MicroSave India Focus Note #145

Land Record Digitisation - Exploring New Horizons in Digital Financial Services (DFS) for Farmers: Part-I

Aishwarya Singh, Neha Parakh

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KEY FINDINGS

1. Government of India launched the Digital India Land Records Modernisation Programme (DILRMP) in August 2008 aimed to develop a modern, comprehensive, and transparent land records management system, which would provide conclusive title guarantee to landowners.

2. Currently, 86.3% of land records have been digitised, 14 states have developed cadastral maps that are available on the Internet and around 11 states and union territories have integrated land records with banks, and 7.66% RORs have been linked with *Aadhaar*.

3. Some best practices in few states include online portals, which allow you to fix a prior appointment, digital signing of deeds, digitisation of maps, e-payment of stamp duty and fee, and use of regional language.

Introduction

The Government of India (GOI) launched the (Digital India Land Records Modernisation Programme (DILRMP) in August 2008. DILRMP aimed to develop a modern, comprehensive, and transparent land records management system, which would provide conclusive title guarantee to landowners. The programme aims to modernise the management of land records and minimise the scope of land/property disputes. It will also enhance transparency in the land records maintenance system and ease progress towards guaranteed conclusive titles to immovable property in India.

According to government data, around 86.3% of land records have been digitised across 36 states and union territories. Twenty four states and union territories have ceased to maintain manual land records, while the others are maintaining both manual and digital records. Moreover, 14 states[2] have developed cadastral maps that are available on the Internet and around 11 states and union territories have integrated land records with banks. Additionally, *Aadhaar*[3] seeding of land records is currently underway. As of November 2017, the government had achieved 7.66% linkage of *Aadhaar* with Record of Rights (ROR). This linkage is aimed to develop a modern, comprehensive, and transparent Land Records Management System in the country based on the principle of authentication through *Aadhaar* linkage. This should allow the Government of India to implement a conclusive and titling system with title guarantee.
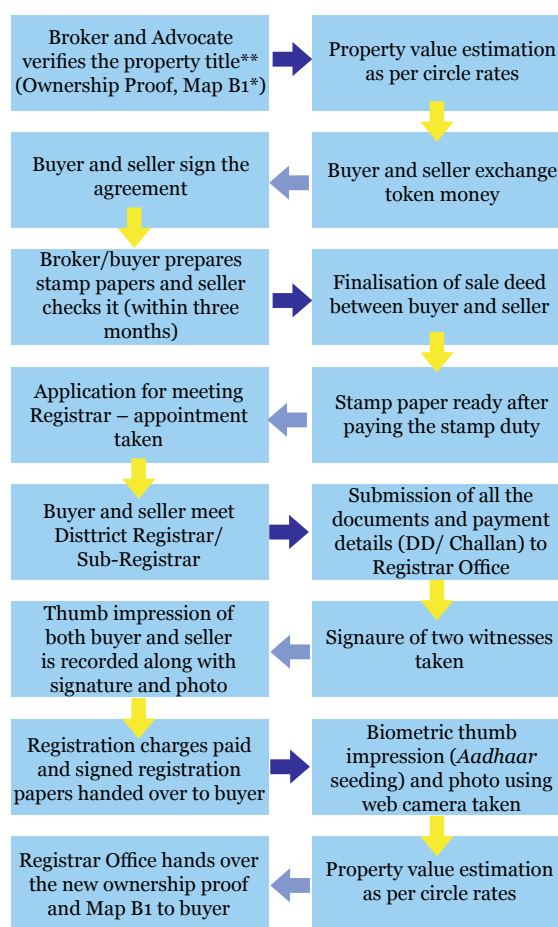
The land record digitisation exercise is expected to bring about the much-needed transparency and efficiency in the land registration operational processes of sale, purchase, and transfer of land ownership. The digitisation of land records coupled with *Aadhaar*-seeding may encourage a number of innovative agriculture-linked initiatives, such as *Aadhaar*-enabled Fertiliser Distribution System (AeFDS), seed distribution, crop loans, and crop insurance to farmers.

Land Registration Process – Efficiency and Transparency

Land is a state subject and therefore there have been few variations in the land registration process across the country, despite digitisation. At a high level, the processes are largely similar. The conventional process of registration has been prone to risks due to its manual nature. These risks include illicit land-grabbing, illegal land sales, and instances of purchase or registration of land where no actual purchase has taken place. The introduction of e-registration has simplified the land registration process. It has made the process of land registration easier, faster, and more robust in terms of preventing unlawful disposal of land, which has brought in greater transparency in the real estate market.

The **conventional process**[5,6,7] of land registry in most of the states/UTs include the following steps:

Broker and Advocate verifies the property title** (Ownership Proof, Map B1*)	Property value estimation as per circle rates
Buyer and seller sign the agreement	Buyer and seller exchange token money
Broker/buyer prepares stamp papers and seller checks it (within three months)	Finalisation of sale deed between buyer and seller
Application for meeting Registrar – appointment taken	Stamp paper ready after paying the stamp duty
Buyer and seller meet Disttrict Registrar/ Sub-Registrar	Submission of all the documents and payment details (DD/ Challan) to Registrar Office
Thumb impression of both buyer and seller is recorded along with signature and photo	Signaure of two witnesses taken
Registration charges paid and signed registration papers handed over to buyer	Biometric thumb impression (*Aadhaar* seeding) and photo using web camera taken
Registrar Office hands over the new ownership proof and Map B1 to buyer	Property value estimation as per circle rates

*Map B1 is also called *Bhu Naksha* (land map). It's map of the land or property being sold.

** The Advocate verifies the seller's background and also verifies who is/are the legal owners of the land.

***No-objection certificate (NOC) from the bank or government might also be required in case the land was originally purchased on loan or the land was a gift from the government.

Note: This is a generic process. Actual process may vary depending on the state and the nature of sale

[1] http://nlrmp.nic.in/faces/common/dashboard.xhtml, MIS as on 25th Nov, 2017

[2] http://nlrmp.nic.in/faces/rptPhysicalHome/rptStateGenericDetail.xhtml?id=./../master/physical.xhtml, MIS as on 25th Nov, 2017

[3] *Aadhaar* is India's national identity number based on biometrics, https://uidai.gov.in/

[4] http://nlrmp.nic.in/faces/rptstatewisephysical/rptComputerizationOfLandRecord.xhtml, MIS as on 25th Nov, 2017

[5] https://www.mymoneysage.in/blog/a-guide-to-property-registration-process-in-india/

[6] https://www.indiafilings.com/learn/tamil-nadu-property-registration-charges-procedure/

[7] https://www.indiafilings.com/learn/karnataka-property-registration-procedure-and-charges/

Documentation requirements

Documents related to registration of immovable property/land should be registered in the office of the Registrar/Sub-registrar within the district or sub-district or in the office of Sub Divisional Magistrate in some states.[8]

The **documents** required by the parties (buyer/ seller) are:

Buyer	Seller
Aadhaar card(s)	*Aadhaar* card(s)
PAN Card(s)	PAN Card(s)
ID proofs (Witness)*	ID proofs (Witness)*
Stamp papers	Map B1
Sale Deed	Property ownership papers
Payment Instruments (DD/ Chalan)	NOC from Bank/ Govt. (if required)
Bank a/c details	Bank A/c details
Photos	Photos

Best-practices in new land registration process across various Indian states

States like Andhra Pradesh, Haryana, Madhya Pradesh, Himachal Pradesh, Odisha, and West Bengal along with a few others have already undergone changes in the land registration process. A few best-practices or features in the new land registration system include:

Best-practices in States UTs

Online portals, which allow you to fix a prior appointment

Digital signing of deeds

e-requisition form filling for assessment of market value, stamp duty, and fee

e-payment of stamp duty and fee

2-D bar coded copies of Record-of-Rights

Digitisation of maps

Use of regional language

In next part of this IFN series we will talk about the new horizons and plethora of innovative opportunities for governments, financial services providers, and technology providers - specifically for transferring benefits to farmers under different schemes. We will examine how digital land records of farmers can facilitate subsidised fertiliser distribution, seed distribution, crop loan disbursement, and insurance products. Additionally, the next part of the Note will also look into the options for using Digilocker to support these use-cases.

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[8]http://homesathand.com/blog/property-registration-in-india-procedures-and-requirements/