



LAND MARKET TRANSACTIONS IN KERALA: ITS DETERMINANTS AND PRICE VARIATIONS

Dr. SHANU.S,

(Associate Professor, Department of Economics, Govt. College for Women, TVM)

Abstract

This article aims to examine land transactions in Kerala over the years, as well as the changes in the real estate business and its price variations. It also explores how the land market responds to changes in major economic factors affecting land value in Kerala. To do this, the article is divided into two sections. The first section discusses land transactions in Kerala over time in the light of registration data from the Department of Registration, Government of Kerala. After reviewing the increase in the number and average value of sale deed transactions in Kerala over the years, the analysis then examines how major economic variables influence land value in the state.

Key Words: - Land Market, Land Transactions, Land Value, Determinants of Land Value

LAND TRANSACTIONS IN KERALA

Kerala has witnessed a monumental increase in land transactions and its price since the beginning of the 1990s. Being a land-scarce and highly populated state, land always enjoyed ever-increasing demand across Kerala. Many reasons have been cited for this upsurge, such as population pressure and increasing density of population, processes of urbanization leading to rural-urban continuum, break up of joint families and conferment of ownership of land on the nuclear households, shift in the inheritance systems and residence patterns, change in the cropping pattern favouring cash crops, though unmindful of market dynamics, transaction of land as a secure form of investment, increasing inflow of remittances from abroad and increase in real income of the people etc. This growing demand and the expansion of the land market in Kerala are reflected in the form of an increase in the price and magnitude of land transfers and revenue generated from these transactions.

The number of documents registered, revenue generated from that registration in terms of stamp duty and registration fee and also its annual growth, published by the Department of Registration, Government of Kerala, is explained through the following table.

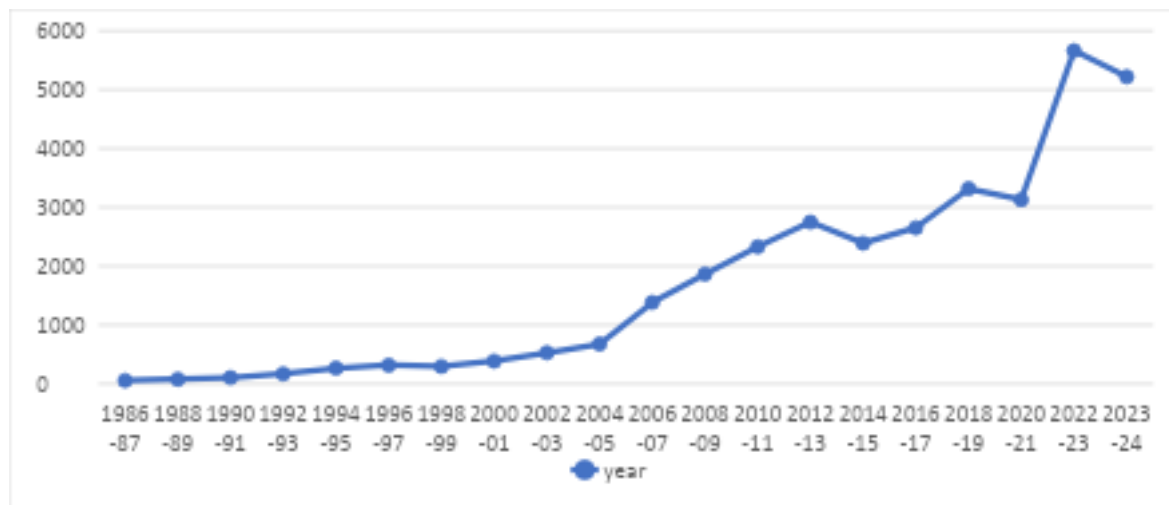
Table 1: Number of documents registered and revenue generated in Kerala from 1986-87 to 2023-24

Year	Number of Documents registered	Collection of Revenue (Rs. in crores)			Annual Growth
		Stamp Duty	Registration Fees	Total	
1986-87	981358	45.73	10.46	56.19	
1987-88	919492	55.99	12.38	68.37	21.68
1988-89	908556	64.03	13.92	77.95	14.01
1989-90	861136	77.62	16.23	93.85	20.40
1990-91	875898	85.96	17.50	103.46	10.24
1991-92	1051515	115.09	20.36	135.45	30.92
1992-93	1042801	145.82	23.67	169.49	25.13
1993-94	1157958	176.52	29.35	205.87	21.46
1994-95	1106359	226.07	39.28	265.35	28.89
1995-96	1288800	239.33	77.96	317.29	19.57
1996-97	1225698	237.20	78.37	315.57	-0.54
1997-98	1094843	206.42	72.68	279.10	-11.56
1998-99	1040383	219.09	76.42	295.51	5.88
1999-00	1195117	242.93	91.75	334.68	13.26
2000-01	1161392	281.28	104.12	385.40	15.15
2001-02	943366	312.84	106.19	419.03	8.73
2002-03	1092255	395.90	131.05	526.95	25.75
2003-04	1202958	419.13	163.73	582.86	10.61
2004-05	1367244	429.62	244.49	674.11	15.66
2005-06	1138452	792.00	196.24	988.24	46.60
2006-07	1289176	1125.33	257.75	1383.08	39.95
2007-08	1305013	1531.99	340.90	1872.89	35.41
2008-09	1268165	1516.79	349.03	1865.82	-0.38
2009-10	1188258	1404.87	326.71	1731.58	-7.19
2010-11	1253786	1727.66	601.56	2329.22	34.51
2011-12	1310573	2017.30	755.77	2773.06	19.06
2012-13	851525	2034.55	713.00	2747.58	-0.92
2013-14	1179064	1577.49	775.98	2353.49	-14.34
2014-15	1053918	1625.43	764.79	2390.23	1.56
2015-16	973410	1707.06	824.83	2531.88	5.93
2016-17	870487	1892.68	761.01	2653.71	4.81
2017-18	898599	2278.79	881.09	3159.89	19.07
2018-19	878270	2419.73	896.33	3316.07	4.94
2019-20	831331	2348.76	880.52	3229.28	-2.62
2020-21	762681	2254.25	876.06	3130.31	-3.06
2021-22	926487	3246.81	1185.07	4431.89	41.57
2022-23	1036863	4138.57	1523.54	5662.11	27.75
2023-24	886065	3819.86	1399.49	5219.34	-7.82

Source: Administrative Report, Department of Registration, Government of Kerala

The table depicts a non-linear trend in growth. It shows a fluctuating trend in spite of its increase from 9,81,358 in 1986-87 to the maximum of 13,10,573 in 2011-12. After that, it decreased to 8,70,487 in 2016-17. In 2011-12, the number of documents registered in the state was at an all-time high. The total number of documents registered in 2016-17 was low, compared to 1986-87, but the revenue generated in 2016-17 is many times higher than that of 1986-87. This shows the fact that there was an upward spiral in land prices throughout Kerala. The number of documents registered showed an increasing trend after the ever-time low in 2020-21, mainly due to the Covid-19 pandemic situation, and touched the 10 lakhs again in 2022-23 (1036863). The revenue generated during this period was also ever time high (5662.11 crores). After that, in terms of the number of documents registered and also in terms of revenue generated, the state experienced a declining trend. This is mainly due to the slowdown in economic activities in the state and also the hike in the

fair value of land by 20% by the state government. It may be noted that the values reported in the documents are highly underestimated, and thereby, it is not the real reflection of the actual market price (Kurup, 2009). This enables us to substantiate the argument that there occurred an average increase in the land price of 300 per cent in the land market in some cities in Kerala (Economic Review, GoK, 2013).



Source: Administrative Report, Department of Registration, Government of Kerala

Figure 1: Revenue generated from land Transactions in Kerala from 1986-87 to 2023-24

The total Revenue (Stamp duty + registration fee) collected from land transactions in Kerala increased from 56.19 crores in 1986-87 to 2,653.71 crores in 2016-17. A marked uptrend in revenue except for the periods 2008-11 and 2012-15. One can easily find a reason for this fall in revenue; the first is mainly due to the global financial crisis and slowdown, and the latter is due to the Gulf crisis and shortfall in remittances.

DATA SOURCES AND METHODOLOGY

The study employs the collection and analysis of both time series data from secondary sources and cross-sectional primary data. The time series data on land transactions were collected from the original registers maintained by the Department of Registration (Government of Kerala) and also from the concerned Village Offices. which were covered under the Sub Registrar's Offices (SRO). To evaluate the major factors responsible for the rising trend of land value in Kerala, the data from various secondary sources, such as the Economic Survey, Economic Review, Census data, NSSO data, Agricultural Statistics, etc., are used. The cross-sectional primary data are collected with a well-prepared two-tier interview schedule from the study area. The study is taken up in the urban, rural-urban fringe (suburban) and rural areas of the three regions of Kerala, that is Thiruvananthapuram, Ernakulam and Kozhikode. The period 1990-91 saw the commencement of new economic policies, which increased the demand for land in India and Kerala in particular. We, therefore, chose the year 1990 as the starting point of our analysis. The selection of the terminal year 2015 is governed by the availability of the latest data at the time of data collection.

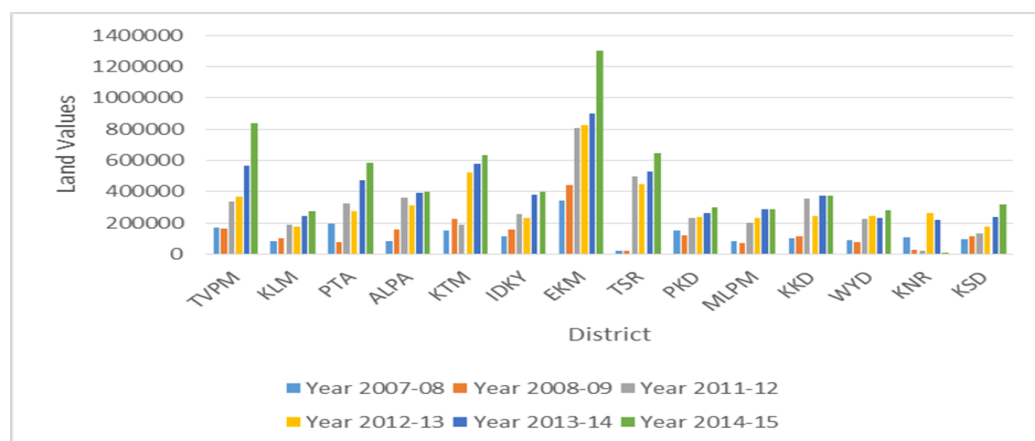
From the analysis of the mean value of sale deed transactions in Kerala (table 2) from 2007-08 to 2014-15, it is clear that the mean value is highest in Ernakulam district, followed by Thiruvananthapuram district.

Table 2: Mean value of sale deed land transactions in Kerala from 2007-08 to 2014-2015

District	Year					
	2007-08	2008-09	2011-12	2012-13	2013-14	2014-15
Thiruvananthapuram	1,72,084	1,65,474	3,36,022	3,66,113	5,68,650	8,34,937
Kollam	83,550	99,506	1,88,725	1,78,101	2,42,100	2,74,782
Pathanamthitta	1,93,909	79,511	3,22,695	2,77,739	4,75,008	5,86,005
Alappuzha	83,077	1,57,843	3,59,905	3,11,576	3,91,818	3,98,648
Kottayam	1,50,904	2,27,597	1,91,663	5,21,979	5,75,925	6,36,161
Idukki	1,16,238	1,56,818	2,58,618	2,32,523	3,80,815	3,98,463
Ernakulam	3,40,591	4,42,967	8,05,718	8,23,767	8,99,444	13,02,621
Thrissur	19,637	22,452	5,00,230	4,47,387	5,28,352	6,44,639
Palakkad	1,50,478	1,17,831	2,34,227	2,38,055	2,65,926	2,98,021
Malappuram	85,339	73,639	2,02,836	2,29,019	2,86,627	2,85,617
Kozhikode	99,565	1,15,225	3,52,971	2,45,651	3,75,645	3,75,597
Wayanad	91,496	80,016	2,28,920	2,43,648	2,30,344	2,78,899
Kannur	1,09,284	27,548	24,067	2,65,086	2,18,992	8,303
Kasaragod	96,402	1,14,100	1,31,524	1,77,761	2,37,391	3,17,243
Total	17,92,554	18,80,527	41,38,121	45,58,405	56,77,037	66,39,936

Source: Administrative Report, Department of Registration, Government of Kerala

In Ernakulam, it varied from 340591 in 2007-08 to 1302621 in 2014-15. In the case of Thiruvananthapuram district, the mean value varied from 172084 in 2007-08 to 834937 in 2014-15. The mean value increased from 17,92,554 in 2007-08 to 66,39,936 in 2014-15, while taking Kerala as a whole. These figures themselves show the extent of land market expansion and land value hike in Kerala.



Source: Administrative Report, Department of Registration, Government of Kerala

Figure 2: Mean value of sale deed land transactions in Kerala from 2007-08 to 2014-2015

Another way to substantiate the hike in the land price of Kerala is to compare the mean value (price of a land/cent) of sale deeds from 2007-08 to 2014-15 (figure 2). The average price of land varies from one place to another due to locational specificities. The average value per cent is found to be increasing in almost all districts in Kerala at a higher rate than the increase in the general price level. Several studies have brought out the high degree of negative correlation between the average area marketed and the unit price of land. This inverse relationship is explained in terms of the 'size effect' or 'scale effect' of the commodity marketed. That means the quantity of land offered for sale is larger in size, and the unit price offered is likely to be less. On the other hand, when the size is small, the plot is likely to fetch a higher price. This issue gained significance when the demand for land for housing needs intensified. This phenomenon is fairly visible in Kerala, as there

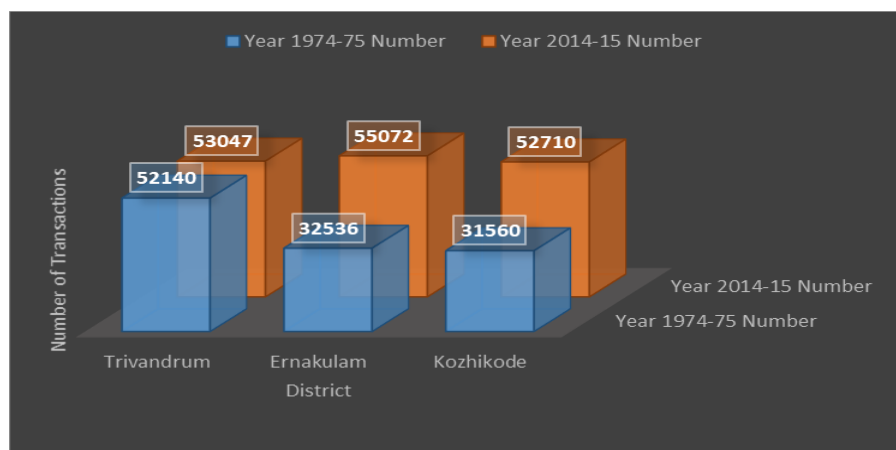
is a rural-urban continuum demonstrated by widespread housing construction throughout the state (Baiju, 2007).

Table 3: Number of sale deeds and mean value in major districts of Kerala (1974-75 to 2014- 15)

District	Year					
	1974-75			2014-15		
	Number of Sale Deed Transactions	Value (in crores)	Mean Value	Number of Sale Deed Transactions	Value (in crores)	Mean Value
Trivandrum	52140	14.30	2743	53047	4429.09	834937
Ernakulam	32536	9.55	2936	55072	7173.79	1302621
Kozhikode	31560	7.25	2298	52710	1979.77	375597
Total	116236	31.10	7977	160829	13582.66	2513155

Source: Administrative Report, Department of Registration, Government of Kerala

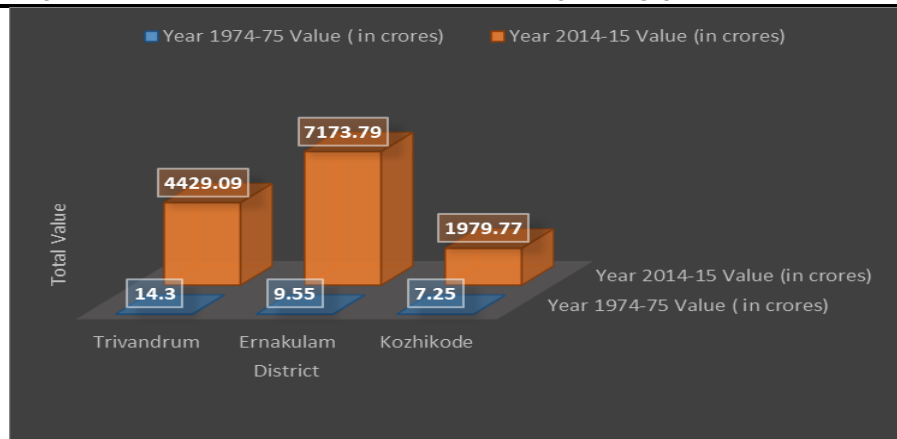
It is clear from the table that among the sample districts, in terms of the number of sale deeds, the total value of the transaction and also the mean value, the Ernakulam district is placed first, followed by the Thiruvananthapuram district, and the Kozhikode district is in third place as per the 2014-15 registration data. As per 1974-75 registration data, the case is slightly different from 2014-15, except that, in terms of the mean, Thiruvananthapuram district ranks first in the number of sale deeds and in the total value of transactions. Ernakulam and Kozhikode were in the second and third places.



Source: Administrative Report, Department of Registration, Government of Kerala

Figure 3: Number of sale deeds in the sample districts of Kerala from 1974-75 to 2014- 15

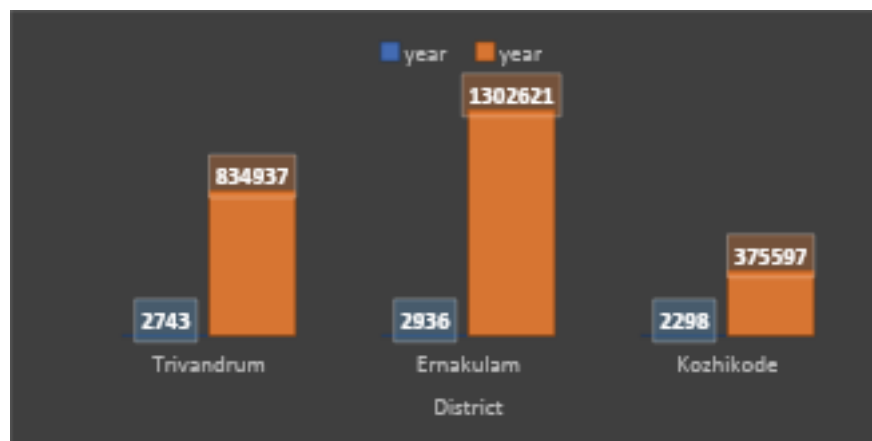
A comparative analysis of number of sale deeds in the sample districts of Kerala from 1974-75 to 2014-15 reveals that in Thiruvananthapuram district, the number of sale deeds increased from 52140 in 1974-75 to 53047 in 2014-15, from 32536 in 1974-75 to 55072 in 2014-15 in the Ernakulam district, and also from 31560 in 1974-75 to 52710 in 2014-15 in Kozhikode district. Ernakulam district is first, followed by Thiruvananthapuram, and Kozhikode is the least in terms of the number of sale deeds registered in 2014-15



Source: Administrative Report, Department of Registration, Government of Kerala

Figure 4: Total value of sale deeds in the sample districts in Kerala from 1974-75 to 2014- 15

In the case of total value of sale deeds, it also follows the same pattern as above. The total value of sale deeds in Ernakulam district is 7,173.79 crores, which is greater than Thiruvananthapuram (4,429.09 crores) and Kozhikode (1,979.77 crores). Compared to 1974-75, it increases from 14.3 crores to 4,429.09 crores in Thiruvananthapuram district, from 9.55 crores to 7173.79 crores in Ernakulam district and from 7.25 crores to 1,979.77 crores in Kozhikode district.



Source: Administrative Report, Department of Registration, Government of Kerala

Figure 5: Mean value of sale deeds in the sample districts in Kerala from 1974-75 to 2014- 15

The mean value of sale deeds increased from 2,936 to 13,02,621 in the Ernakulam district, from 2,298 to 3,75,597 in the Kozhikode district, and from 2,743 to 8,34,937 in the Thiruvananthapuram district during the period from 1974-75 to 2014-15. In this case, the highest mean value is in Ernakulam, followed by Thiruvananthapuram and then by Kozhikode district.

From the above analysis, one can come to the conclusion that the value of land has increased in Kerala over the years. There are a lot of economic and site-specific factors which fueled the increase in land value in Kerala. The growth in the volume of transactions, their mean value and the revenue generated from these transactions showcased the fact that the value of land increased widely all over Kerala. Taking into account the registration details of the sample districts, it would be understood that in terms of the number of sale deed transactions, its total value and also its mean value, there is a huge increase in all the study areas, and it follows the pattern that Ernakulam is first, followed by Thiruvananthapuram and then by Kozhikode district.

This trend is brilliantly analysed in its social perspective by G. Gopikuttan (2002). The hectic house construction spree and related sale of land were important features in this scenario. Break-up of joint families and shift to nuclearization of families, Gulf remittance and various types of house construction projects, all contributed to this. This trend is alarmingly visible during 1980-1990s. Among the wealthy landowning sections, the trend to sell the land to mobilize money for business ventures, small-scale industries, to operate bus/lorry services and also for conducting extravagant wedding ceremonies and to find ways to meet increasing dowry resulting in a debt trap, also contributed to selling the land.

MAJOR DETERMINANTS OF LAND VALUE IN KERALA

As mentioned earlier, there are a lot of economic and site-specific factors that influence the value of land in Kerala. The site-specific factors include its size, accessibility to road, water, electricity, and the nature of the land, etc. These are mainly non-economic in nature. The following section explains the important determinants of rising land values in Kerala.

1. URBANIZATION

Urbanization is one of the most important factors that influences the demand for land and thereby affects the value of land in Kerala. Urbanization is a global phenomenon in which a substantial segment of the population is concentrated in urban areas of the country. The level of urbanization and its rate of growth are taken as important indicators of the socio-economic development of a country.

Kerala is one of the states in India with a high level of urbanization. There are different factors leading to urbanization over time. Naturally, people move from rural to urban areas mainly because of their subsistence in terms of basic necessities such as food, shelter, clothes, education, job, income, protection, better living in terms of convenience and comforts, etc. The shifting of the workforce from agriculture to the tertiary sector is the main reason for the high urbanization in Kerala (Economic Review, GoK 2012). Generally, the increase in the growth rate of the urban population is the result of over-concentration in the urban centres of existing cities, especially metropolitan cities. As an exception to other states in India, the main reason for the urban population growth in Kerala is not the concentration of population into the existing urban areas, but the increase in the number of urban areas and also the urbanization of the fringe areas of the existing major urban centres.

As per the 2001 Census, Kerala was ranked 19th in the level of urbanization among Indian states and has improved its position to 9th rank in the 2011 census. With a percentage increase of 83.82 over the previous decade, Kerala has undergone the highest level of urbanization in its history during the period 2001-2011. The 2011 Census sets the urban content of Kerala at 47.71 per cent with a decadal growth rate of 82.23 per cent.

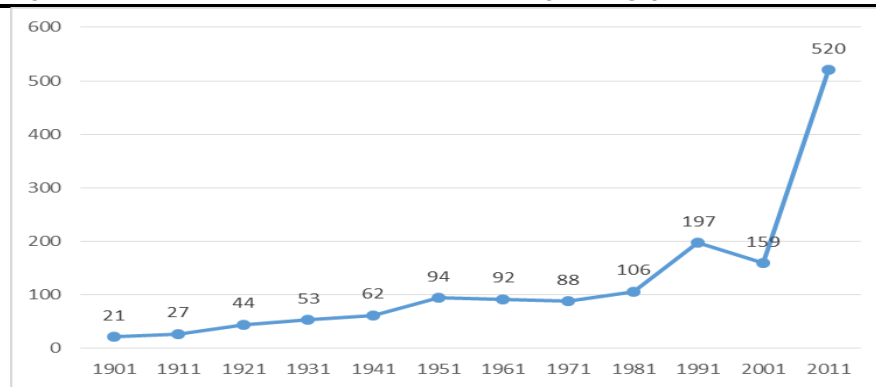
Table 4: Trends of Urbanization in Kerala from 1901 to 2011

Year	No. of UAs	No. of Towns	Total Population	Total Urban Population	Level of Urbanization	Decennial Urban growth		Annual Exponential Growth Rate(urban)
						Absolute	%	
1901	-	21	6396262	454499	7.11	-	-	-
1911	-	27	7147673	524661	7.34	70162	15.44	1.44
1921	-	44	7802127	680900	8.73	156239	29.78	2.61
1931	-	53	9507050	916330	9.64	235430	34.58	2.97
1941	-	62	11031541	1195550	10.84	279220	30.47	2.66
1951	-	94	13549118	1825832	13.48	630282	52.72	4.23
1961	-	92	16903715	2554141	15.11	728309	39.89	3.36
1971	-	88	21347375	3466449	16.24	912308	35.72	3.05
1981	9	106	25453680	4771275	18.74	1304826	37.64	3.19
1991	16	197	29098518	7680294	26.39	2909019	60.97	4.76
2001	17	159	31841374	8266925	25.96	586631	7.6	0.74
2011	19	520	33387677	15932171	47.72	7665246	92.72	6.56

Source: Various Census Reports

The above table gives a clear idea of the trends of urbanization in Kerala for the period from 1901 to 2011. In order to understand the level of urbanization, here we discuss the various factors such as urban population and their percentage to total population, urban agglomeration, number of census towns, decennial urban growth rate and exponential urban growth rate from the 1901 census to the current census.

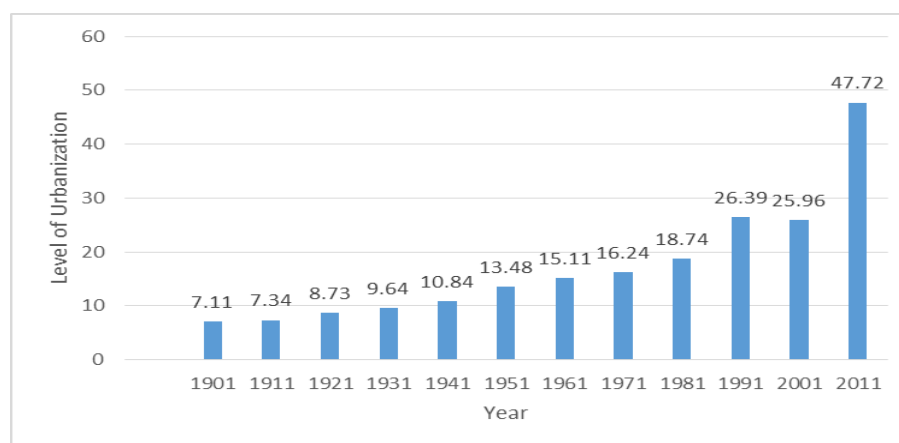
The concept of urban agglomeration was evolved in the 1971 census, and for the first time in 1981, nine urban agglomerations were formed in the State of Kerala. After that, its number increased to 16 in the 1991 census and 17 in the 2001 census. Finally, at present, we have 19 urban agglomerations as per the 2011 census. In the case of several towns, it increased from 21 in the 1901 census to 159 in the 2001 census, and after that, it increased tremendously in the 2011 census to 520. This shows that there are 362 new towns newly formed in the state from 2001-2011. From 1901-2001, for a period of 100 years, there were only 290 towns newly formed, whereas during the last decade of 2001-2011, 362 towns were added to the total. There is a 25 per cent increase in excess of what was accumulated during 1901-2001. This again offers a picture that Kerala experienced the highest expansion in the number of towns in the last decade, from 2001-2011. The decennial growth rate of the urban population increases steadily from 1901 to 1941, except for the decade 1931-1941. During this decade, the growth rate fell from 34.58 per cent to 30.47 per cent. But after that, there was an explosion to 52.72 per cent during 1941-1951. This is mainly attributed to the formation of the state of Kerala by amalgamating three princely states of Travancore, Kochi and Malabar. In the 2011 census, the decennial urban growth of population was 92.72. Kerala experienced the highest level of urban growth in population during this decade.



Source: Various Census Reports

Figure 6: Growth of Towns in Kerala from 1901 to 2011

In Kerala, the increase in the number of statutory towns is nominal, whereas the increase in census towns and outgrowths is high (figure 6). This is an indication of the peculiar pattern of urbanization occurring in Kerala, viz., spreading rather than concentration (Economic Review, GoK, 2012). In the last decade, the growth of the urban population was 92.72 per cent, adding 7.7 million urban population to the total, indicating a high degree of urbanization in the State. In the case of the annual exponential growth rate, which was only 1.44 per cent in 1911 has increased to more than fourfold in 2011 with 6.56 per cent.



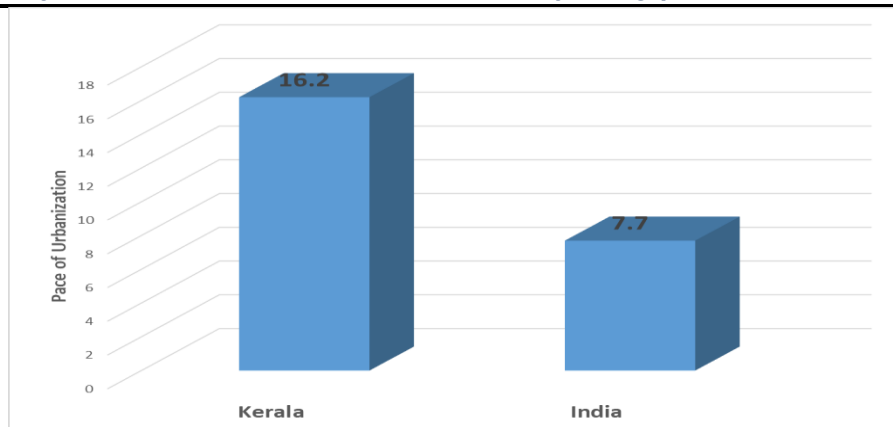
Source: Various Census Reports

Figure 7: Trends of urbanization in Kerala from 1901 to 2011

The above figure shows the level of urbanization from 1901 to 2011. The level of urbanization increased from 7.11 per cent in 1901 to 47.72 per cent in 2011. Such a high degree in the level of urbanization shows the extent of urbanization in Kerala. What is interesting is that the level of urbanization increased to 47.72 per cent from 25.96 per cent in the last decade itself.

1.1 Pace of Urbanization

The pace of urbanization refers to the speed of urbanization and it is measured as the change registered in the level or degree of urbanization over the years. When we compared India with many developing countries in the case of urbanization, the pace of urbanization in India is very low (Economic Review, Gok, 2012). Among the total population of India, added within a period of fifty years (1961-2011), which is 77,09,58,651, the total number of urban population is 29,81,69,157. The average pace of urbanization in India during this period is 7.7 per cent, whereas in Kerala it is 16.2 per cent, which means Kerala has added urban population at an average pace of more than double that of the nation.



Source: Department of Town & Country Planning, Kerala, 2012.

Figure 8: Pace of Urbanization in India and Kerala as per 2011 Census

The history of population growth rate in Kerala shows that the growth rate of the urban population has always been greater than that of the total population. This is an indication of the very high pace of urbanization the state is experiencing.

1.2 Urban Population Density

The urban population density shows the number of people in the urban population per square kilometre in urban areas. The change in population density over time often gives an insight into the ability of an area to attract people into it. The main reasons for the increase in population in an area are either a natural increase in population or net migration into that area.

Table 5: Urban Population density of Kerala from 1961-2001

Year	Urban Population Density (Persons/ Sq.km)	Total Population Density (Persons/ Sq.km)
1961	2203.81	434.51
1971	2596.53	549.3
1981	2649.15	654.96
1991	2282.51	748.75
2001	2542.21	819.32

Source: Census (various years)

The density of population in urban areas varies from 2203.81 in the 1961 census to 2,542.21 in the 2001 census. There is no significant change in the urban population density of Kerala over the years. At the same time, the population increased, and the level of urbanization increased tremendously. This shows the fact that more and more fringe area get converted into urban areas and also the spread of urbanization rather than a concentration in Kerala.

1.3 Degree of Urbanization by Districts

A district-wise analysis of the distribution of the urban population (table 6) shows that Ernakulam district has the largest percentage of urban population (14 per cent), followed by Thrissur (13.1 per cent) and then by Kozhikode district with 13 per cent as per the 2011 census. Wayanad is the lowest with an urban population of 0.2 per cent.

Table 6: Degree of Urbanization by Districts from 1961 to 2011

Districts	1961	1971	1981	1991	2001	2011	Rank in 2011
Thiruvananthapuram	25.7	26.0	25.3	33.9	33.8	53.80	6
Kollam	8.0	7.9	13.2	18.6	18.0	45.11	7
Pattananthitta	-	-	5.5	13.1	10.0	11.00	12
Alappuzha	15.9	16.9	15.9	30.5	29.4	54.06	5
Kottayam	12.6	13.6	9.5	17.6	15.4	28.58	10
Idukki	-	3.3	4.6	4.7	5.1	4.70	13
Ernakulam	23.3	29.4	39.6	48.8	47.7	68.1	1
Thrissur	11.0	11.7	21.1	26.3	28.2	67.19	2
Palakkad	10.9	12.7	10.1	15.8	13.6	24.09	11
Malappuram	5.5	6.7	7.4	9.1	9.8	44.19	8
Kozhikode	27.0	30.8	27.2	38.3	38.3	67.15	3
Wayanad	-	-	-	3.4	3.8	3.9	14
Kannur	17.8	14.5	23.4	50.9	50.5	65.05	4
Kasaragod	-	-	4.9	16.5	19.4	38.78	9
Kerala	15.1	16.2	18.7	26.4	25.9	47.72	

Sources: Various Census Reports

Notes: Idukki district was formed during the 1971 census. Kasaragod and Pathanamthitta districts were formed during the 1981 census, and Wayanad district was formed during the 1991 census.

Kerala's urbanization is not in tune with physical manifestation, which means that the state experienced a high level of urbanization as against low population growth rate. There is a unique settlement pattern all over Kerala with the rural-urban continuum. The rapid growth of census towns shows the peculiar nature of urbanization in Kerala by spreading rather than concentrating. In Kerala, the population density of urban areas is higher than that of its rural areas. Compared to other states population density of urban areas of Kerala is less, and at the same time, rural Kerala shows comparatively higher population density. The high rate of growth of the urban population, with zero increase in population density of the urban areas of the state, shows that the state is experiencing urban spread rather than its concentration. As a result of this, more and more rural areas are becoming urban areas over time. This is the type of urbanization experiencing the state over the years.

2. POPULATION GROWTH

The population of Kerala is 3.34 crores as per the 2011 Census, constituting 2.7 per cent of the total population of India. Compared to other states and Union territories in India, the annual population growth rate of Kerala is very low (0.5%). In addition to that, the decadal growth rate of Kerala is estimated at 4.9 per cent, which is also the lowest among other Indian states. At the same time, the decadal growth rate of India is 17.6 per cent. This growth trend shows that Kerala is moving towards zero or even negative population growth (Kerala Development Report, 2010).

Table 7: Population Figures for India and Kerala from 1901-2011 (in thousands)

Year	Population		Percent-Decadal Change	
	Kerala	India	Kerala	India
1901	6396	238396	-	-
1911	7147	252093	11.74	5.75
1921	7802	251321	9.16	-0.31
1931	9507	278977	21.85	11.00
1941	11031	318661	16.03	14.22
1951	13549	361088	22.82	13.31
1961	16903	439235	24.75	21.64
1971	21347	548160	26.69	24.80
1981	25453	683329	19.23	24.66
1991	29098	846303	14.32	23.85
2001	31838	1028610	9.41	21.54
2011	33388	1210200	4.9	17.6

Source: Census of India 1951 to 2011

Historically, Kerala is experiencing very low population growth rate when compared to the population growth rate of India. The decline in growth rate was contributed partly by a fall in fertility and partly by out-migration, and also by awareness among the people due to a high literacy rate. Kerala has been an out-migration state since the 1930s, and the rate of net out-migration reached its peak during 1981-91 (Economic Review, Gok, 2012).

Regional variations in population show that Malappuram district has the highest in the case of the size of the population, followed by Thiruvananthapuram as per the 2011 census. The last four Censuses (2011, 2001, 1991, 1981) show that Malappuram district has the largest share of population (12.3%), followed by Thiruvananthapuram (9.8%). Thrissur and Kozhikode districts follow with nine per cent. Wayanad is the lowest with the smallest share of the population (2.4%)

Table 8: District Wise Population Details in Kerala 1951-2011

District	Population in 1951	Population in 2011	Increase in population in 60 years	Average annual population growth
Thiruvananthapuram	1327812	3307284	149	25
Kollam	1141409	2629703	130	22
Pathanamthitta	615244	1195537	94	16
Alappuzha	1206938	2121943	76	13
Kottayam	980577	1979384	102	17
Idukki	416611	1107453	166	28
Ernakulam	1389217	3279860	136	23
Thrissur	1362665	3110327	128	21
Palakkad	1206587	2810892	133	22
Malappuram	1171217	4110956	251	42
Kozhikkode	1253627	3089543	146	24
Wayanad	194298	816558	320	53
Kannur	871801	2525637	190	32
Kasargod	415063	1302600	214	36

Source: Census Data

The district-wise rural and urban population in Kerala shows that there is a high degree of regional variation in the case of intensity of urbanization.

Table 9: District-wise rural and Urban Population in Kerala in 2011

District	Population 2011			% of Urban Population
	Rural	Urban	Total	
Thiruvananthapuram	152803	1779254	3307284	53.8
Kollam	1443363	1186340	2629703	45.1
Pathanamthitta	1064076	131461	1195537	11.0
Alappuzha	974916	1147027	2121943	54.1
Kottayam	1413773	565611	1979384	28.6
Idukki	1055428	52025	1107453	4.7
Ernakulam	1047296	2232564	3279860	68.1
Thrissur	1020537	2089790	3110327	67.2
Palakkad	2133699	677193	2810892	24.1
Malappuram	2294473	1816483	4110956	44.2
Kozhikkode	1014765	2074778	3089543	67.2
Wayanad	784981	31577	816558	3.9
Kannur	882745	1642892	2525637	65.0
Kasaragod	7974424	505176	1302600	38.8

Source: Census 2011

From the table, it is clear that the percentage of the population is highest in Ernakulam (68.1%), followed by Kozhikode (67.2%) and Thrissur (67.2%). Wayanad is the lowest.

2.1 Density of Population

The density of the population shows the population per square kilometre. The density of population in Kerala, as per the 2011 census, is 860 persons/sq.km. Compared to the all-India level, this density is very high. The density of India is 382. The density of population in Kerala varied from 349 in 1951 to 860 as per the 2011 census.

Table 10: District wise Density of Population in Kerala from 1951-2001

District	1951	1961	1971	1981	1991	2001	2011
Thiruvananthapuram	606	796	1003	1184	1344	1476	1508
Kollam	320	421	522	609	967	1038	1061
Pathanamthitta	*	*	*	*	450	468	452
Alappuzha	806	959	1129	1248	1415	1492	1504
Kottayam	514	596	698	770	828	885	895
Idukki	66	115	151	192	236	259	255
Ernakulam	579	705	899	1053	963	1012	1072
Thrissur	463	557	702	805	903	981	1031
Palakkad	271	306	376	456	532	584	627
Malappuram	324	391	523	677	872	1021	1157
Kozhikode	476	598	777	957	1118	1228	1316
Wayanad	79	129	194	260	315	366	384
Kannur	265	341	451	565	759	812	852
Kasaragod	*	*	*	*	538	604	657
Kerala	349	435	549	655	749	819	860

Source: Census reports for various years, Office of the Registrar General and Census Commissioner, India

* District not formed

In the case of the density of population, Thiruvananthapuram is the most densely populated district (1508), followed by Alappuzha district (1504), and then by Kozhikode district (1316). Idukki is the least populated district.

3. REMITTANCES

The price of land should have further increased as a result of an increase in the inflow of remittances across the globe. Remittances had a very significant impact on the State's economy, on its GSDP and the living conditions of its people. The impact of remittances on the Kerala economy is manifested in household consumption, savings and investment, the quality of houses, and the possession of land and the state-of-the-art consumer durables. It also plays a major role in enhancing the quality of life and contributes to a high Human Development Index for Kerala in terms of education and health, along with the reduction of poverty and unemployment (K.C. Zachariah and S. Irudaya Rajan, 2008). There are several studies that shows that the remittance received in Kerala is mainly invested in the purchase of land and the construction of houses. This trend of investment has undergone a slight change recently and diverted to financial assets and to real estate sectors (Gulathi, 1986). The investment of this huge remittance in land increases the demand for land and thereby its value all over Kerala. In short, remittances play an important role in the rising land values in Kerala.

Table 11: Estimated Remittances to Kerala from 1991-2014

Year	Remittances in Crores
1991	3025
1992	3882
1993	6084
1994	7069
1995	9521
1996	10761
1997	10817
1998	13652
1999	14438
2000	15732
2001	17362
2002	18465
2003	19797
2004	21251
2005	22828
2006	24526
2007	30122
2008	43288
2011	49695
2014	71142

Source: K.C. Zachariah and S. Irudaya Rajan, CDS

The above table shows the trend in remittances to Kerala between 1991 and 2014, indicating a continuous growth of remittances. In 1991, the remittances were 3,025 crores. It increased to 71,142 crores in 2014.

4. NET STATE DOMESTIC PRODUCT (NSDP)

Another important factor that influences the value of land is the growth in the NSDP of the State. It is an important indicator of an economy's prosperity and growth. A growth in the NSDP of an economy means the growth and development of its citizens are in terms of its standard of living and purchasing power. In Kerala, the NSDP of the state shows a steady growth from 1987-88 onwards. These growth trends in NDP may reflect on the value of land in Kerala. As per the quick estimate of the NSDP at factor cost at constant prices (2011-12) is 4,26,13,173 lakhs during 2015-16.

Table 12: Growth of NDP from 1970-71 to 2015-16 in Kerala

Year	NSDP (lakhs)	Base year	Year	NSDP (lakhs)	Base year
1970-71	2511689	1999-00	1993-94	4520615	“
1971-72	2615796	“	1994-95	4873170	“
1972-73	2687176	“	1995-96	5060320	“
1973-74	2708904	“	1996-97	5252987	“
1974-75	2685993	“	1997-98	5426516	“
1975-76	2844916	“	1998-99	5789213	“
1976-77	2718894	“	1999-00	6135933	“
1977-78	2770542	“	2000-01	6290863	“
1978-79	2800938	“	2001-02	6605203	“
1979-80	2828390	“	2002-03	7088517	“
1980-81	3019847	“	2003-04	7547905	“
1981-82	2861385	“	2004-05	10477605	2004-05
1982-83	2963008	“	2005-06	11549986	“
1983-84	2814532	“	2006-07	12462466	“
1984-85	2941207	“	2007-08	13574746	“
1985-86	3053190	“	2008-09	14409392	“
1986-87	2984140	“	2009-10	15712270	“
1987-88	3043408	“	2010-11	16717844	“
1988-89	3354347	“	2011-12	32802112	2011-12
1989-90	3510572	“	2012-13	34861581	“
1990-91	3747812	“	2013-14	36470677	“
1991-92	3885547	“	2014-15	39370155 (P)	“
1992-93	4117184	“	2015-16	42613173 (Q)	“

Source: Economic Review, Various years, Kerala State Planning Board

P- Provisional Estimate, Q: Quick Estimate

From the table, it is clear that the Net Domestic Product of the State (NSDP) increased from 25,11,689 lakhs in 1970-71 to 4,26,13,173(Q) lakhs in 2015-16. The NDP had shown an upward trend from 37,47,812 lakh in 1990-91 to 4,26,13,173(Q) lakh in 2015-16. This growth of NSDP resulted in a rise in the real income of the people. In order to meet one of his necessities, such as shelter, people invest this increased real income in land. This increases the demand for land and thereby the value of land in Kerala.

CONCLUSION

The land market and its price variations occupy a unique place in the socio-economic conditions of human life. The importance of land as a factor of production and its varied dimensions have been changing over time due to its use pattern, nature of holdings, mode of transfer and ownership. Kerala experienced a tremendous increase in land value mainly because of the influence of the above-mentioned determinants of land value. The important determinants are urbanization, population growth, remittance, growth of SDP, etc. These factors, together with the inelastic nature of land associated with its economic and site-specific determinants, make this area more complex and dynamic.

REFERENCE

1. *Administrative Report* (various years), published by the Department of Registration, Government of Kerala.
2. Baiju K.C (2007), *Dynamics of Land Market in Kerala, India*, Mittal Publishers, New Delhi.
3. *Economic Review* (Various years), Kerala State Planning Board, Government of Kerala.
4. Gulati, I. S., & Mody, A. (1983). *Remittances of Indian Migrants to the Middle East: An Assessment with special reference to migrants from Kerala State*, Centre for Development Studies (CDS), Thiruvananthapuram.
5. Gopikuttan G,(2002), *Public Housing Schemes for Rural Poor in Kerala: A critical study of their suitability*, *Kerala Research Programme on Local Development*, Centre for Development Studies (CDS), Thiruvananthapuram.
6. Kurup (2009), *land Market responses to economic recession in Kerala*, Centre for Development Studies (CDS), Thiruvananthapuram.
7. Kerala Development Report (2010), Published by the Kerala State Planning Board, Government of Kerala.
8. Mathunny, M.V. (1992), *Land Market in Kerala*, University of Kerala, Thiruvananthapuram.
9. *Population Censuses* (Various Years), Published by the Office of the Registrar General and Census Commissioner of India, Ministry of Home Affairs, Government of India.
10. Zachariah K. C and S. Irudaya Rajan, (2010), *Migration monitoring studies, 2008 Emigration and Remittance in the context of surge in oil prices*, Centre for Development Studies (CDS), Thiruvananthapuram.