights and authorities of the agents related with the *Jimidari* in the concerned area (*Mouja*) are *ipso facto* abolished.

Provided that, in the case of land held by the *Jimidari*, such land shall be registered as *Numbari* (*Raikar* land) in the name of the concerned *Jimidar* as a landowner.

#### 3A.<sup>7</sup> Provision on Kipat:

- (1) The *Kipat* land may, like the *Raikar* land, be transferred by conveyance (*Pharchhe Rajinama*).
- (2) The *Kipat* land shall, like the *Raikar* land, be subjected to land revenue.

#### 4. Documents relating to Jimidari:

- (1) A person who has the custody of the documents relating to *Jimidari* shall submit those documents to the prescribed office or official as and when so ordered by that office or official.
- (2) Where the documents are yet to be submitted pursuant to Sub-section (1), that person shall show the documents to such office or official as and when the latter wants to see them in the course of any land related function, take them back after completion of such function and safely retain them in custody of his/her own.

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<sup>7</sup> Inserted by the Second Amendment.

**5. Interim provision on collection and recovery of land revenue:**

Government of Nepal may, pending another provision on the collection and recovery of the land revenue of the *Jimidari* abolished pursuant to Section 3, cause a person having the duty to collect and recover the land revenue prior to the abolition of the *Jimidari* or any other prescribed person or Village Development Committee or Municipality to collect and recover the land revenue in accordance with the prescribed terms and conditions.

**6. Punishment:**

- (1) If a person fails to perform the duty to be performed under Section 4, the prescribed office or official may punish such person with a fine not exceeding Rs. 500/-(Five Hundred Rupees) or with imprisonment for a term not exceeding three months or with both and take custody of such documents.
- (2) If a person having duty to collect and recover land revenue pursuant to Section 5 fails to collect and recover the same in accordance with law or fails to perform any other duty pertaining thereto, the prescribed office or official may recover the loss and damage caused from such failure to Government of Nepal from the personal properties of such person and punish such person with a fine not exceeding Rs. 1,000/-( One Thousand Rupees) or with imprisonment for a term not exceeding six months or with both.
- (3) <sup>8</sup> .....

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<sup>8</sup> Repealed by the Administration of Justice Reforms (Fourth Amendment) Act, 2043 (1986).

## Chapter-3

### Ceiling of Land

#### **7. Upper ceiling of land allowed to be owned by person as landowner:**

(1)<sup>9</sup> Any person or his/her family may, as a landowner, own land within the following ceiling in the following area, not exceeding a total of 10 *Bigaha*<sup>10</sup>:

- (a) All Terai regions including inner Terai -10 Bigaha
- (b) Kathmandu Valley -25 Ropani
- (c) All hilly regions except Kathmandu Valley -70 Ropani

(2)<sup>11</sup> Notwithstanding anything contained in Sub-section (1), any person or his/her family may, in addition to the land as referred to in Sub-section (1), own such land as is required for house and premises not exceeding the following ceiling:

- (a) All Terai regions including inner Terai -1 Bigaha
- (b) Kathmandu Valley -5 Ropani
- (c) All hilly regions except Kathmandu Valley -5 Ropani

(3)<sup>12</sup> Where one has, prior to the commencement of Sub-sections (1) and (2), transferred the title of landowner to any land in the areas where these Sub-sections have come into force, to any other person, except the heir or coparcener having right to partition share under the prevailing laws of Nepal, by way of sale, donation, gift, exchange or otherwise, and an instrument of transfer/conveyance has not been

<sup>9</sup> Amended by the Fifth Amendment.

<sup>10</sup> One *Bigaha* equals to 1.6 acres.

<sup>11</sup> Amended by the Fifth Amendment.

<sup>12</sup> Inserted by the First Amendment and having come into force on the date on which the Principal Act came into force.



registered until the date on which these Sub-sections have come into force, and the aggregate of the land so conveyed to the other lands owned by him/her or his/her family exceeds the ceiling set forth in Sub-sections (1) and (2), such conveyance and acquisition of the title to the land shall not be recognized for purposes of this Section; and this Section shall apply as if such land were held by the landowner conveying his/her title thereto.

Provided that, this Sub-section shall not apply in cases where a claim has already been made to get the instrument registered prior to the commencement of this Section.

- (4)<sup>13</sup> If, in those areas where Sub-sections (1) and (2) have come into force, a landowner who owns in his/her name or in his/her family's name the land exceeding the ceiling allowed under these Sub-sections until the date on which these Sub-sections have come into force has, after the commencement of these Sub-sections, transferred the title to such land to any other person except the heir or coparcener who is entitled by the Nepal law to partition share, by way of sale, gift, donation, exchange or otherwise, such transaction shall not be recognized for purposes of this Section, irrespective of registration or non-registration of an instrument of such transaction; and this Section shall apply as if such land were owned by the landowner conveying his title thereto.

Provided, however, that this Sub-section shall not apply to a gift or donation granted by any person to a public educational institute.

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<sup>13</sup> Inserted by the First Amendment and having come into force on the date on which the Principal Act came into force.

- (5)<sup>14</sup> In the case of a land subject to tenancy, half portion of the landowner and tenant each shall be calculated, for purposes of Sub-section (1).
- (6)<sup>15</sup> Notwithstanding anything contained elsewhere in this Section, in the case of a landowner in respect of whom a previous action relating to ceiling is yet to be decided by the date of commencement of this Section, the upper ceiling as referred to in this Section shall apply only after the settlement of the action relating to the ceiling allowed to be owned in accordance with the previous provision.

**8. Upper ceiling of land allowed to be owned as tenant:**

- (1) Any person or his family may, as a tenant, till the land not exceeding the following ceiling:
- |   |            |
|---|------------|
| (a) All Terai regions including inner Terai   | -4 Bigaha  |
| (b) Kathmandu Valley                          | -10 Ropani |
| (c) All hilly regions except Kathmandu Valley | -20 Ropani |
- (2) Notwithstanding anything contained in Sub-section (1), where a person or his family owns any land as a landowner, such person may as a tenant till the land including such land, up to the upper ceiling specified in Sub-section (1).

**9. Provisions relating to land owned in any other name:**

- (1) If any person or his/her family has, with the intention of possessing by him/herself, transferred his land or otherwise conveyed his/her title thereto to another person or if any person obtains any land in the name of another person by any means and possesses such land on his/her own directly or indirectly, Section 7 shall apply as if such land were also owned by him/herself.

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<sup>14</sup> Inserted by the Fifth Amendment.

<sup>15</sup> Inserted by the Fifth Amendment.

- (2) If any landowner submits an inventory required to be submitted pursuant to Section 13 as to the land as referred to in Sub-section (1) within the time limit set forth in that Section, the land shall be fixed in his name and action shall be taken according to this Act.
- (3) If any landowner does not submit an inventory required to be submitted pursuant to Section 13 as to the land as referred to in Sub-section (1) within the time limit set forth in that Section and the person in whose name the land stands registered submits an inventory pursuant to Section 13, setting out that despite the registration of the land in his name, its real landowner is someone else and thereby showing the real owner thereof, all the rights of that landowner shall be extinguished; and the right of the registration holder shall be fixed over such land and action shall be taken according to this Act.
- (4)<sup>16</sup> If a landowner or a registration holder does not submit an inventory pursuant to Sub-section (2) or Sub-section (3), as the case may be, and the matter is known from any other person, such land shall be confiscated by order of the prescribed authority and devolve on Government of Nepal.
- (5)<sup>17</sup> .....
- (6)<sup>18</sup> If an appeal is not filed within the time limit set forth in Section 55 and the confiscation order made by the prescribed authority then becomes final, a prize in a sum equivalent to Ten percent of such value of the confiscated land as to be set as prescribed shall be given to the informant.

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<sup>16</sup> Amended by the Second Amendment.

<sup>17</sup> Inserted by the Second Amendment and repealed by the Administration of Justice Reform (Fourth Amendment) Act, 2043 (1986).

<sup>18</sup> Inserted by the Second Amendment and amended by the Administration of Justice Reform (Fourth Amendment) Act, 2043 (1986).

**10. Restriction on acquisition of land:**

- (1) Except in cases of acquisition by way of partition or succession, no person shall, as a landowner, obtain any land in any manner in his or another person's name, in excess of the upper ceiling specified in Section 7.
- (2) If a person makes submission to have registration of a land acquired by that person in any manner, an instrument of such transaction shall not be registered unless and until the person acquiring the land submits to the Registering Authority an inventory setting out the total area of land that he/she owns for the time being as a landowner, in his/her or another person's name, within Nepal.
- (3) If it appears from an inventory submitted pursuant to Sub-section (2) that a land has been acquired or is intended to be acquired in contravention of Sub-section (1), the Registration Office shall not register an instrument of such transaction.

**11. Punishment:**

- (1) Except in cases of acquisition by way of partition or succession, no person shall, after the commencement of Section 8, undertake any land for tilling it as a tenant, in excess of the upper ceiling specified in that Section. In the event of such undertaking, such person shall, by order of the prescribed authority,<sup>19</sup> be punished with a fine not exceeding Rs. 5,00/- (Five Hundred Rupees) and shall also be evicted from the land being tilled in excess of such upper ceiling.

Provided that, Government of Nepal shall, in such manner as prescribed, acquire, sell and dispose of the tenancy right over such excess land where the land in excess of the upper ceiling specified in

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<sup>19</sup> Amended by the Second Amendment.

Section 8 is being tilled since before the commencement of that Section as well as the tenancy right over such excess land where the tenancy right over the land in excess of the upper limit is acquired by way of partition or succession after the commencement of Section 8. If Government of Nepal is of the opinion that compensation should be given to the concerned tenant in respect of the tenancy right acquired in regard to a land in any specified area, Government of Nepal may make or cause to be made arrangements for providing or causing to be provided compensation at the prescribed rate.

(2) If any person acquires land in contravention of Section 10, such person shall, by order of the prescribed authority,<sup>20</sup> be punished with a fine not exceeding Rs. 1,000/- (One Thousand Rupees); and out of the land so acquired, the land that is beyond the ceiling of land allowed to be owned by that person pursuant to Section 7 shall be confiscated.

(3)<sup>21</sup> ....

## **12. Exemption from upper ceiling:**

Notwithstanding anything contained in Sections 7 and 10, the provisions contained in those Sections shall not apply to the following land:

- (a) The land owned and possessed by Government of Nepal,
- (b) The land owned and possessed by the District Development Committee, Village Development Committee or Municipality<sup>22</sup> at various levels,
- (c) The land owned and possessed by such educational or health institutions as prescribed by Government of Nepal through a

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<sup>20</sup> Amended by the Second Amendment.

<sup>21</sup> Inserted by the Second Amendment and repealed by the Administration of Justice Reform (Fourth Amendment) Act, 2043 (1986).

<sup>22</sup> Amended by the Fourth Amendment.

- notified order, up to the ceiling prescribed in that order, until such land remains in use for the business of such institutions,
- (d) The land used in accordance with the prescribed terms in such industrial activity as prescribed by Government of Nepal through a notified order, up to the ceiling prescribed in that order, until such land remains in use for activity,
  - (e) The land used in accordance with the prescribed terms in such agro-industrial activity as prescribed by Government of Nepal through a notified order, up to the ceiling prescribed in that order, until such land remains in use for such activity in consonance with such terms,
  - (f) The land under the ownership of the Trust (*Guthi*) Corporation under the Trust (*Guthi*) Corporation Act, 2033 (1977).<sup>23</sup>
  - (g) The land held in the name of such co-operative institution as prescribed by Government of Nepal through a notified order, up to the ceiling area prescribed in that order, until the land remains in use for the activities of such institution, and
  - (h) The land acquired by a foreign institution with diplomatic immunities or by a foreign country by obtaining the approval of Government of Nepal, until the land remains in use for the activities of such institution or country.

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<sup>23</sup> Amended by the Fourth Amendment.

## Chapter- 4

### Acquisition of Land In Excess Of Upper Ceiling

#### **13. To submit inventory of land:**

- (1) The prescribed authority may, by issuing a notice as prescribed, order all the landowners to submit, or cause to be submitted, an inventory as prescribed within Thirty five days after the date of issuance of the notice.

Provided that:<sup>24</sup>

- (a) If it appears necessary to extend the time limit on an application made by the concerned person or for any other reasonable reason, the prescribed authority may give an additional time limit of up to Thirty five days after the date on which the time limit expires.
- (b) If any government employee or a person having gone abroad who has failed to submit the inventory within the time limit makes an application for the extension of the time limit, Government of Nepal or the prescribed authority may, if it deems necessary, give an additional time limit.
- (c)<sup>25</sup> If a landowner who has the land below the upper ceiling fails to submit the inventory within the time limit, such landowner may submit the inventory within One Hundred Twenty days after the date on which a notice is published by the prescribed authority after the commencement of this proviso.

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<sup>24</sup> Amended by the First Amendment.

<sup>25</sup> Inserted by the Second Amendment.

- (1a)<sup>26</sup> In submitting an inventory pursuant to Sub-section (1), a landowner shall submit to any one District only where his/her land is situated a single inventory of the details of all lands held by him/her in his/her or his/her family's name as a landowner or tenant, in Nepal.
- (2) It shall be the duty of every landowner to submit, or cause to be submitted, an inventory as referred to in Sub-sections (1) and (1a).<sup>27</sup> Such inventory must be submitted by the head of the family, in the case of a family, and by his guardian or heir, in the case of a landowner who is minor or of unsound mind.
- (2a)<sup>28</sup> If even only one party out of the lender or the borrower submits the inventory in respect of the land on usufruct mortgage or pledge, an inventory shall be deemed to have been submitted in respect of such land for the purposes of this Section.
- (3) A landowner who owns lands in one or more than one area in excess of the upper ceiling allowed under Section 7 shall also set out, in an inventory to be submitted under this Section, the matter as to which land he/she wants to hold and which land he/she wants to relinquish.

**14.<sup>29</sup> Preparation of inventory:**

- (1) The prescribed authority shall rectify any error, if any, which he/she deems necessary and prepare a final inventory based on the inventory submitted pursuant to Section 13 and information pertaining thereto obtained from other source.

Provided that, the prescribed authority shall, prior to the rectification of any matter contained in an inventory submitted by a

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<sup>26</sup> Inserted by the Fifth Amendment.

<sup>27</sup> Amended by the Fifth Amendment.

<sup>28</sup> Inserted by the Second Amendment.

<sup>29</sup> Amended by the Second Amendment.



person pursuant to Section 13, provide the concerned person with the time limit of at least Fifteen days and with an opportunity to submit his explanation, along with proofs and evidence; and the prescribed authority may rectify the inventory only after examining the proofs and evidence submitted by the concerned person. If the inventory is so rectified, a notice thereof shall be given to the concerned person.

(2)<sup>30</sup> . . . . .

**15. Acquisition of land in excess of upper ceiling:**

In accordance with an inventory published pursuant to Sub-section (1) of Section 14 where a suit cannot be filed by virtue of the expiration of the time limit for making complaint against such inventory, and in accordance with the final decision of the complaint, if any, made, the prescribed authority shall acquire as prescribed such portion of the lands of the concerned landowner as is beyond the upper ceiling prescribed in Section 7, in the areas in respect of which this Chapter has come into force. After such acquisition, the rights and powers of the concerned landowner over such land shall be deemed to have been terminated *ipso facto*.

Provided that:

- (a) Where a landowner who has owned land in excess of the upper ceiling allowed under Section 7 in One area or more than One area, submits an inventory pursuant to Section 13 indicating the land which he intends to hold, the land chosen by him/her and falling within the upper ceiling prescribed in Section 7 shall not be acquired.
- (b) The existing landowner shall be allowed to possess and use the land so acquired, subject to the payment of land revenue to

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<sup>30</sup> Repealed by the Administration of Justice Reform (Fourth Amendment) Act 2043 (1986).

Government of Nepal, pending its transfer to the person who gets it on its sale and disposal pursuant to Chapter 6.

**16. Where land in excess of upper ceiling is acquired:**

- (1) If a land acquired by a person or his family as a landowner by way of partition or succession or by virtue of the change of river course and the aggregate of that land and the land, if any, he/she owns prior thereto exceeds the upper ceiling prescribed in Section 7, such person shall submit to the prescribed authority an inventory as prescribed, within Thirty five days of the acquisition of such land.

Provided that, the prescribed authority may, if it deems expedient to extend the time limit on an application of the concerned person, give an additional time limit not exceeding Seven days.

- (2) The prescribed authority shall, on submission of an inventory by any person pursuant to Sub-section (1), proceed action pursuant to in Sections 14 and 15 in respect of such landowner and land, as well.

**17. Mortgage amount of creditor to be unsecured loan:**

- (1) If a creditor possessing any mortgaged land becomes unable to possess the land under Section 7 and then the debtor is to get it returned back, the mortgage amount of such creditor shall be unsecured after the date on which the debtor is so entitled to return bank.
- (2) If a creditor possessing under mortgage the lands belonging to Two or more landowners becomes unable to possess till such lands under Section 7, the land belonging to the previous debtor according to the date of instrument shall be returned back; and the provisions set forth in Sub-section (1) shall apply to such case.

**18. Punishment:**

- (1) If a person fails to submit an inventory required to be submitted pursuant to Section 13 or Section 16 or submits an incomplete inventory or does deliberately submit a false inventory, the land in question shall be confiscated by order of the prescribed authority.

Provided that<sup>31</sup> -

- (a) If neither the creditor nor the debtor has submitted an inventory in respect of the land subject to usufruct mortgage or pledge, the legal validity of the creditor's amount incurred in such land shall be terminated and such land shall also be confiscated by order of the prescribed authority.
- (b) The prescribed authority shall, prior to confiscating the land in question, provide the concerned person with an opportunity to make explanation, along with the proof and evidence showing as to why the confiscation should not be made, and the prescribed authority shall, by also examining the proof and evidence submitted by the concerned person, make decision to or not to confiscate the land in question.
- (2) If a person hinders or obstructs the prescribed authority or the employee deputed by him/her in the act of acquiring land pursuant to Section 15, such person so hinders or obstructs may, by order of the prescribed authority, be punished with a fine not exceeding Rs. 1,000/- (One Thousand Rupees) or with imprisonment for a term not exceeding Six months or with both.

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<sup>31</sup> Inserted by the Second Amendment.

(3)<sup>32</sup> . . . . .

## Chapter- 5

### Compensation

#### **19. Compensation to be provided:**

- (1) In respect of the land acquired pursuant to Section 15, Government of Nepal shall, subject to Section 20, provide the landowner with an amount of compensation at the prescribed rate.
- (2) After the transfer of the landowner's right to another person, Ten percent of the amount of compensation shall be given within One year and the debentures issued by Government of Nepal shall be given for the rest amount. The interest at the rate so prescribed by Government of Nepal that it is neither less than Three percent nor more than Five percent per annum, shall be given on such debentures. A share in the capital to be invested in a development plan may be purchased by these loans in accordance with the terms prescribed by Government of Nepal within a period of Ten years after the date of issuance of the debentures.
- (3)<sup>33</sup> The debentures given under Sub-section (2) shall be acceptable for such deposit or security as is payable to Government of Nepal and for borrowing a loan for an industry by furnishing them as security with any autonomous body corporate; and such debentures may be transmitted and sold or disposed of.

#### **20. Compensation for land subject to usufruct mortgage or pledge:**

Where the land acquired from any landowner pursuant to Section 15 has been taken by any other person on usufruct mortgage or pledge, the creditor

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<sup>32</sup> Repealed by the Administration of Justice Reforms (Fourth Amendment) Act, 2043 (1986).

<sup>33</sup> Amended by the First Amendment.

having taken the land on usufruct mortgage or pledge shall be entitled to the compensation to be obtained under Section 19.

Provided that, if the amount of compensation exceeds the amount of such creditor, the surplus amount shall be given to the debtor, and if the amount is lesser, the creditor shall not be entitled to claim the debtor for the shortfall amount.

## Chapter- 6

### Sale and Disposal of Land

#### 21.<sup>34</sup> Sale and disposal of Land:

- (1) The prescribed authority shall sell or dispose of, as prescribed, the land acquired or confiscated pursuant to this Act to a local person of that Village Development Committee or Municipality from which that land has been acquired or confiscated. In making such sale or disposal, priority shall be given to the freed bonded labor, down-trodden (*dalit*), indigenous and nationalities (*janajati*), out of the local landless people.
- (2) The land obtained on such sale and disposal shall be registered in the name of such person, as the landowner thereof.
- (3) The prescribed authority may give the land pursuant to Sub-section (1) to the former landowner, tenant or any other person until the sale or disposal of the land for tilling under any terms and conditions.

#### 21A.<sup>35</sup> .....

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<sup>34</sup> Amended by the Fifth Amendment.

<sup>35</sup> Inserted by the Second Amendment and repealed by the Fifth Amendment.

**21B.<sup>36</sup> To maintain registration book of lands:**

The prescribed authority shall register in the registration book, as prescribed, the land sold or disposed of under Section 21<sup>37</sup> ..... and then forward a copy thereof to the Land Revenue Office or the Land Administration Office, in the case of a District where the Land Revenue Office does not exist; and the Land Revenue Office or the Land Administration Office shall make transmission of the land accordingly.

**22. To receive value of land:**

- (1) A person who obtains a land on the sale and disposal thereof under Section 21 shall pay the value of that land in such sum as to be set at the prescribed rate of that land in cash in lump sum as prescribed or in installments in such times as prescribed from time to time. An interest on the sum of value at the rate of five percent per annum<sup>38</sup> for the period of payment shall also be charged on and collected from a person who makes payment in installments.

Provided that, if a person desires to pay the whole amount payable by that person or one or more installments or any portion thereof at some time in advance of the time limit prescribed for making payment of installment, that person may make such payment.

- (2) The prescribed authority shall get the amounts to be collected pursuant to Sub-section (1) deposited, as prescribed, in a separate account opened at a .....<sup>39</sup> bank.
- (3) If a person fails to make payment of any amount of installment payable under Sub-section (1) within the time limit but appears to

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<sup>36</sup> Inserted by the Second Amendment.

<sup>37</sup> Deleted by the Fifth Amendment.

<sup>38</sup> Amended by the Fifth Amendment.

<sup>39</sup> Deleted by the Fifth Amendment.

make payment thereof no later than one month after the expiry of the time limit, the prescribed authority shall receive the amount of installment, by imposing a fine in a sum to be set by Ten percent of the amount of installment.

- (4) If a person fails to make payment of any amount of installment payable under Sub-section (1) even within one month after the expiry of the time limit, the concerned land as well as the amount of installment, if any, already paid for the value of that land shall be confiscated, by order of the prescribed authority.

(5)<sup>40</sup> ... ..

**23.<sup>41</sup> Prohibition on sale and disposal of land:**

No person who obtains a land on the sale and disposal thereof under Section 21 shall sell and disposes of, or otherwise convey the title to, that land to any one else or partition it and mortgage it to or furnish it as security with any one except a bank until the amount of value payable under Section 22 is paid in full or until the elapse of ten years after the date on which the person is entitled to hold that land, whichever occurs later.

**24. Punishment:**

- (1) If one obtains a land by producing false statement at the time of sale and disposal of the land pursuant to Section 21, the land shall be confiscated by order of the prescribed authority.
- (2) If a person who obtains a land on the sale and disposal of the land pursuant to Section 21 sells or disposes of the land or conveys the title thereto or partition it or hypothecates or mortgages the land or crop yield thereof in contravention of any matter contained in Section 23,

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<sup>40</sup> Repealed by the Administration of Justice Reforms (Fourth Amendment) Act, 2043 (1986).

<sup>41</sup> Amended by the Fifth Amendment.

such transaction shall be void and the concerned land as well as the amount incurred by the purchaser of the land shall also be confiscated by order of the prescribed authority.

(3)<sup>42</sup> ... ..

**24A.<sup>43</sup> Confiscation of land obtained by producing false statement or in contravention of Rules:**

- (1) If Government of Nepal is of the opinion that any person has obtained any land that has been confiscated or devolved on Government of Nepal pursuant to this Act, by producing a false statement or by way of sale and disposal in contravention of the Rules framed under this Act, Government of Nepal may cause any officer to hold necessary inquiries into such land.
- (2) If it is found after the inquiries held pursuant to Sub-section (1) that any person obtained the land by making a false statement or by way of sale and disposal in contravention of the Rules framed under this Act, Government of Nepal may confiscate such land and re-sell and re-dispose of the same, as prescribed.

## **Chapter- 7**

### **Provisions relating to Tenant**

**25. Circumstances where tenancy right is acquired:**

- (1) A person who as a tenant has been cultivating a land that belongs to any landowner until the date of the commencement of this Section shall acquire the tenancy right as referred to in this Chapter in respect of the land.

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<sup>42</sup> Repealed by the Administration of Justice Reforms (Fourth Amendment) Act, 2043 (1986).

<sup>43</sup> Inserted by the Second Amendment.



.....<sup>44</sup>

(2)<sup>45</sup> Notwithstanding anything contained in Sub-section (1), except where the tenancy right is acquired pursuant to Sub-section (1) of Section 26, no person who cultivates/tills a land belonging to any landowner on any terms and conditions shall acquire the tenancy right over that land.

Provided that:

(1) Where a person has tilled a land belonging to any landowner on terms of tenancy prior to the commencement of this Sub-section, a certified copy of a written bond concluded in duplicate between the landowner and the tenant has been furnished with the Village Development Committee or Municipality where the land is situated and the tenant of the land makes an application to have the tenancy right established over the land no later than Six months after the date of commencement of this Sub-section, the prescribed authority may, after examining the written bond concluded in duplicate as well as other necessary evidences, establish the tenancy right of the applicant over such land.

(2) This Sub-section shall not be deemed to bar the settling of a case on tenant, which has been filed in any committee, office or court prior to the commencement

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<sup>44</sup> Proviso repealed by the Second Amendment.

<sup>45</sup> Amended by the Fourth Amendment.

of this Sub-section and yet to be settled, in accordance with then prevailing provisions contained in this Act.

(3)<sup>46</sup> If a creditor who has obtained any land except the land subject to tenancy from any other landowner in the prescribed area has tilled that land on his/her own, the creditor shall obtain the tenancy right over such land, subject to Section 8. The debtor him/herself shall be entitled to the tenancy right beyond the upper ceiling prescribed in Section 8.

(4)<sup>47</sup> Notwithstanding anything contained in Sub-sections (1), (2) and (3):

(a) Where a person who has obtained a land from a landowner to till it does not till the land by his/her or his/her family's labor but lets any one else till the land, all the rights of the intermediary between the real tiller in respect of that land shall lapse.

(b) The tenancy right acquired by a tenant has to be got registered in the prescribed registration book.

(5)<sup>48</sup> Notwithstanding anything contained in Sub-sections (1), (2) (3) and (4), the following person shall not be entitled to acquire the tenancy right:

(a) One who tills the land of house and premises, or

(b) One who is a non Nepalese citizen, or

(c) One who tills the land owned by Government of Nepal,  
or

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<sup>46</sup> Amended by the Second Amendment.

<sup>47</sup> Amended by the Second Amendment.

<sup>48</sup> Amended by the Second Amendment.

- (d) One who tills the land prescribed by Government of Nepal for industrial business.

25A.<sup>49</sup> .....

**26. Rights and obligations of tenant:**

- (1) Subject to the provisions contained in the other Sections of this Chapter, the tenancy right of a tenant in respect of a land which the tenant has tilled shall, after the tenant's death, devolve on any one whom the landowner trusts from amongst the husband, wife, son, daughter, mother, father, adopted son, adopted daughter, daughter-in-law, grandson, granddaughter, granddaughter-in-law, elder or younger brother or elder or younger sister living in the same family<sup>50</sup> of the tenant.

Provided that<sup>51</sup>:

- (a) If a tenant intends not to leave the land subject to the tenancy right registered pursuant to clause (b) of Sub-section (5) of Section 25, the tenant shall give a notice in writing to the prescribed authority and to the landowner at least One month prior to the season of cultivation; and the tenant shall be deemed to have left the land only after the tenant receives a notice of making correction in the Registration Book by the prescribed authority also upon inquiring the concerned Village Development Committee or Municipality about the matter.

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<sup>49</sup> Repealed by the Fourth Amendment.

<sup>50</sup> Amended by the Amending Some Nepal Acts to Maintain Gender Equality Act, 2063 (2006)

<sup>51</sup> Amended by the Second Amendment.

- (b) If any landowner lets any peasant till his/her land, such landowner shall give a notice thereof to the prescribed authority within one month; and the prescribed authority shall subpoena and inquire the concerned landowner and the tenant about the matter, if necessary, and register the matter in the Registration Book.
  - (c) If a tenant quits the land or disappears without trace or his/her tenancy right terminates by virtue of his/her default in making payment of rent, the landowner shall give a notice thereof in writing to the prescribed authority within Twenty five days; and the prescribed authority shall, upon investigating the matter, make correction in the Registration Book pursuant to clause (b) of Sub-section (5) of Section 25.
- (2) If the land being tilled by a tenant increases due to *Narbesi* or the change of the stream course, the tenant shall, subject to the other Sections of this Act, be entitled to the tenancy right in respect of such increased land.
  - (3) The tenant may make or construct such permanent or temporary things like roofs, enclosures, bars, walls, drainages, bridges, ditches, wells and huts as are necessary for the cultivation of the concerned land.

Provided that, buildings etc. which are not required for the cultivation shall not be constructed without obtaining the landowner's consent.

- (4) If the tenancy right over any land being tilled by a tenant is terminated under this Act, the tenant may remove any assets other than the

immovable properties fixed to the land within Thirty days after the date on which his/her right over the land is so terminated.

Provided that, if the landowner gives an amount fixed by the Village Development Committee or Municipality to the tenant, the tenant shall not be entitled to remove anything made for the perpetual growth of the land from the land over which his/her right is to be so terminated.

- (5) Except alterations due to reasonable wear and tear or act of God or causes beyond control of the tenant, the tenant shall, while leaving the land, not leave the land in more deteriorating condition than it was at the time he/she acquired it for cultivation.
- (6) A tenant shall be entitled to deduct and keep the seeds required for the next year prior to the division of crops and produce between the landowner and the tenant. The landowner shall not be entitled to collect interest from the tenant for the seeds so deducted.
- (7) While selling, disposing of, gifting, donating or partitioning any of his/her land, a landowner shall mention in the instrument thereof the name, surname, address of his/her tenant and the terms of bond concluded with the tenant and enclose a certified copy of such bond, if any, with such instrument.
- (8) In the event of the effect of sale, disposal, gift, donation or partition of any land, the landowner shall give a notice to his/her tenant and the Village Development Committee or Municipality of the matter setting out the name, surname and address of the person to whom the land has been sold, disposed, gifted, donated or partitioned.

**26A.<sup>52</sup> Tenancy right not liable to be purchased, sold:**

Notwithstanding anything contained in the prevailing laws of Nepal, the tenancy right shall not be liable to be purchased or be subject to acquisition by way of gift, donation or other means whatsoever, and shall not be auctioned for governmental or non-governmental amount or punishment.

Provided that, where a tenant has erected a concretely built house by obtaining consent of his/her landowner or since ancient time, prior to the commencement of this Act, the tenant may sell or otherwise convey his/her title to the land of house and premises; and the provisions vis-à-vis upper ceiling as referred to in Section 8 shall not apply to such land.

**26B.<sup>53</sup> Powers to allocate land to landowner and tenant:**

The prescribed authority may, subject to Sections 26C., 26D., 26D.(2) and 26E.<sup>54</sup>, allocate the land subject to tenancy right to the landowner and the tenant.

**26C.<sup>55</sup> Joint application by landowner and tenant:**

- (1) If both the landowner and the tenant of a land subject to tenancy right intend to allocate and exchange the land subject to tenancy right through their mutual consent or if either of them intends to convey the whole land to the landowner or the tenant, as the case may be, in consideration for an amount equal to the value of the land which he/she has agreed to so acquire at the prevailing rate and get the records of tenant crossed off, they shall make a joint application to the prescribed authority, setting out all the details related therewith and enclosing the evidence available to them.

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<sup>52</sup> Inserted by the Second Amendment.

<sup>53</sup> Inserted by the Fourth Amendment.

<sup>54</sup> Amended by the Fifth Amendment.

<sup>55</sup> Inserted by the Fourth Amendment.

- (2) If any application is made as referred to in Sub-section (1), the prescribed authority may, if, on examination of the evidence attached with the application, he thinks it reasonable to allocate the land as requested by the applicant or to maintain the whole land in the name of any one of the landowner or the tenant, allocate the land accordingly or maintain the whole land in the name of one person and cross off the records of tenant.

**26D.<sup>56</sup> Right of tenant and landowner to set aside their own portion:**

If both landowner and tenant fail to reach a mutual agreement pursuant to Sub-section (1) of Section 26C. and either landowner or tenant makes an application, the prescribed authority shall subpoena the landowner or tenant and examine necessary evidence if so required and allocate the land proportionately to the landowner and the tenant on *pro rata* and also cross of the records of tenant.

**26D1.<sup>57</sup> Application to be made:**

For the purposes of Sections 26C. and 26D., an application shall be made with in Six months of the commencement of this Section..

**26D2.<sup>58</sup> Allocation of land:**

If any one of the landowner or the tenant fails to make an application for the allocation of land within the time-limit as referred to in Section 26D1., the prescribed authority shall examine the Seven number inventory and the evidence to the extent available and allocate the land subject to tenancy right, subject to the provisions of the other Sections of this Act.

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<sup>56</sup> Inserted by the Fourth Amendment.

<sup>57</sup> Inserted by the Fifth Amendment.

<sup>58</sup> Inserted by the Fifth Amendment.

**26D3.<sup>59</sup> Action to be completed:**

The prescribed authority shall complete the action on the allocation of land subject to tenancy right pursuant to this Act with in Two Years.

**26E.<sup>60</sup> Powers to set title to land in the name of only one person out of landowner and tenant:**

(1) Notwithstanding anything contained in the other Sections of this Act, the prescribed authority may, in the following circumstances, make decision to set the whole land subject to tenancy right in the name of any one out of the landowner and the tenant:

(a) Where any one, out of the landowner and the tenant, agrees to relinquish the whole land belonging to his/her portion by receiving an amount equal to the value of such land at the prevailing rate, in the name of the person who agrees to take such land<sup>61</sup>.

(b) Where in allocating the land to the landowner and the tenant, the area of land becomes less than the minimum area prescribed for building a house therein in an urban or town-oriented area, in the name of the landowner or tenant who has less land for building a house in that area or has no land at all, with priority being given to such landowner or tenant.

**Explanation:** For the purposes of this Clause, if there arises a dispute as to whether any land is of an "urban area" or "town-oriented area" or not, the value fixation

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<sup>59</sup> Inserted by the Fifth Amendment.

<sup>60</sup> Inserted by the Fourth Amendment.

<sup>61</sup> Amended by the Some Nepal Acts Amendment Act, 2055



committee as referred to in Section 26H. shall decide that dispute.

- (c) Where the tenant has built a house in the land subject to tenancy right, the house and land covered by the house and such land as required for a road to and from the house in the name of the tenant despite that on the allocation of land between the landowner and the tenant, there is less land on the part of the landowner.
- (2) Where the whole land is to be maintained in the name of any one out of the landowner and the tenant pursuant to Clause (b) of Sub-section (1) or where on maintaining the land in the name of the tenant, there is less land on the part of the landowner, the other party shall provide an amount equal to the value of the land to which the landowner or tenant on whose part no land has been so maintained at all is entitled or on whose part less land is maintained, at the prevailing rate.

**26F.<sup>62</sup> Appeal:**

Notwithstanding anything contained elsewhere in this Act, no appeal can be made in any court against any decision made by the prescribed authority pursuant to Sections 26B., 26C., 26D., 26D.2 and 26E.<sup>63</sup>

**26G.<sup>64</sup> To forward for transmission and record maintenance:**

- (1) Following the allocation of the land between the landowner and the tenant or following a decision to maintain the title to the land in the name of only one out of them pursuant to this Act, the prescribed authority shall forward all details of that matter to the concerned office for transmission and record maintenance.

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<sup>62</sup> Inserted by the Fourth Amendment.

<sup>63</sup> Amended by the Fifth Amendment.

<sup>64</sup> Inserted by the Fourth Amendment.

- (2) After receiving the details as referred to in Sub-section (1), such office shall also carry out necessary action including transmission and give information thereof to the authority forwarding the details.
- (3) Notwithstanding anything contained in the prevailing law, no charges including the registration fees chargeable pursuant to the prevailing law shall be charged for the execution of transmission as well as any other acts under Sub-section (2).

**26H.<sup>65</sup> Formation of value fixation committee:**

- (1) For the purposes of Section 26E., a value fixation committee consisting of the following members shall be formed in every district to fix the value of land:
  - (a) Land Reform Officer or Land Revenue Officer -Coordinator  
in a district where Land Reform Officer is not available
  - (b) Chairperson of the Village Development Committee or Mayor of the Municipality where the land is situated or Vice-chairperson of the same Village Development Committee or Deputy Major of the same Municipality as designated by them -Member
  - (c) Ward Member of the concerned Ward of the Village Development Committee or -Member  
Municipality where the land is situated
  - (d) Officer level employee representative of the

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<sup>65</sup> Inserted by the Fourth Amendment.

District Administration Office -Member

(e) Land Revenue Office in a district where Land Revenue Office is situated -Member

(2) The committee as referred to in Sub-section (1) shall determine the Rules of procedures of its meeting on its own.

**26I. <sup>66</sup>Powers of Government of Nepal to make provision of amount:**

Government of Nepal may on its own or through any financial institution make provision of necessary amount of money to the landowner and the tenant in order to encourage them to purchase such land as held in each other's part following the allocation of the land between the landowner and the tenant.

27. <sup>67</sup> -----

28. <sup>68</sup> -----

**29. <sup>69</sup>Termination of tenancy right:**

(1) Except for the destroy of crop or non-yielding due to act of God, if the landowner makes a petition that the tenant has failed to pay the rent, the prescribed authority may issue an order to expel such tenant.

(2) Where the landowner makes an application in any of the following circumstances, the District Court may issue an order to expel (evict) the tenant from the land:

(a) Where the tenant has knowingly done any act which decreases the value or crop of the land or the value or

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<sup>66</sup> Inserted by the Fourth Amendment.

<sup>67</sup> Repealed by the Fourth Amendment.

<sup>68</sup> Repealed by the Fourth Amendment.

<sup>69</sup> Inserted by the First Amendment and amended by the Second Amendment.

crop of the land has decreased due to the tenant's failure to take reasonable care, or

- (b) Except for a circumstance beyond the tenant's control, the tenant has not cultivated the land until One year or has neglected in the cultivation.
- (3) In the circumstance as referred to in Sub-section (1) or in clause (b) of Sub-section (2), the prescribed authority may also require the tenant to pay the rent, as well, to the landowner.

**29A.<sup>70</sup> Limitation to expel tenant:**

Where a tenant has to be expelled pursuant to Section 29, an application shall be made within the following time limit. After expiration of that time limit, no application shall be entertained.

- (a) In the event of the circumstance referred to in Clause (a) of Sub-section (2) of Section 29, within Thirty five days after the date on which the acts and actions referred to in that Clause have been done or performed;
- (b) In the event of the circumstance referred to in Clause (b) of Sub-section (2) of Section 29, within Thirty five days after the elapse of One year of the date on which the acts and actions referred to in that Clause have been done or performed;
- (c) In the event of the circumstance referred to in Sub-section (1) of Section 29, within Thirty days after the expiration of the time limit prescribed in Sub-section (2) of Section 36.

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<sup>70</sup> Inserted by the First Amendment and amended by the Second Amendment.

**30. To maintain inventory of lands, landowners and tenants:**

- (1) The provisions as to the making of an inventory of lands, landowners and tenants and the issuance of the certificate of tenancy right to tenants shall be as prescribed.

Provided that, all the acts and actions done and performed by Government of Nepal in respect of the making of such inventory and the issuance of the certificate of tenancy right prior to the commencement of this Section shall be deemed to have been done and performed pursuant to this Section.

- (2) The powers to be exercisable and the procedures to be followed by Government of Nepal or by the authority empowered by Government of Nepal for the acts as referred to in Sub-section (1) shall be as set forth in the Rules framed under this Act, in the case of those matters set forth therein, and shall be such, in the case of the matters not set forth in such Rules, as may be exercised or followed by the prescribed authority under the Land (Survey and Measurement) Act, 2019 (1962).

**31. Prevalence of Section 8 in the event of its commencement:**

Notwithstanding anything contained in this Chapter, after the commencement of Section 8, a tenant shall be entitled to have the tenancy right only over the land not exceeding the upper ceiling up to which the tenant may till pursuant to that Section in the area where that Section has come into force.

**31A.<sup>71</sup> Cases on acquisition of tenancy right or its entitlement:**

- (1) The prescribed authority shall settle disputes filed on the acquisition of tenancy right or the entitlement to tenancy right over any land under this Chapter.
- (2) A time limit of up to Fifteen days shall be given to the concerned person to allow the tenant who has been ascertained as per the decision made pursuant to Sub-section (1) by the prescribed authority, to use and cultivate the land.

**32. Punishment:**

- (1) If a landowner or any person acting on his/her behalf:
  - (a) forcefully evicts or expels a tenant from the land being possessed and used by the tenant in any manner except by order of the Court or Village Development Committee or Municipality pursuant to this Chapter, or
  - (b) evicts the tenant from the land being possessed and used by him/her by fraud or deception or dishonesty in any other manner,

the person doing such act shall be punished, by order of the prescribed authority,<sup>72</sup> with a fine not exceeding Rs. 1,000/- (One Thousand Rupees) ... ..<sup>73</sup>

- (2) In the event that the Court holds the landowner guilty under Sub-section (1), the following order shall also be issued in the name of the landowner:

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<sup>71</sup> Inserted by the First Amendment and amended by the Second Amendment.

<sup>72</sup> Amended by the Second Amendment.

<sup>73</sup> Deleted by the Second Amendment.

- (a) That the tenant be allowed to again possess and use the land, and
  - (b) That compensation be paid to the tenant for illegal eviction or expulsion by the landowner of the tenant from the land, according to the tenant's share of crop which would accrue to the tenant if the tenant was allowed to possess and use the land.
- (3) If any person violates any matter contained in Sub-section (5), (7) or (8) of Section 26, that person shall be punished, by order of the prescribed authority,<sup>74</sup> with a fine not exceeding Rs. 5,00/- (Five Hundred Rupees); and the Court may also require the tenant who has violated the said Sub-section (5) to pay to his/her landowner such compensation as the Court deems appropriate.
- (4) If any person causes let and hindrance in the preparation of inventory pursuant to Section 30 or fails to perform any duty required to be performed pursuant to this Act or the Rules or orders framed or issued under this Act, such person may be punished with a fine not exceeding Rs. 1,000/- (One Thousand Rupees) ... ..<sup>75</sup> by order of the prescribed authority.<sup>76</sup>
- (5)<sup>77</sup> The prescribed authority may punish a landowner who fails to give information pursuant to Clauses (b) and (c) of the proviso to Sub-section (1) of Section 26 with a fine not exceeding Rs. 5,00/- (Five Hundred Rupees) and a tenant who violates Section 26A. with a fine not exceeding Rs. 2,50/- (Two Hundred and Fifty Rupees); and that sale and purchase shall *ipso facto* be void.

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<sup>74</sup> Amended by the Second Amendment.

<sup>75</sup> Deleted by the Second Amendment.

<sup>76</sup> Amended by the Second Amendment.

<sup>77</sup> Inserted by the Second Amendment.

## Chapter 8

### Provisions on Rent

#### 33. Provision of rent:

No landowner shall charge rent or collect division thereof from the tenant in excess of fifty percent of the main annual crop yield<sup>78</sup> of the land.

- (a) Provided, however, that no landowner having land in the Kathmandu Valley shall collect from the tenant the rent in excess of the following rates of the main annual crop yield of the land:

	<b>Paddy land (<i>Khet</i>)</b>	<b><i>Pakho</i></b>
Firstst grade ( <i>Abbal</i> ) one Ropani	1/3/	/10/1
Secondnd grade ( <i>Doyam</i> ) one Ropani	/18/6	/7/2
Third grade ( <i>Sim</i> ) one Ropani	/13/	/4/3
Fourth grade ( <i>Chahar</i> ) one Ropani	/8/5	/2/7

- (b) Where there has been charged the division or rent of crop at the rate lower than the above at the time of the commencement of this Section, that lower rate shall prevail. No landowner shall charge rent or collect division of crop from the tenant by increasing that lower rate.

- (c)<sup>79</sup> Government of Nepal may, in respect of any land or any land in the prescribed area, fix proportion of the main annual crop yield on the basis of the type of land and crop and, based on that proportion, such rent at the rate of 50 percent of the main annual crop yield as required to be paid by the tenant to the

<sup>78</sup> Amended by the Second Amendment.

<sup>79</sup> Inserted by the Second Amendment.



landowner pursuant to this Section. After the rent has been so fixed, the rent shall accordingly be paid and received each year.

**Explanation:**<sup>80</sup>

For the purposes of this Section, the rent required to be paid and received on the basis of the type of land shall be as mentioned in the certificate of tenancy right or in the tiller's provisional slip to be granted pursuant to this Act and the Rules framed under this Act; except in cases where transaction has already taken place, such rent shall be paid and received from the date on which the principal Act has come into force.

34.<sup>81</sup> .....

**35. Remission of rent:**

If a tenant fails to cultivate the land or crops do not go better in any year due to a natural calamity or unfavorable situation, the tenant shall give a notice thereof to the landowner or the person receiving rent on his/her behalf as soon as possible; and the landowner shall also remit the rent on such portion as it appears necessary and receive the division on proportion to the crop yield.

**36.<sup>82</sup> Time for payment of rent and other provisions pertaining thereto:**

(1) A tenant shall pay the rent required to be paid by him/her to the landowner within the prescribed time each year.

Provided that, where there is agreement to the effect that crops will be divided up on the spot or field at the time of harvest (*Katani*

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<sup>80</sup> Inserted by the First Amendment.

<sup>81</sup> Repealed by the Fourth Amendment.

<sup>82</sup> Amended by the Second Amendment.

*Madani*), the tenant shall not take away the crop yields in the absence of the landowner and his/her representative. If the landowner or his/her representative does not appear even after giving a prior notice, the tenant shall make an application to the concerned Village Development Committee or Municipality<sup>83</sup> and, in witness of at least one member of that Village Development Committee or Municipality<sup>84</sup> and two adjoining land owners, set aside the division of the landowner and keep the same in his/her own custody by executing a deed to that effect; and the landowner shall accept the division so set aside.

- (2) If, while making payment of the rent pursuant to Sub-section (1), the landowner or his/her representative does not receive the rent set forth in the bond, the tenant may convert the rent required to be paid in cash as per the market rate and deposit it, along with application, with the Village Development Committee or Municipality or District Land Revenue Office or Land Administration Office within Thirty days after the expiration of the time limit for payment of the rent by the tenant.

Provided that, if it appears that the tenant has deposited the rent less than Ninety percent of the rent required to be paid by him/her, the rent shall not be deemed paid by the tenant pursuant to this Section; and if it appears that the deposit has been made by making difference in such rate or figure or showing a false statement, two percent amount required to be collected from the landowner pursuant to Sub-section (5) shall be collected from the tenant making the deposit.

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<sup>83</sup> Amended by the Fourth Amendment.

<sup>84</sup> Amended by the Fourth Amendment.

- (3) If a tenant appears to make a deposit pursuant to Sub-section (2), the Village Development Committee or Municipality or Land Revenue Office or Land Administration Office holding the deposit shall credit the amount of such deposit to the deposit account, and issue a notice to the landowner to receive that amount within Seven days.
- (4) The landowner may, upon receipt of the notice under Sub-section (3), and if he/she has any reason for refusing to receive the rent, file a petition in person or through his/her representative, with the Village Development Committee or Municipality or Land Revenue Office or Land Administration Office holding the deposit, within Fifteen days excluding the time required for journey. If he/she does not make any petition within this time limit, the landowner shall be deemed to be agreed to receive the deposited rent.
- (5) If the landowner or his/her representative makes an application for receiving the amount of money deposited within one year after the date of receipt of a notice on the deposit of rent pursuant to Sub-section (2) or, in the event of occurrence of a dispute, after the date of final decision made by the court, the Village Development Committee or Municipality or Land Revenue Office or Land Administration Office holding the deposit shall, upon collecting a fee by Two percent of the figure of deposit, give the money to him/her. In the event of failure to make such application accordingly within that time limit, the deposit shall, after the expiration of that period, *ipso facto* be credited to the Consolidated Fund of Government of Nepal.
- (6) A Village Development Committee or Municipality may credit to its fund and spend the amounts collected by that Village Development Committee or Municipality as fees by Two percent of the deposited amount pursuant to Sub-sections (2) and (5).

**36A.<sup>85</sup> Limitation for recovery of rent:**

The landowner shall make a suit for recovering the rent from the tenant within Ninety days after the date of expiration of the time limit for making payment of rent or within Thirty five days after the date of commencement of this Section, whichever occurs later. No suit for recovering rent shall be honored after the expiration of that time limit.

**37. Prohibition on engaging in other acts or collecting other amounts:**

No landowner shall engage a tenant in any kind of work including forced and unpaid labour without providing him/her with reasonable wages or collect any kind of amount other than the rent from the tenant for letting him/her cultivate the land.

**38. Punishment:**

- (1) If any landowner is proved to have collected any amount from the tenant in violation of Section 33 or 35,.....<sup>86</sup> the prescribed authority<sup>87</sup> may have the amount so collected refunded to the tenant and also punish the landowner with a fine as per the amount in controversy.
- (2) If any landowner fails to give a receipt to the tenant in violation of Section 34, the prescribed authority, Court or Village Development Committee or Municipality may punish such landowner with a fine not exceeding Rs. 5,00/- (Five Hundred Rupees).<sup>88</sup>
- (3) If any landowner is proved to have engaged the tenant in any work in violation of Section 37, the Village Development Committee or

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<sup>85</sup> Inserted by the First Amendment.

<sup>86</sup> Deleted by the First Amendment.

<sup>87</sup> Amended by the Second Amendment.

<sup>88</sup> Amended by the First Amendment.

Municipality shall cause that landowner to pay to the tenant the wages two times as many as the local rate.

- (3a)<sup>89</sup> If any landowner is held to have collected any amount from the tenant in violation of Section 37, the prescribed authority, Court or Village Development Committee or Municipality shall cause such landowner to repay such collected amount to the tenant, and may punish such landowner with a fine equal to the amount in controversy.
- (4) The prescribed authority, Court or Village Development Committee or Municipality<sup>90</sup> may punish a person violating this Chapter and committing any acts other than those mentioned in the said Sub-sections with a fine not exceeding Rs. 1,00/- (One Hundred Rupees).

**39. Special provisions relating to old cases on tenancy:**

On the cases which have been filed until the date immediately prior to the commencement of this Section by a landowner in various Courts for the expulsion of the tenant or peasant tilling his/her land for the crops due and deliverable by the tenant or peasant and are yet to be settled, the Court shall, notwithstanding anything contained in the prevailing Nepal law, not make an order for the expulsion of the tenant or peasant for the due crops. Where the crops are found due, the crops shall be got delivered to the landowner by the concerned tenant or peasant. The concerned Court may, if it deems expedient to do so, hold public inquiry (*Sarjamin*) in order to investigate into whether the crops remain so due or not.

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<sup>89</sup> Inserted by the First Amendment.

<sup>90</sup> Amended by the First Amendment.

## Chapter -9

### **Provisions on Compulsory Saving and Debt**

#### **40. To deposit compulsory saving:**

Every landowner or every tenant shall deposit, or cause to be deposited, with the prescribed committee or association or authority the compulsory saving in kind at the prescribed rate of one main annual crop yield of the land that he/she owns or tills.

Provided that:

- (a) The ultimate responsibility of the saving to be so deposited with the prescribed committee or association or authority shall be of Government of Nepal.
- (b) The prescribed committee or association or authority may, if it considers necessary, require the deposit of saving in cash at the prescribed rate. In the case of a land growing cash crops other than foods, saving shall be deposited in cash at the prescribed rate.
- (c) Government of Nepal shall, by according priority to agricultural development and local agricultural needs, use, or cause to be used, the saving so collected, through such administration and in such manner as may be prescribed.

#### **41.<sup>91</sup> Payment of interest on saving and conversion in cash:**

- (1) The committee, association or authority keeping the deposited saving shall give interest on the amount of saving so made pursuant to Section 40 at the rate of Five percent *per annum*, and shall make

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<sup>91</sup> Amended by the First Amendment.

payment of such interest in lump sum or in installments after Two years and within Five years of the date of the deposit of such saving.

- (2) The committee, association or authority keeping the deposit of saving may convert the amount of compulsory saving deposited in kind pursuant to Section 40 into cash as prescribed.

**42.<sup>92</sup> Refund of the amount of saving:**

The committee, association or authority keeping the deposited saving shall, after every respective Five years of the date of such deposited saving, make repayment of the amount of saving deposited pursuant to Section 40 and the interest due, if any, in cash, in kind or in both or in cash if the kind has been converted into cash pursuant to Section 41 or may, instead of the whole figure or any figure of such value or cash as required to be paid, provide share stocks or debentures of a corporation, bank or other corporate body prescribed or established with an objective to provide loans to peasants or to develop the country or bonds issued by Government of Nepal.

**43.<sup>93</sup> Furnishing as security and subscription of shares:**

A receipt of the amount of saving deposited pursuant to Section 40 or the share, debenture or bond made available pursuant to Section 42 shall be admissible for any kind of deposit or security to be furnished with Government of Nepal; and the shares of a governmental organization may be purchased with such saving receipt.

**44. To furnish details of loans:**

- (1) The prescribed authority may, by issuing a notice as prescribed, issue an order requiring any person who, on the commencement of this Section, has the principal and interest of agricultural loan due and

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<sup>92</sup> Amended by the First Amendment.

<sup>93</sup> Amended by the First Amendment.

payable by a peasant, and the oxen and other things related with agriculture to be returned by him/her, to furnish, or cause to be furnished, the details thereof as well as a copy of an instrument relating to loan with him or with the concerned Village Development Committee or Municipality within Thirty five days after the issuance of that notice; and the details as prescribed, filed with the concerned Village Development Committee or Municipality prior to the commencement of this Sub-section shall be deemed to have been furnished pursuant to this Sub-section.<sup>94</sup>

Provided that:<sup>95</sup>

- (a) The prescribed authority may, if it considers necessary to extend the time limit on an application of the concerned person or for any other reasonable cause, give an additional time limit not exceeding Thirty five days after the date of expiration of that time limit.
  - (b) Where any government employee or any person having been abroad who has failed to furnish the details within the time limit makes an application for the extension of the time limit, Government of Nepal or the prescribed authority may, if it considers necessary, give an additional time limit.
- (2) It shall be the duty of every creditor to furnish the details pursuant to Sub-section (1). Provided, however, that where such creditor is a minor or of unsound mind, his/her guardian or heir shall furnish such details.

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<sup>94</sup> Amended by the Second Amendment.

<sup>95</sup> Amended by the First Amendment.



**Explanation:**

For the purposes of this Section, the term "agricultural loan" means a loan provided in cash or in kind to a peasant for the following purpose, irrespective of whatsoever purpose mentioned in the instrument of transaction:<sup>96</sup>

- (a) Seeds;
  - (b)<sup>97</sup> Loan provided in cash or in kind to the peasant for food;
  - (c) Provision of wages to a worker employed in the cultivation of land;
  - (d) Manure and irrigation;
  - (e) Payment of land revenue and water tariff;
  - (f) Oxen and agriculture tools.
- (3)<sup>98</sup> If there arises a question as to whether or not any loan is an agricultural loan for the purposes of this Chapter, the prescribed authority shall make a decision thereof, in presence of a representative of the Village Development Committee of Municipality and holding a public inquiry (*Sarjamin*) as well, if it deems necessary.

**45. To ascertain actual amount of principal and interest of loan:**

Following the filing of details pursuant to Section 44, the committee, association or authority getting the details to be filed shall, based on the following grounds, ascertain the actual figure of the outstanding principal and interest of an agricultural loan, by giving a reasonable time limit to the

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<sup>96</sup> Inserted by the First Amendment.

<sup>97</sup> Amended by the Second Amendment.

<sup>98</sup> Inserted by the First Amendment and amended by the Administration of Justice Reforms (Fourth Amendment) Act, 2043 (1986).

concerned persons, inquiring them thereof, and by conducting necessary investigation and inquiry:

- (a) If the creditor has already collected two-fold interest of the principal amount, the loan shall be deemed to have been repaid up.
- (b) If the creditor has collected interest, in cash or in kind, in excess of Ten percent, the excess interest so collected shall be deemed to have been deducted from the principal.
- (c) If the creditor has collected the interest on interest, such interest shall be deemed to have been deducted from the principal.
- (d)<sup>99</sup> If the creditor has possessed a land on usufruct mortgage on terms of getting produce in excess of Ten percent of the amount of mortgage, all the produces collected shall be converted into cash and the amount found to be in excess of Ten percent shall be deemed to have been deducted from the principal.
- (e) No loan lent by any one to his/her own ploughman, *Jan* or cattle keeper shall carry interest, and even if such interest has been charged and collected, such interest shall be deemed to have been deducted from the principal. The amount by ten percent of the total loan payable by such ploughman, *Jan* or cattle keeper to his/her own home creditor shall be deemed to go on *ipso facto* being deducted from the loan for the work done by such ploughman, *Jan* or cattle keeper for each year.

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<sup>99</sup> Amended by the Second Amendment.

Provided that, where the wages payable for work as per the local usage exceed that amount, such excess amount shall be deducted from the loan.

- (f) If an interest has been collected on the seeds received by the tenant from the landowner, the interest shall be deemed to have been deducted from the principal.
- (g)<sup>100</sup> In the case of the *Kipat* land which is not capable of being transferred by sale or conveyance pursuant to law or custom or usage, the earning accrued or received on usufruct mortgage prior to the commencement of this proviso shall not be deducted from the principal of usufruct mortgage pursuant to Clause (d).

**45A.<sup>101</sup> Power to ascertain whether document is fake or genuine:**

- (1) Where, in determining the amount of loan as referred to in Section 45, it becomes necessary to ascertain whether a document is genuine or fake, the authority ascertaining the amount of loan may ascertain the same pursuant to the prevailing law.
- (2) Where any document executed prior to the commencement of this Section and produced in the course of determination of a loan pursuant to Section 35 does not bear the revenue stamp, the prescribed authority may, notwithstanding anything contained in the other prevailing laws of Nepal, get the revenue stamp affixed to that document pursuant to law and take action on that document.

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<sup>100</sup> Inserted by the Second Amendment.

<sup>101</sup> Inserted by the Second Amendment.

**46. To recover loan:**

The prescribed committee, organization or authority shall prepare the details of the principal and interest of loans ascertained pursuant to Section 45, oxen and agricultural inputs and recover such loan, out of the same, as considered necessary from the concerned peasants in such manner as prescribed.

Provided that, where an action is going on as to the loan with which the creditor and the borrower do not agree, no action shall be taken to recover the amount in dispute pending the final decision thereof.

**46A.<sup>102</sup> To convert in-kind loan into cash:**

The committee, organization or authority taking custody of the in-kind loan recovered pursuant to Section 46 may convert such loan into cash as prescribed.

**47. Other provisions on recovering loan:**

- (1) While recovering the principal and interest of a loan pursuant to Section 46, the prescribed committee, organization or authority shall recover the same by charging an interest at the rate of Ten percent of the principal.

Provided that, while so recovering the loan, it appears that any peasant may tend to suffer grievance, the committee, organization or authority may issue an order allowing such peasant to repay the principal and interest in installments within a maximum period of Five years.

- (2) Until the principal and interest of a loan payable by a peasant is fully recovered from the peasant pursuant to this Section and Section 46 or within Two years after the commencement of this Chapter, whichever

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<sup>102</sup> Inserted by the Second Amendment.

occurs earlier, no creditor shall be entitled to recover the principal and interest of a loan, other than an agricultural loan, or any figure of the amount payable to him/her or to remove or get return of the oxen or other means of agriculture used by the peasant in cultivation.

- (3) Where the limitation of any creditor is to expire by virtue of his/her failure to recover the loan pursuant to this Section, his/her limitation shall be deemed to be existing until Seventy days after the date on which the stoppage thereon is lifted.

**48. Provisions relating to recovered loan:**

- (1) The committee, organization or authority shall pay the principal and interest of loans recovered from the peasants pursuant to Sections 44, 46 and 47 in order to recover the loans pursuant to this Chapter as well as the prescribed interest of the principal, to the concerned persons on such terms and in such manner as may be prescribed.
- (2) Until the arrangement as referred to in Sub-section (1) is made, no creditor shall be entitled to foreclose on the assets of the borrower for such loan or interest thereof.

**49. Prohibition on getting return of oxen or other tools used in cultivation:**

No landowner shall be entitled to get return from the tenant of the oxen or other tools of agriculture provided to the tenant for cultivation. The value of such oxen or tools shall be got determined by the Village Development Committee or Municipality; and the provisions contained in this Chapter shall also apply to the value so determined as if it were an agricultural loan.

**50. Amount of other loan to be ascertained:**

If any peasant makes an application to the prescribed committee or authority for getting ascertained the amount of any loan, other than an agricultural loan, which the peasant has borrowed from a creditor, the prescribed committee or authority may obtain details from the concerned creditor within a reasonable time limit and ascertain the amount of such loan pursuant to Section 45 and may, if it deems necessary, issue an order allowing repayment in installments.

**51. Punishment:**

- (1) If any creditor who has the duty to furnish the details of loan pursuant to Section 44 or Section 50 fails to furnish the details pursuant thereto or furnishes false details, the legal validity of the concerned loan lent by such creditor shall lapse, by order of the prescribed authority; and thereafter no claim of the creditor against the borrower in respect of such debt shall be honorable.
- (2)<sup>103</sup> The prescribed authority shall punish a person who has not deposited the saving required to be deposited pursuant to this Chapter, with a fine not exceeding Rs. 5,00/- (Five Hundred Rupees) and recover the saving from that person; and if the saving cannot be recovered immediately, the prescribed authority shall recover the saving by stopping the crops of next year.
- (2a)<sup>104</sup> A person who directly recovers the amount of principal and interest of an agricultural loan that is not capable of being so recovered directly from the borrower peasant pursuant to this Chapter shall be punished with a fine not exceeding Rs. 5,00/- (Five Hundred Rupees), and the amount in question shall also be forfeited.

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<sup>103</sup> Amended by the Second Amendment.

<sup>104</sup> Inserted by the First Amendment.

(3)<sup>105</sup> .....

**51A.<sup>106</sup> To get facility as to recovery of loan:**

Nothing contained in this Chapter shall bar any cooperative institution, bank formed under the law of Nepal or prescribed industrial company from directly collecting, recovering or getting return of the principal and interest of any loan whatsoever which it is entitled to collect, recover or return from the peasant; and such cooperative institution, bank or prescribed industrial company shall not be required to furnish the details of loan pursuant to Section 44.

**51B.<sup>107</sup> Entitlement of borrower to such loan where details of loan are furnished by borrower:**

Where any creditor who has the duty to furnish the details of loan pursuant to Section 44 or 55 has failed to furnish such details pursuant thereto and the concerned peasant has furnished such details and the loan is recovered pursuant to Section 46, such loan of the creditor as well as the interest thereof at the rate of Five percent per annum shall be returned in lump sum to the borrower after five years.

**51C.<sup>108</sup> Borrower to get return of overpaid loan:**

If while ascertaining the amount of a loan pursuant to Section 45, the amount of such loan repaid by its borrower to the committee or organization pursuant to Section 46 appears overpaid, the borrower shall get return thereof forthwith.

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<sup>105</sup> Repealed by the Second Amendment.

<sup>106</sup> Inserted by the First Amendment.

<sup>107</sup> Inserted by the First Amendment.

<sup>108</sup> Inserted by the Second Amendment.

**51D.<sup>109</sup> Recovery in event of misappropriation of saving or debt:**

Government of Nepal may, if it is of opinion that any person, authority, committee or member of organization has misappropriated the saving recovered pursuant to Section 40 or 41 and the loan received pursuant to Section 46, cause any officer to make necessary investigation of that matter, and if misappropriation is found from such investigation, Government of Nepal may impose a fine equal to the amount in question on the person, authority, committee or member of organization having committed such misappropriation and recover the saving as well as loan misappropriated by him/her from him/her as government dues.

**Chapter-9A.<sup>110</sup>**

**Provisions relating to Land-use, Control of Land  
Fragmentation, and Plotting (*Chaklabandi*)**

**51E. Power to operate land-use program:**

- (1) In order to bring a land into use according to its nature, Government of Nepal may, by a notification in the Nepal Gazette, operate a land-use program in any or all of the areas in Nepal.
- (2) The classification of land for the operation of the land-use programme pursuant to Sub-section (1) shall be made based on, *inter alia*, the nature and fertility of soil, geographical situation, environment and climate of the country.
- (3) In operating the land-use program pursuant to Sub-section (1), the plan shall be operated as prescribed, subject to the policy determined by the land-use council formed pursuant to Section 51F.

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<sup>109</sup> Inserted by the Second Amendment.

<sup>110</sup> Inserted by the Fifth Amendment.



**51F. Formation of land-use council:**

- (1) There shall be formed a land-use council consisting of the chairperson and members as follows in order to determine the policy on land-use for the purposes of Section 51E:
  - (a) Vice-Chairperson, National Planning Commission -Chairperson
  - (b) Secretary, Ministry of Defense -Member
  - (c) Secretary, Ministry of Forests and Soil Conservation -Member
  - (d) Secretary, Ministry of Agriculture and Cooperatives -Member
  - (e) Secretary, Ministry of Physical Planning and Works -Member
  - (f) Three persons nominated by Government of Nepal from amongst the land-use related experts -Member
  - (g) Secretary, Ministry of Land Reforms and Management -Member secretary
- (2) The tenure of members nominated pursuant to Clause (f) of Sub-section (1) shall be Two years.
- (3) The council as referred to in Sub-section (1) may, if it considers necessary, invite any expert at its meeting.
- (4) Procedures on the meeting of the council as referred to in Sub-section (1) shall be as determined by the council itself.

- (5) Other functions, duties and powers of the council as referred to in Sub-section (1) shall be as prescribed.

**51G. Prohibition on employing land fixed for any one use in another use:**

- (1) In an area where the land-use program is operated pursuant to this Act, no person shall employ a land fixed for any one use in another use without obtaining approval of the prescribed committee.
- (2) Provisions on granting approval pursuant to Sub-section (1) shall be as prescribed.

**51H. Land fragmentation control and plotting (*Chaklabandi*):**

In order to enhance the productivity of land, Government of Nepal may operate a program relating to land fragmentation control and plotting (*Chaklabandi*), as prescribed.

**51I. Provision of facilities to do cooperative farming:**

Government of Nepal may provide a group of ten or more landowners who intends to do cooperative farming to produce agro-products as prescribed by having plotting (*Chaklabandi*) with such appropriate facilities and concessions for agricultural inputs, agricultural technology, fertilizer, seed, irrigation, electricity, etc. as required for doing such farming.

**51J. Power to arrange for settlement in secure or planned area:**

Government of Nepal may, by a Notification in the Nepal Gazette, declare any area or settlement area within Nepal as an insecure or unplanned area, prevent making settlement or doing any act specified in that notification in that area, and make arrangements for the settlement of the inhabitants of such area in a secure and planned area.

**51K. Punishment:**

If any person commits any acts contrary to Section 51E., the prescribed authority shall punish such person with a fine not exceeding Ten Thousand Rupees and order that person to employ such land in the previous use.

## **Chapter-10**

### **Authorities and Procedures**

#### **52. Formation of committees and appointment of authorities:**

Government of Nepal may appoint such authorities and form such committees as are necessary for the accomplishment of the objectives of this Act.

#### **53. Powers and modus operandi:**

- (1)<sup>111</sup> The Village Development Committee or Municipality, committee, court or authority empowered under this Act shall, in trying and settling any cases under this Act, use such authority and follow such modus operandi as referred to Special Court Act, 2059(2002).<sup>112</sup>
- (2)<sup>113</sup> Cases relating to the offenses punishable under Section 6, Section 9, Section 11, Section 18, Section 24, Section 51 and Section 59 of this Act shall be state cases.
- (3) Where one's limitation to file a suit, case or appeal expires by virtue of the fact that any Village Development Committee or Municipality, office, court, committee or authority required to be prescribed under this Act has not been so prescribed, his limitation shall be deemed to remain existing until 35 days after the date on which such Village Development Committee or Municipality, office, court, committee or authority is prescribed.

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<sup>111</sup> Amended by the Second Amendment.

<sup>112</sup> Amended by the Republic Strengthening and Some Nepal Laws Amendment Act, 2066

<sup>113</sup> Amended by the Second Amendment.

**54. Transfer of filed cases and revision thereof:**

The cases on the following matters filed in any office or court other than in the Supreme Court and yet to be settled until the date of the commencement of this Section shall, after the commencement of this Section, be transferred to the prescribed court and be tried and settled by that court:

- (a) Entitlement to tenancy right,
- (b) Acquisition of the tenancy right and expulsion thereof,
- (c) Relating to rent,
- (d) Relating to a land possessed in the name of another person,
- (e) Transaction of which borrower is a peasant or agricultural labor, and
- (f) Other cases which arise out of the above-mentioned cases.

**55.<sup>114</sup> Appeal:**

- (1) Except as otherwise mentioned in this Act, an appeal may, after the commencement of this Section, be filed in the Court of Appeal<sup>115</sup> against a decision made by the District Court or the prescribed authority, committee or organization pursuant to this Act within thirty five days.
- (2) If an appeal has been filed in any court or authority under the law prevailing for the time being, prior to the provision of appeal as referred to in Sub-section (1), and is under consideration of such court or authority, nothing contained in that Sub-section shall affect the same.

**56. Powers to enter into house and land:**

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<sup>114</sup> Amended by the Administration of Justice Reforms (Fourth Amendment) Act, 2043(1986) (this Section has also been amended by the Second Amendment).

<sup>115</sup> Amended by the Administration of Justice Act, 2048(1991).

The concerned Village Development Committee or Municipality, office, committee or authority shall, for the purposes of investigating any matter pursuant to this Act, be entitled to enter into the house and land belonging to any person concerned, by giving a prior notice.

Provided that, while entering into anybody's house and land, such authority shall do so in the presence of one member of the Village Development Committee or Municipality.

**57. To delegate powers:**

Government of Nepal may, by a notified order, delegate any powers conferred on it under this Act to any authority or committee.

**57A.<sup>116</sup> Court fee and fee for compromise (*Baksauni*) not to be charged:**

Notwithstanding anything contained in the prevailing Nepal law, any cases or petitions on the tenancy right and determination of loans to be filed in any court or authority under this Act or the Rules framed under this Act shall be tried and settled, without charging court fees thereon; and no fee for compromise shall be charged for making and effecting compromise in cases to be filed under this Act and the rules framed under this Act.

## **Chapter-11**

### **Miscellaneous**

**58. Other punishment:**

- (1) Except as otherwise provided in the other Sections of this Act, a person who violates any matter of this Act or the Rules or order framed or made under this Act or who provides or files any false statement, information or petition to or before any person, Village Development Committee or Municipality or authority authorized

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<sup>116</sup> Inserted by the First Amendment and amended by the Second Amendment.

under this Act shall be punished, by order of the prescribed authority, with a fine not exceeding Rs. 5,00/- (Five Hundred Rupees).

(2)<sup>117</sup> .....

**58A.<sup>118</sup> Imposition of fine equal to court fees in the event of making false petition:**

If a petition filed by a person with the prescribed court or the prescribed authority is proved to be false, a fine of a sum equal to the court fees to be deposited by that person in making such petition shall be imposed on that person for making such a false petition.

**58B.<sup>119</sup> Execution of Judgment:**

In cases where a decision made by any court or the prescribed authority pursuant to this Act cannot be executed by the court, the prescribed authority shall execute the decision.

**59.<sup>120</sup> Powers of Government of Nepal to give direction regarding cultivation:**

(1) Government of Nepal may, by a notified order and providing necessary facilities, give direction to harvest in the land of any area any particular crops or one or more crops of any particular species and farm the same by following the method and provision fixed in that notified order; and it shall be the duty of the concerned landowner and tenant to cultivate in accordance with such direction.

(2) If any person does not cultivate in accordance with the direction given pursuant to Sub-section (1), the concerned crops of that person may, by order of the prescribed authority, be forfeited if that person is a

<sup>117</sup> Repealed by the Administration of Justice Reforms (Fourth Amendment) Act, 2043(1986).

<sup>118</sup> Inserted by the First Amendment.

<sup>119</sup> Inserted by the Administration of Justice Reforms (Fourth Amendment) Act, 2043(1986).

<sup>120</sup> Amended by the Second Amendment.

landowner and that person shall be evicted from the land if that person is a tenant.

**60. Notice to be given to Village Development Committee or Municipality:**

While lending or borrowing a loan in cash in a sum exceeding Rs. 50/-(Fifty Rupees) or in-kind worth in excess of Rs. 50/- (Fifty Rupees) for any agricultural acts, a notice thereof shall be given to the Village Development Committee or Municipality.

Provided that, such committee or authority or cooperative bank or cooperative institution as prescribed pursuant to this Act need not give such notice while lending a loan.

**61. Powers to frame rules:**

Government of Nepal may frame Rules in order to accomplish the objective of this Act.

**62. Powers to remove difficulties:**

(1) If there arises any difficulty in connection with the implementation of this Act, Government of Nepal may, by a Notification in the Nepal Gazette and subject to the ambit of this Act, issue necessary order; and such order shall be deemed to be included in this Act.

(2) A copy of every order issued under Sub-section (1) shall be tabled in the session of the Legislature- Parliament<sup>121</sup> where the session is going on for the time being within one week and in the coming session where the session is in recess within one week.

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<sup>121</sup> Amended by the Republic Strengthening and Some Nepal Laws Amendment Act, 2066

**63. Action in case of conflict:**

The matters contained in this Act and the Rules framed hereunder shall be governed by this Act and Rules accordingly; and the other matters shall be governed by the prevailing Nepal law.

**64. Repeal:**

The following Nepal laws are hereby repealed:

- (1) Maintaining the Records of Lands and Land Tillers Act, 2013(1965);
- (2) The Lands Act, 2014(1957), Amendments made thereto from time to time, and the Lands Rules, 2017(1960), and
- (3) Agriculture (New Management) Act, 2019(1962).



**Conversion:**

The words converted by the Lands (Fourth Amendment) Act, 2053(1997):

- (a) The words "Village Development Committee" or "Municipality" instead of "Panchayat" or "Local Panchayat".
- (b) The word "Municipality" instead of "Town Panchayat".

**Note:**

**Date and place of commencement of the Act:**

- (1) Chapters 3, 4, 5, 6 and 9 of the Lands Act, 2021(1964) commenced vide the notices dated 2021-8-5 (20 November 1964), 2022-8-1 (16 November 1965) and 2023-8-29 (24 December 1966), and Chapter 2 of the Act commenced vide the notice dated 2024-12-19( 1 April 1968) in (1) Katmandu, (2) Lalitpur, (3) Bhaktapur, (4) Bara, (5) Parsa, (6) Rautahat, (7) Bardiya, (8) Kailali, and (9) Jhapa Districts.
- (2) The Act commenced vide the notice dated 2026-8-30 (15 December 1969) in (1) Kanchanpur, (2) Banke, (3) Nawalparasi, and (4) Sarlahi Districts.
- (3) The Act commenced vide the notice dated 2027-5-29 (25 August 1970) in (1) Morang, (2) Sunsari, (3) Siraha, (4) Dhanusa, and (5) Mahottari Districts.
- (4) The Act commenced vide the notice dated 2029-5-20 (4 September 1972) in (1) Chitwan, (2) Rupandehi, (3) Kapilbastu, (4) Saptari, and (5) Dang Districts.
- (5) The Act commenced vide the notice dated 2031-4-25 (9 Aug 1974) in (1) Ilam, (2) Udayapur, (3) Sindhuli, and (4) Surkhet Districts.
- (6) The rate of rent has been fixed in eight Districts since the crops of fiscal year 2031/032 (1973/74) vide the notice dated 2030-6-29 (15 October 1973).

- (7) Chapter 2 of the Lands Act, 2011(1964) commenced vide the notice dated 2035-4-21 (5 August 1978) in Panchthar, Dhankuta, Ramechhap, Tanahun and Mustang Districts with effect from 2035-4-1 (16 July 1978).
- (8) Chapter 2 of the Lands Act, 2011 (1964) commenced vide the notice dated 2035-11-28 (15 March 1979) in Dadeldhura, Tehrathum, Kaverplanchok, Dhading and Myagdi Districts with effect from 3036-1-1(14 April 1979).
- (9) Chapter 2 of the Lands Act, 2011 (1964) commenced vide the notice dated 2036-8-15 (1 December 1979) in Makawanpur, Nuwakot and Kaski Districts.
- (10) Chapter 2 of the Lands Act, 2011 (1964) commenced vide the notice dated 2038-5-1 (17 August 1981) in Rasuwa District.
- (11) Chapter 2 of the Lands Act 2011(1964) commenced forthwith vide the notice dated 2040-4-1(17 July 1983) in Salyan, Baglung and Bhojpur Districts.
- (12) Chapter 2 of the Lands Act 2011(1964) commenced forthwith vide the notice dated 2040-4-1(17 July 1983) in Gorkha, Gulmi and Syangja Districts.
- (13) Section 3 of Chapter 2 of the Lands Act, 2011(1964) commenced vide the notice dated 2043-4-6(16 July 1986) in Parbat, Arghakhanchi and Darchula Districts on 2043-4-1(11 July 1986)
- (14) Section 3 of Chapter 2 of the Lands Act, 2011(1964) commenced vide the notice dated 2045-2-3(16 May 1988) in Lamjung and Khotang Districts on 2045-4-1(16 July 1988).
- (15) Chapter 2 of the Lands Act, 2011(1964) commenced vide the notice dated 2051-4-1 (16 July 1994) in Bajura and Dailekh Districts on that date.
- (16) Chapter 2 of the Lands Act, 2011(1964) commenced vide the notice dated 2052-5-1 (17 August 1995) in Sankhuwasabha District on that date.

- (17) Chapter 2 of the Lands Act, 2011(1964) commenced vide the notice dated 2053-7-1 (17 October 1996) in Solukhumbu District on that date.

NEPAL LAW COMMISSION

**Amended by the Lands (Sixth Amendment)**

**Ordinance, 2062 (2005)**

1. In the Section 26D1 the word "within Six months of the commencement of this Section" has been amended by "within the time limit specified by Government of Nepal by a notification in the Nepal Gazette."
2. In the Section 26D3 the word "within Two years of the commencement of this Section" has been amended by "within the time limit specified by Government of Nepal by a notification in the Nepal Gazette."
3. In the Sub-section (1) of Section 53 the word "Sections 4 and 6 of Special Court Act, 2031" has been amended by "Sections 10, 11 and 12 of the Special Court Act, 2059(2002)."