

to the expiry of the period specified in the demand notice after the expiry of the period specified in the demand notice.

*KERALA REVENUE RECOVERY RULES, 1968

SRO. No. 421/68.— In exercise of the powers conferred by Section 86 of the Kerala Revenue Recovery Act, 1968, (15 of 1968), the Government of Kerala hereby make the following rules; namely:—

1. These rules may be called the Kerala Revenue Recovery Rules, 1968.
2. In these rules, unless the context otherwise requires,—
 - (a) "Act" means the Kerala Revenue Recovery Act, 1968;
 - (b) "Section" means the section of the Act;
 - (c) "Form" means the form appended to these rules.
3. The forms given in the Appendix with such variations (not affecting the substance thereof) as the circumstances of each case may require, shall be used for the purposes therein mentioned.
4. Batta and other charges at the rates specified in Column (2) of the Table below; shall be levied in respect of the item specified against them in column (1) of the said Table. These charges shall be recovered from the defaulters along with the arrears due.

TABLE

Item	Rate
(1)	(2)
(i) Demand notice fee (either under Section 7 or under Section 34).	Rs. P 1[Rs. 2 per demand notice]
(ii) Fee for the distraint and sale of movables	1.00 (per case)
(iii) Fee for the attachment and sale of immovable to meet the cost of labour	1.00 do.
(iv) Tom tom charges.	1.00 do.
(v) Publication charges	Actual expenses incurred.
(vi) Transport charges or other charges	At the rates prescribed in the Financial Code.
(vii) For arrest and detention in civil jail	Subsistence allowance at such rates as may be specified by the State Govt. for judgement debtors under Section 57 of the Code of Civil Procedure, 1908.

* Published under Notification No. 36542/B3/68/RD. in K. G. Ext. No. 263 dt. 07/12/1968.
 1 Substituted by Notification G.O. (P) No. 240/2004/RD. dt. 15/07/2004, published as SRO. No. 931/2004 in K.G.Ext. No. 34 dt. 24/08/2004, for the words and figure "0.50 (per demand notice)".

²[(viii) Collection charges

³[5% of the arrears to be collected, when the arrears does not exceed Rupees Five lakhs and 7.5% of the arrears to be collected, when the arrears exceed Rupees Five Lakhs.]

⁴[5. (1) ⁵[[Collection charges at the rate of 5 percent of the arrears to be collected under the provisions of the Act on behalf of any institution notified under Section 71 or collected on behalf of any institution under Section 68 ⁶[when the arrears does not exceed Rupees Five Lakhs and at the rate of 7.5% when the arrears exceed Rupees Five Lakhs] shall be realised from the defaulters and accounted as arrears to such institutions.]]

(2) The collection charges shall be deducted from the amount recovered and the balance alone shall be payable to the institution.]

Case Laws

Amount due to Toddy Workers Welfare Fund deposited before initiation of proceedings: Not liable to pay collection charges. *Balan v. Tahsildar — 2000 (1) KLT 746 : 2000 (1) KLJ 452.*

Amounts due to Kerala Financial Corporation: Debtor paying amounts direct to Corporation. The question of Revenue Recovery commission or collection charges could and would arise only where there is collection of arrears under the provisions of the Act on behalf of any institution notified under S.71 of the Act. Inasmuch as the admitted case is that no such collection has been made, a stage has not been reached where the government would be entitled to claim collection charges by virtue of the provisions contained in R.5(1) of the Rules. *Kadeeja Beevi v. Kerala Financial Corporation — 1985 KLT 741 : 1985 KLN SN 35.*

Payment of commission of 5% or collection charges: Amount paid straight to requisitioning authority. Applicability of R.5 arises only in a case where amount has been recovered though proceedings initiated under the R.R. Act. S.7 is intended only to give an opportunity to the defaulter to remit the amount demanded. In other words, coercive steps will be taken under the Act only if the amount is not paid, after receipt of the demand notice under S.7. *Village I. D. Centre v. Khadi and Village I. Board — 1996 (2) KLT SN 49 : 1996 (2) KLJ 253 : ILR 1997 (1) Ker. 392.*

Charges payable under R.5 constitute part of the amount due to the creditor as cost of recovery and hence recoverable by it from defaulter. *Mohan Roy v. State Bank of Travancore — 1990 (2) KLT 120.*

APPENDIX

FORM 1

[See Section 7]

DEMAND NOTICE UNDER SECTION 7

..... of.....village of.....taluk is authorised to distraint the movable property of the undermentioned

2. Amended by Notification G. O. (P) No. 508/97/RD dt. 07/07/1997, published as SRO. No. 565/97 in K. G. No. 29 dt. 22/07/1997. Later corrected by Notification G.O. (P) No. 202/2002/RD. dt. 13/06/2002, published in K.G.Ext. No. 866 dt. 18/06/2002.
3. Substituted by Notification G.O. (P) No. 239/2004/RD. dt. 15/07/2004, published as SRO. No. 930/2004 in K.G.Ext. No. 34 dt. 24/08/2004, for the words "5% of the arrears to be collected".
4. Inserted by SRO. No. 460/80 dt. 27/02/1980, published in K. G. No. 21 dt. 20/05/1980.
5. Substituted by Notification G.O. (P) No. 508/97/RD dt. 07/07/1997, published as SRO. No. 565/97 in K. G. No. 29 dt. 22/07/1997. Prior to substitution it read as under:
 "Collection charges at the rate of 5 percent of the arrears collected under the provisions of the Act on behalf of any institution notified under Section 71 shall be realised from such institution".
6. Inserted by Notification G.O. (P) No. 239/2004/RD. dt. 15/07/2004, published as SRO. No. 930/2004 in K.G.Ext. No. 34 dt. 24/08/2004.