

**THE MAHARASHTRA SERVICE INAMS (USEFUL TO
COMMUNITY) ABOLITION ACT**

[Text as on 17th May 2024]

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3. Amended by Bom. 93 of 1958
4. Adapted and modified by the Maharashtra Adaptation of Laws (State and Concurrent Subjects) Order, 1960.
5. Amended by Mah. 4 of 1964
6. Amended by Mah. 21 of 2002 (6-5-2002)
7. Amended by Mah. 19 of 2008 (9-5-2008)
8. Amended by Mah. 24 of 2012 (1-5-1960)
9. Amended by Mah. 10 of 2021

ACT No. LXX OF 1953¹

[THE MAHARASHTRA SERVICE INAMS (USEFUL TO COMMUNITY) ABOLITION ACT.]

[This Act received the assent of the President on the 15th December 1953; assent was first published in the *Maharashtra Government Gazette*, Part IV on the 22nd December 1953.]**An Act to abolish service inams useful to the community in certain parts of the State of Bombay.**

WHEREAS it is necessary and expedient in the public interest to abolish service inams useful to the community in certain parts of the State of Bombay and to provide for other incidental and consequential matters hereinafter appearing; It is hereby enacted as follows :—

1. Short title, extent and commencement.— (1) This Act may be called ²[the Maharashtra Service Inams (Useful to Community) Abolition Act.]

(2) It extends to the territories formerly comprising of Khandesh, Deccan and Southern Maratha Country and subsequently forming part of the districts of East Khandesh, West Khandesh, Ahmednagar, Nasik, Poona, Satara, Sholapur, Bijapur, Belgaum, Kanara and Dharwar as they existed before the States' Merger (Governor's Provinces) Order, 1949.

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

2. Definitions.— (1) In this Act, unless there is anything repugnant in the subject or context,—

(a) “appointed day” means the day on which this Act comes into force ;

(b) “Code” means the Bombay Land Revenue Code, 1879 (Bom. V of 1879);

(c) “Collector” includes an officer appointed by the State Government to perform the functions and exercise the powers of the Collector under this Act;

(d) “holder” means (except in the expression “inferior holder”) a holder of a service inam and includes any person lawfully holding under or through him ;

(e) “service inam village” or “service inam land” means a village or a portion of a village or land, as the case may be, held in inam by a person for service useful to the community ;

(f) “service inam” means,—

(i) a grant of a village, portion of a village, land or total or partial exemption from land revenue held for service useful to the community and entered in the alienation register kept under section 53 of the Code as “Class VI-village servants useful to village communities”;

(ii) a grant of money or land revenue including anything payable as a cash allowance on the part of the State Government for service useful to the community ;

(g) “prescribed” means prescribed by rules made under this Act ;

(h) “Schedule” means a Schedule appended to this Act ;

(i) the words and expressions used but not defined in this Act shall have the meanings assigned to them in the Code.

(2) If any question arises whether any grant is a service inam, the State Government shall, having regard to the relevant entries in the alienation records and after holding such inquiry as may be deemed fit, decide the question and such decision shall be final :

¹ For Statement of Objects and Reasons of the L. A. Bill No. LXV of 1953, see *Bombay Government Gazette*, 1953, Part V, dated 31st August 1953, pages 458-459.

² This short title was substituted for “the Bombay Service Inams (Useful to Community) Abolition Act, 1953” by Mah. 24 of 2012, s. 4 : Schedule, Entry-52.

³ 1st day of April 1954 (See G.N., R.D., No. 8824/45-II, dated the 16th February 1954).

Provided that the State Government may authorise any officer to decide such question and subject to an appeal to the State Government his decision shall be final.

3. Abolition of service inams and rights in respect of such inams.— With effect from and on the appointed day, notwithstanding anything contained in any law, usage, settlement, grant, sanad or order—

(1) all service inams shall be deemed to have been abolished and all incidents appertaining thereto shall be deemed to have been extinguished ;

(2) all rights to hold office and any liability to render service appertaining to the said inams are hereby extinguished.

4. Liability of service inam villages and lands to land revenue and persons liable to pay the same.— (1) All service inam villages and service inam lands which have been adjudicated under rule 8 of Schedule B to the Bombay Rent-free Estates Act, 1852 (XI of 1852) are and shall be liable to the payment of land revenue in accordance with the provisions of the Code and the rules made thereunder and the provisions of the Code and the rules relating to unalienated lands shall apply to such villages and lands.

(2) In the case of service inam land to which sub-section (1) applies,—

(a) where such land is in possession of the holder or in possession of a person (other than an inferior holder) holding from him, the holder, and

(b) where such land is in possession of an inferior holder holding the same on payment of annual assessment only, such inferior holder,

shall primarily be liable to the State Government for the payment of land revenue due in respect of such land held by him and shall be entitled to all rights and shall be liable to all obligations in respect of such land as an occupant under the Code or the rules made thereunder or any other law for the time being in force.

5. Resumption of service inam land and its regrant to holder.— (1) All service inam lands which have not been adjudicated under rule 8 of Schedule B to the Bombay Rent-free Estates Act, 1852 (XI of 1852), are hereby resumed and shall be liable to the payment of land revenue under the provisions of the Code and the rules made thereunder and the provisions of the Code and the rules relating to the unalienated lands shall apply to such lands.

(2) A service inam land resumed under the provisions of ¹[sub-section (1)] shall be regranted to the holder on payment of the occupancy price equal to six times the amount of the full assessment of such land within ²[five years] from the appointed day and the holder shall be deemed to be an occupant within the meaning of the Code in respect of such land and shall primarily be liable to pay land revenue to the State Government in accordance with the provisions of the Code and the rules made thereunder:

Provided that, if the holder fails to pay the occupancy price within the period of ³[five years] as provided in this section, he shall be deemed to be unauthorisedly occupying the land and shall be liable to be summarily ejected in accordance with the provisions of the Code :

⁴[Provided further that where a service inam consisting of land is inalienable and is in the possession of a person other than the descendant of the original grantee, then for the purposes of regrant of land, the person in possession of the land shall produce satisfactory documentary evidence to show that the alienation of the land in his favour or in favour of his predecessor-in-title was made with the sanction of the competent authority, and was lawfully made.]

¹ These words, brackets and figure were substituted for the words “this Act” by Bom. 58 of 1954, s. 2, Schedule.

² These words were substituted for the words “two years” by Bom. 51 of 1955, s. 3, Second Schedule.

³ These words were substituted for the words “two years” by Bom. 51 of 1955, s. 3, Second Schedule.

⁴ This proviso was added by Mah. 4 of 1964, s. 2.

¹[(3) ²(a)] On or after the commencement of Bombay Paragana and Kulkarni Watans (Abolition), the Bombay Service Inams (Useful to Community) Abolition, the Bombay Merged Territories Miscellaneous Alienation Abolition, the Bombay Inferior Village Watans Abolition and the Maharashtra Revenue Patels (Abolition of Office) (Amendment) Act, 2000 (Mah. XXI of 2002) (hereinafter, in this section, referred to as “the commencement date”), the occupancy of the land regranted under sub-section (1) may be transferred by the occupant for agricultural purpose, and no previous sanction or no objection certificate from the Collector or any other authority shall be necessary for such transfer. After such transfer, the land shall be continued to be held by such transferee occupant on new and impartible tenure (Occupant Class II), in accordance with the provisions of the Code :

³[(b) Before the commencement date, if any such occupancy has already, without previous sanction or no objection certificate from the Collector or any other authority, been transferred by the occupant, for agricultural purpose, such transfer may be regularised on the production of registered instruments such as sale deed, gift deed, etc., as a proof thereof, for such transfer. After such regularisation, the occupancy of such land shall be held by such transferee occupant on new and impartible tenure (Occupant Class II), in accordance with the provisions of the Code:]

Provided that, any such occupancy held on new and impartible tenure (Occupant Class II) may, after the commencement date, be converted into old tenure (Occupant Class I) by the occupant, by making payment of fifty per cent. of the amount of the current market value of such land to the Government, and after such conversion, such land shall be held by the occupant as Occupant Class I, in accordance with the provisions of the Code:

Provided further that, if on the commencement date, any such occupancy has already, with the prior permission of the Collector or any other competent authority, on payment of the appropriate amount as *Nazarana*, been transferred for non-agricultural use, such transfer of occupancy shall be deemed to have been made under the first proviso and the land shall be deemed to be held by the occupant as an Occupant Class I, in accordance with the provisions of the Code, with effect from the date of such transfer :

Provided also that, if on the commencement date, any such occupancy has already prior permission of the Collector or any other competent authority and without payment of the amount equal to fifty per cent. of the current market value of such land, as *Nazarana* been transferred for non-agricultural use, such transfer may be regularised on payment of an amount equal to fifty per cent., of the current market value of such land for non-agricultural use as *Nazarana*, and an amount equal to fifty per cent. of such *Nazarana* as a fine, and on such payment, the occupant shall hold the land as an Occupant Class I, in accordance with the provisions of the Code.]

⁴[Provided also that, on or before the commencement of the Maharashtra Paragana and Kulkarni Watans (Abolition), the Maharashtra Service Inams (Useful to Community) Abolition, the Maharashtra Merged Territories Miscellaneous Alienations Abolition, the Maharashtra Inferior Village Watans Abolition and the Maharashtra Revenue Patels (Abolition of Office) (Amendment) Act, 2021 (Mah. X of 2021), if any such occupancy has already, without prior permission of the Collector or any other competent authority and without payment of an amount equal to fifty per cent. of the current market value of such land, been transferred for non-agricultural use, or utilised for non-agricultural use, and division of such land or plot has been or is being regularised under the Maharashtra *Gunthewari* Developments (Regularisation, Upgradation and Control) Act, 2001 (Mah. XXVII of 2001) (hereinafter referred to as “the *Gunthewari* Developments Act”), then such transfer may be regularised on payment of an amount equal to twenty five per cent. of the current market value of such land in addition to any amount payable under the *Gunthewari* Development Act for regularization of *gunthewari* Development; and on such payment, the occupant shall hold the land or plot as an occupant Class-I in accordance with the provisions of the Code.

¹ Sub-section (3) was substituted by Mah. 21 of 2002, s. 3.

² Sub-section (3) was re-numbered as clause (a) thereof by Mah. 19 of 2008, s. 3.

³ This clause was inserted by Mah. 19 of 2008, s. 3.

⁴ This proviso was inserted by Mah. 10 of 2021, s. 3.

Explanation.— For the purposes of this sub-section, the term “market value of such land” means the value of such land specified in the Annual Statement of Rates published under the provisions of the Maharashtra Stamp (Determination of True Market Value of Property) Rules, 1995 or any other Rules for the time being in force, in this regard for the relevant year, and where such Annual Statement of Rates is not prepared or available, it means the value of such land as determined by the Assistant Director of the Town Planning Department of the concerned District.].

6. Compensation in lieu of cash allowance or land revenue.— Notwithstanding anything contained in any law, usage, settlement, grant, sanad or order,—

(1) a sum equal to seven times the amount of the cash allowance due to a holder on the appointed day shall be paid to such holder ;

(2) in the case of any land or village, in respect of which the service inam consists of the whole or a part of the land revenue of such land or village, a sum equal to ten times the amount of such land revenue shall be paid to the holder.

7. Method of compensation for abolition, etc., of other rights in land.— (1) If any person is aggrieved by the provisions of this Act as abolishing, extinguishing or modifying any of his rights to, or interest in, property and if compensation for such abolition, extinguishment or modification has not been provided for in the provisions of this Act, such person may apply to the Collector for compensation.

(2) An application under sub-section (1) shall be made to the Collector in a prescribed form within six months from the appointed day. The Collector shall, after holding a formal inquiry in the manner provided by the Code, make an award determining the compensation in the manner and according to the method provided for in sub-section (1) of section 23 and section 24 of the Land Acquisition Act, 1894 (I of 1894).

¹[(2A) (i) Where the officer making an award under sub-section (2) is a Collector under this Act but not a Collector appointed under section 8 of the Code and the amount of such award exceeds five thousand rupees, then the award shall not be made without the previous approval of—

(a) the Collector appointed under section 8 of the Code if the amount of the award does not exceed twenty-five thousand rupees, or

(b) the Commissioner, if the amount of the award exceeds twenty-five thousand rupees but does not exceed one lakh of rupees, or

(c) the State Government, if the amount of the award exceeds one lakh of rupees.

(ii) Where the officer making an award under sub-section (2) is a Collector under this Act and also a Collector appointed under section 8 of the Code, and the amount of such award exceeds twenty-five thousand rupees, then such award shall not be made without the previous approval of,—

(a) the Commissioner, if the amount of the award does not exceed one lakh of rupees, or

(b) the State Government, if the amount of the award exceeds one lakh of rupees.

(iii) Every award under sub-section (2) shall be in the form prescribed in section 26 of the Land Acquisition Act, 1894 (I of 1894).]

(3) Nothing in this section shall entitle any person to compensation on the ground that any service inam land which was wholly or partially exempt from the payment of land revenue has been under the provisions of this Act made subject to the payment of full assessment in accordance with the provisions of the Code.

¹ Sub-section (2A) was inserted by Bom. 93 of 1958, s. 2, Schedule.

(4) Any person aggrieved by the award of the Collector made under sub-section (2) may appeal to the Bombay Revenue Tribunal constituted under the Bombay Revenue Tribunal Act, 1939 (Bom. XII of 1939), within 60 days from the date of the award.

(5) In deciding appeals under sub-section (4), the Bombay Revenue Tribunal shall exercise all the powers which a Court has and follow the same procedure which the Court follows in deciding appeals from the decree or order of an original Court under the Code of Civil Procedure, 1908 (V of 1908).

(6) In computing the period for filing appeals the provisions of sections 4, 5, 12 and 14 of the Indian Limitation Act, 1908 (IX of 1908), shall apply to the appeals made under this section.

8. Court-fees.— Notwithstanding anything contained in the Court-fees Act, 1870 (VII of 1870), every appeal made under this Act to the Bombay Revenue Tribunal shall bear a court-fee stamp of such value as may be prescribed.

9. Finality of award of Collector and decision of Revenue Tribunal.— The award made by the Collector subject to an appeal to the Bombay Revenue Tribunal and the decision of the Bombay Revenue Tribunal on the appeal shall be final and conclusive and shall not be questioned in any suit or proceeding in any Court.

10. Inquiries and proceedings to be judicial proceedings.— All inquiries and proceedings before the Collector and the Bombay Revenue Tribunal under this Act shall be deemed to be judicial proceedings within the meaning of sections 193, 219 and 228 of the Indian Penal Code (XLV of 1860).

¹[**10A. Revisional powers in respect of awards made before commencement of Bom. XCIII of 1958.**— Where any award was made under sub-section (2) of section 7 before the commencement of the Bombay Land Tenures Abolition (Amendment) Act, 1958 (Bom. XCIII of 1958) and no appeal was filed against such award under sub-section (4) of section 7 then notwithstanding anything contained in section 9 the State Government may call for the record of the inquiry or proceedings relating to such award for the purpose of satisfying itself as to the legality, propriety or regularity of such inquiry or proceedings and if, after giving the interested parties an opportunity to be heard, it is not satisfied as to the legality, propriety or regularity of such inquiry or proceedings, it may cancel the award and direct the Collector to make a fresh award and thereupon all the provisions of this Act relating to the making of an award, the finality of such award and the appeal against such award shall *mutatis mutandis* apply to such fresh award.]

11. Amount of compensation to be payable in transferable bonds.— The amount of compensation payable under the provisions of this Act shall be payable in transferable bonds carrying interest at the rate of three per cent. per annum from the date of the issue of such bonds and shall be repayable during a period of twenty years from the date of the issue of such bonds by equated annual instalments of principal and interest. The bonds shall be of such denominations and shall be in such forms as may be prescribed.

12. Provisions of Bom. LXVII of 1948 to govern relations of holder and tenants.— Nothing in this Act shall in any way be deemed to affect the application of any of the provisions of the ²Bombay Tenancy and Agricultural Lands Act, 1948 (Bom. LXVII of 1948), to any service inam village or service inam land or the mutual rights and obligations of a holder and his tenants, save in so far as the said provisions are not in any way inconsistent with the express provisions of this Act.

13. Rules.— The State Government may, subject to the condition of previous publication, make rules for the purpose of carrying out the provisions of this Act. Such rules shall when finally made be published in the *Official Gazette*.

¹ Section 10A was inserted by Bom. 93 of 1958, s. 2, Schedule.

² Now read as Maharashtra Tenancy and Agricultural Lands Act.

14. Discontinuance of application of certain enactments.— (1) With effect from and on the appointed day the provisions of the enactments specified in the Schedule shall to the extent specified in column 4 thereof cease to apply to all service inams.

(2) Nothing in sub-section (1) shall be deemed to affect,—

(a) any obligation or liability already incurred before the appointed day ;

(b) any proceeding in respect of such obligation or liability ; or

(c) anything done in the course of such proceeding in any Court on or before the aforesaid date ;

and any such proceeding may be continued and disposed of as if this Act had not been passed.

THE SCHEDULE

Year.	No.	Short Title.	Extent of cessation of application.
1	2	3	4
1852	XI	The Bombay Rent-free Estates Act, 1852.	The whole Act shall cease to apply.
1863	II	The Exemptions from Land Revenue (No. 1) Act, 1863.	Do. Do.
1871	XXIII	The Pensions Act, 1871.	Do. Do.
1926	XI	The Invalidation of Hindu Ceremonial Emoluments Act, 1926.	Sections 5 and 6.