

PUNJAB VIDHAN SABHA

REPORT

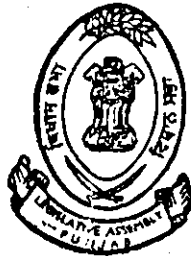
OF

THE SELECT COMMITTEE

ON

The Punjab Urban Property (Ceiling) Bill, 1972.

(Sixth Vidhan Sabha)



**PUNJAB VIDHAN SABHA SECRETARIAT,
CHANDIGARH-160001.**

April, 1973.

Printed at the Government Press, Chandigarh

CONTENTS

	PAGES
1. Composition of the Select Committee	iii
2. Report of the Select Committee	1
3. Minutes of Dissent	6
4. Bill as introduced in the Vidhan Sabha and the Bill as amended by the Select Committee	7
5.- Appendices—	
I. Motion adopted by the Punjab Vidhan Sabha for reference of the Bill to the Select Committee	23
II. Preliminary Report of the Select Committee	24
III. Second Preliminary Report of the Select Committee	25

THE PUNJAB URBAN PROPERTY (CEILING) BILL, 1972.

COMPOSITION OF THE COMMITTEE

- *1. Shri Joginder Pal Pandey, Minister of State for Local Government and Jails—*Chairman*.
- †2. Giani Arjan Singh Litt.
3. Chaudhri Darshan Singh.
4. Sardar Darshan Singh, K.P.
- †5. Sardar Dhanna Singh Gulshan.
6. Bhagat Guran Das Hans.
7. Mrs. Gurbrinder Kaur Brar.
8. Sardar Harcharan Singh.
9. Shri Kesho Ram Goel.
10. Sardar Pirthipal Singh.
11. °Shri Prem Gupta.
- ‡12. Comrade Raj Kumar.
- †13. Sardar Surjit Singh (Barnala).
14. Shri Yash Pal.
- §15. The Advocate General, Punjab.

LEGISLATIVE DEPARTMENT

Shri Joginder Singh Mander, Legal Remembrancer
Shri Inderjit Lal Ahluwalia, Joint Legal Remembrancer..

LOCAL GOVERNMENT DEPARTMENT

(Secretariat side)

Shri Joginder Singh, Secretary.

(Directorate side)

Shri R. D. Joshi, Director, Local Government.

SECRETARIAT

Shri Krishen Swaroop, Secretary.

*Under rule 219 of the Rules of Procedure and Conduct of Business in the Punjab Legislative Assembly Shri Joginder Pal Pandey, was chosen as the Chairman of the Committee.

†Resigned with effect from the 29th March, 1973.

‡Resigned with effect from the 30th March, 1973.

§Under rule 215 (2), the Advocate General is the member of every Select Committee.

REPORT
OF
THE SELECT COMMITTEE

The Select Committee appointed by the Punjab Vidhan Sabha on the Punjab Urban Property (Ceiling) Bill, 1972, met on the 9th and 31st January, 13th, 22nd and 29th March and 3rd and 4th April, 1973, in the Committee Room of the Punjab Vidhan Sabha Secretariat, Vidhan Bhavan, Chandigarh.

After a general discussion on the provisions of the Bill the Select Committee considered the Bill clause by clause and made the following observations:—

ENACTING FORMULA

In line 2, for "Twenty-third" substitute "Twenty-fourth"

CLAUSE 1

Sub-clause (1)

In line 2, for "1972" substitute "1973".

Sub-clauses (2) and (3)

Approved.

CLAUSE 2

Approved.

CLAUSE 3

Parts (a) to (d)

Approved.

Part (e)

This part shall be substituted by the following :

“(e) ‘Urban Property’ means all land and buildings (including any rights therein) situated in the State of Punjab in any local area which is comprised within the local limits of a Municipality or a Notified Area Committee, or in such other area as may be specified by the Government by Notification in this behalf but does not include—

- (i) any agricultural land assessed to land revenue;
- (ii) any building or land used for the purpose of any trade, commerce, business or industry and any plant, machinery or other fixture affixed to or contained in any such land or building.”.

CLAUSE 4

Sub-clauses (1) and (2)

Approved.

New Sub-clause

After the existing sub-clause (2), add the following new sub-clause and re-number the subsequent sub-clauses accordingly:—

“(3) Where a joint Hindu family owns urban property, then the rights and interests of any person in such property on the basis of his share in such property shall also be taken into account in determining the value of urban property owned by such person and for this limited purpose the joint Hindu family shall be deemed to have been partitioned”.

Existing sub-clause (3) [renumbered sub-clause (4)]

In line 3, between “property” and “on the basis”, insert “then, the right or interest of any person in such property”.

Existing sub-clause (4) [renumbered sub-clause (5)]

- (i) in line 4 for “his” occurring between “bears to” and “income” substitute “the” ;
- (ii) at the end add “and shall be taken into account in determining the value of the urban property owned by such person.”.

Existing sub-clause (5) [renumbered sub-clause (6)]

Approved.

New sub-clause

After the existing sub-clause (5) [renumbered sub-clause (6)] add the following new sub-clause (7) :—

“(7) For the purpose of determining the ceiling limit any urban property transferred by way of sale, gift, exchange or otherwise by any person on or after the 26th September, 1971 and before the commencement of this Act shall be deemed to be owned by such person.”.

CLAUSE 5

Approved.

CLAUSE 6

Sub-clause (1)

In line 6, between “him” and “and” insert “in the State of Punjab”.

Sub-clauses (2) to (5)

Approved.

CLAUSES 7 TO 10

Approved.

CLAUSE 11

In line 4, delete "declared under section 9 to be".

CLAUSES 12 TO 14

Approved.

CLAUSE 15

Sub-clauses (1) to (3)

Approved.

Sub-clause (4)

(i) Part (a)

Approved.

(ii) Part (b)

In line 4, for "sixty" substitute "fifty".

(iii) Part (c)

(a) In line 4, for "sixty" substitute "fifty".

(b) in line 5, for "fifty per centum" substitute "forty per centum".

(iv) Part (d)

(a) In line 3, for "sixty" substitute "fifty"

(b) in line 4, for "fifty per centum" substitute "forty per centum".

Sub-clause (5)

Approved.

CLAUSE 16

(i) In line 1, for "120" substitute "180";

(ii) In line 2, for "10" substitute "11".

CLAUSE 17

Part (a)

In lines 2-4, for "has not beenunder section 9" substitute 'not in excess of the the ceiling limit'.

Part (b)

Approved.

CLAUSE 18

Sub-clause (1)

In line 2, delete "," occurring after "acquires".

Sub-clause (2)

Approved.

CLAUSES 19 TO 22

Approved.

CLAUSE 23

Sub-clause (1)

(i) In line 4, for "two years" substitute "one year"

(ii) in line 5, for "five" substitute "two".

Sub-clause (2)

Approved.

Sub-clause (3)

In line 3, for "five" substitute "one".

Sub-clause (4)

In line 4, for "two years" substitute "one year".

Sub-clause (5)

In line 3,—

(i) for "two years" substitute "one year" ;

(ii) for "five" substitute "two"

Sub-clause (6)

Approved.

CLAUSE 24

Approved.

CLAUSE 25

Sub-parts (i) to (v) of part (a)

Approved.

New Sub-part (vi)

After the existing sub-part (v), add the following new sub-part (vi) :—

“(vi) a society registered under the Societies Registration Act, 1860, for the promotion of literature, science, or the fine arts, or for the diffusion of useful knowledge or for charitable purpose ;”.

Part (b)

Approved.

*New parts (c), (d) and (e)*After the existing part (b), add the following ³⁵new parts—

“(c) any urban property being exclusively used as a place of public worship or public charity, such as, temples, gurdwaras, mosques, churches, dharamsalas, hospitals, dispensaries, orphanages, institutions for disabled persons, alm houses and infirmaries for the treatment of animals;

(d) any urban property being used exclusively for educational purpose including boarding houses, hostels and libraries on no profit basis, if such property is owned by the educational institution concerned;

(e) any urban property being used as a public park, play-ground, library or museum, which is open to the public;”.

Existing part (c) [renumbered part (f)] and Explanation.

Approved

CLAUSE 26

Approved.

Chandigarh—160001 :

The 9th April, 1973.

JOGINDER PAL PANDEY,

Chairman.

N. B.—Minutes of dissent have been received from Sarvshri Yash Pal and Pirthipal Singh, M. L. As., and are appended.

MINUTES OF DISSENT

I

1. In sub-clause (5) of clause 6 the words "at the commencement of this Act" be substituted by "on September 26, 1971".

2. Some reasonable relaxation should be made in the case of property being used by the owner himself, specially if the application of ceiling violates his or her private living.

April 4, 1973.

YASH PAL,
M.L.A.

II

I agree with the dissenting note submitted by Shri Yash Pal.

April 4, 1973.

PIRTHIPAL SINGH,
M.L.A.

(Bill as introduced in the Punjab Vidhan Sabha on 12th May, 1972).

(Bill as amended by the Select Committee. The amendments are under-lined or sidelined. The asterisks indicate omission.)

THE PUNJAB URBAN PROPERTY
(CEILING) BILL, 1972

THE PUNJAB URBAN PROPERTY
(CEILING) BILL, 1972

A

A

BILL

BILL

to provide for the imposition of a ceiling on urban property and for the acquisition of urban property in excess of the ceiling limit with a view to utilising such excess for public purposes and for matters connected therewith.

to provide for the imposition of a ceiling on urban property and for the acquisition of urban property in excess of the ceiling limit with a view to utilising such excess for public purposes and for matters connected therewith.

BE it enacted by the Legislature of the State of Punjab in the Twenty-third Year of the Republic of India as follows :—

BE it enacted by the Legislature of the State of Punjab in the Twenty-fourth Year of the Republic of India as follows :—

1. (1) *Short title, extent and commencement.*—This Act may be called the Punjab Urban Property (Ceiling) Act, 1972.

1. *Short title, extent and commencement.*—(1) This Act may be called the Punjab Urban Property (Ceiling) Act, 1973.

(2) It extends to the whole of the State of Punjab.

(2) It extends to the whole of the State of Punjab.

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

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

2. *Declaration.*—It is hereby declared that this Act is being enacted for the fulfilment of the objectives of State policy as enunciated in clauses (b) and (c) of Article 29 of the Constitution of India.

2. *Declaration.*—It is hereby declared that this Act is being enacted for the fulfilment of the objectives of state policy as enunciated in clauses (b) and (c) of Article 39 of the Constitution of India.

3. *Definitions.*—In this Act, unless the context otherwise requires :—

3. *Definitions.*—In this Act, unless the context otherwise requires :—

(a) 'ceiling limit' means the ceiling limit specified in section 4.

(a) 'ceiling limit' means the ceiling limit specified in section 4.

(b) 'competent authority' means any person or authority authorised by the Government by notification in the official Gazette to perform the functions of the competent authority under this Act for such area as may be specified in the notification.

(b) 'competent authority' means any person or authority authorised by the Government by notification in the official Gazette, to perform the functions of the competent authority under this Act for such area as may be specified in the notification.

- (c) 'family' includes husband, wife and minor children;
- (d) 'prescribed' means prescribed by rules made under this Act ;
- (e) 'Urban Property' means all land and buildings (including any rights therein) situated in the state of Punjab in any local area which is comprised within the local limits of a Municipality or a Notified Area Committee, or in such other area as may be specified by the Government by Notification in this behalf but does not include any agricultural land assessed to land revenue, and any plant, machinery or other fixture affixed to the land or contained in a building for the purpose of trade, commerce, business, industry or such other similar activities.

4. *Ceiling limit.*—(1) (a) In the case of every person not being a family and in the case of every family consisting of not more than five members, the ceiling limit shall be so much urban property as does not exceed in value two lakh and fifty thousand rupees.

(b) The ceiling limit in the case of every family consisting of more than five members shall be so much urban property as does not exceed the value two lakh and fifty thousand rupees increased by so much urban property, as does not exceed in value fifty thousand rupees for every member of the family in excess of five, so, however, that the value of all the urban properties owned by such family shall, in no case exceed Rupees four lakh.

(2) Where, in the case of a person being the member of a family, any urban property having been the separate property of such person has, on the 26th September,

(c) 'family' includes husband, wife and minor children;

(d) 'prescribed' means prescribed by rules made under this Act ;

(e) 'Urban Property' means all land and buildings (including any rights therein) situated in the State of Punjab in any local area which is comprised within the local limits of a Municipality or a Notified Area Committee, or in such other area as may be specified by the Government by Notification in this behalf but does not include—

(i) any agricultural land assessed to land revenue ;

(ii) any building or land used for the purpose of any trade, commerce, business or industry and any plant, machinery or other fixture affixed to or contained in any such land or building.

4. *Ceiling limit.*—(1) (a) In the case of every person not being a family and in the case of every family consisting of not more than five members, the ceiling limit shall be so much urban property as does not exceed in value two lakh and fifty thousand rupees.

(b) The ceiling limit in the case of every family consisting of more than five members shall be so much urban property as does not exceed the value of two lakh and fifty thousand rupees increased by so much urban property, as does not exceed in value fifty thousand rupees for every member of the family in excess of five, so, however, that the value of all the urban properties owned by such family shall, in no case exceed Rupees four lakh.

(2) Where, in the case of a person being the member of a family, any urban property having been the separate property of such person has, on the 26th September,

1971, or at any time thereafter been converted by such person into property belonging to the family through the act of impressing such separate property with the character of property belonging to the family or throwing it into the common stock of the family, then the property so converted shall, for the purposes of this section, be deemed to be owned by such person and not by the family.

1971, or at any time thereafter been converted by such person into property belonging to the family through the act of impressing such separate property with the character of property belonging to the family or throwing it into the common stock of the family, then the property so converted shall, for the purposes of this section, be deemed to be owned by such person and not by the family.

(3) Where a Joint Hindu family owns urban property, then the rights and interest of any person in such property on the basis of his share in such property shall also be taken into account in determining the value of urban property owned by such person and for this limited purpose the Joint Hindu family shall be deemed to have been partitioned.

(3) Where a firm or society or an association of individuals (whether incorporated or not) or a closely held company owns urban property on the basis of his share in such firm, society, association or company shall also be taken into account in determining the value of urban property owned by such person.

(4) Where a firm or society or an association of individuals (whether incorporated or not) or a closely held company owns urban property then, the right or interest of any person in such property on the basis of his share in such firm, society, association or company shall also be taken into account in determining the value of urban property owned by such person.

Explanation: In this sub-section "closely-held company" means a private company as defined in the Companies Act, 1956, and includes a public company as defined in that Act the shares of which are not listed in a recognised stock exchange in India in accordance with the Securities Contract (Regulation) Act, 1956, and the rules made thereunder.

Explanation: In this sub-section "closely-held company" means a private company as defined in the Companies Act, 1956, and includes a public company as defined in that Act the shares of which are not listed in a recognised stock exchange in India in accordance with the Securities Contract (Regulation) Act, 1956, and the rules made thereunder.

(4) Where a person is a beneficiary of a private trust and his share in the income from such trust is known or determinable, the share of such person in the urban property owned by such trust shall be deemed to be in the same proportion as his share bears to his income from the urban property of such trust.

(5) Where a person is a beneficiary of a private trust and his share in the income from such trust is known or determinable, the share of such person in the urban property owned by such trust shall be deemed to be in the same proportion as his share bears to the income from the urban property of such trust and shall be taken into account in determining the value of the urban property owned by such person.

(5) Where property held in trust consists of either wholly or in part, urban property and the share or shares of the beneficiary or beneficiaries thereof are not known or determinable, then the urban property held in trust shall be deemed to be owned by an individual and the ceiling limit in such a case shall be two lakh and fifty thousand rupees.

(6) Where property held in trust consists of either wholly or in part, urban property and the share or shares of the beneficiary or beneficiaries thereof are not known or determinable, then the urban property held in trust shall be deemed to be owned by an individual and the ceiling limit in such a case shall be two lakh and fifty thousand rupees.

(7) For the purpose of determining the ceiling limit any urban property transferred by way of sale, gift, exchange or otherwise by any person on or after the 26th September, 1971 and before the commencement of this Act shall be deemed to be owned by such person.

5. *Restriction on ownership of urban property in excess of ceiling limit.*— Save as otherwise provided in this Act, on and from the commencement of this Act, it shall not be lawful for any person to acquire any urban property in excess of the ceiling limit.

5. *Restriction on ownership of urban property in excess of ceiling limit.*— Save as otherwise provided in this Act, on and from the commencement of this Act, it shall not be lawful for any person to acquire any urban property in excess of the ceiling limit.

6. *Persons owning urban property in excess of ceiling limit to file statements.*—

(1) Every person owning urban property in excess of the ceiling limit at the commencement of this Act shall within a period of *six months* of such commencement, file a statement before the competent authority having jurisdiction specifying the location, value and such other particulars as may be prescribed of all the urban properties owned by him and also specifying the urban properties within the ceiling limit which he desires to retain.

6. *Persons owning urban property in excess of ceiling limit to file statements.*—

(1) Every person owning urban property in excess of the ceiling limit at the commencement of this Act shall within a period of *six months* of such commencement, file a statement before the competent authority having jurisdiction specifying the location, value and such other particulars as may be prescribed of all the urban properties owned by him in the State of Punjab and also specifying the urban properties within the ceiling limit which he desires to retain.

(2) If the competent authority is of opinion that any person owns urban property in excess of ceiling limit, then notwithstanding anything contained in sub-section (1) he may serve a notice upon such person requiring him to file within such period as may be specified in the notice the statement referred to in sub-section (1).

(2) If the competent authority is of opinion that any person owns urban property in excess of ceiling limit, then notwithstanding anything contained in sub-section (1) he may serve a notice upon such person requiring him to file within such period as may be specified in the notice the statement referred to in sub-section (1).

(3) The competent authority may, if it is satisfied that it is necessary so to do, extend the date for filing the statement under this section.

(3) The competent authority may, if it is satisfied that it is necessary so to do, extend the date for filing the statement under this section.

(4) The statement under this section shall be filed—

(a) in the case of an individual, by the individual himself, or where the individual is absent from the State, by the individual concerned or by some person duly authorised by him in this behalf, where the individual is mentally incapacitated from attending to his affairs, by his guardian or any other person competent to act on his behalf, and where for any other reason it is impossible for the individual to sign the statement, by any person competent to act on his behalf ; and

(b) in the case of a family, by the Karta and where the Karta is absent from the State or is mentally incapacitated from attending to his affairs, by any other adult member of the family.

(5) Subject to any rules made in this behalf, the ~~value~~ value of any urban property shall, for the purpose of this section, be estimated to be the price which, in the opinion of the person owning such property it would fetch if sold in the open market at the commencement of this Act.

7. Competent Authority to determine value in certain cases.—After the receipt of the statement, filed under section 6 the competent authority shall make such inquiries as it deems fit and if the competent authority is of opinion that the value of the urban properties estimated by the person who has filed the statement has not been estimated correctly, the competent authority may determine in such manner and by such means as may be prescribed, the value of the property :

Provided that the competent authority shall, before making a final determination of the value of the urban property, give to the person concerned an opportunity of being heard in the matter.

(4) The statement under this section shall be filed —

(a) in the case of an individual, by the individual himself, or where the individual is absent from the State, by the individual concerned or by some person duly authorised by him in this behalf, where the individual is mentally incapacitated from attending to his affairs, by his guardian or any other person competent to act on his behalf, and where for any other reason it is impossible for the individual to sign the statement, by any person competent to act on his behalf ; and

(b) in the case of a family, by the Karta and where the Karta is absent from the State or is mentally incapacitated from attending to his affairs, by any other adult member of the family.

(5) Subject to any rules made in this behalf, the value of any urban property shall, for the purpose of this section, be estimated to be the price which, in the opinion of the person owning such property it would fetch if sold in the open market at the commencement of this Act.

7. Competent Authority to determine value in certain cases.—After the receipt of the statement, filed under section 6 the competent authority shall make such inquiries as it deems fit and if the competent authority is of opinion that the value of the urban properties estimated by the person who has filed the statement has not been estimated correctly, the competent authority may determine in such manner and by such means as may be prescribed, the value of the property :

Provided that the competent authority shall, before making a final determination of the value of the urban property, give to the person concerned an opportunity of being heard in the matter.

8. Preparation of draft statement as regards urban property in excess of ceiling limit.—(1) On the basis of the statement filed under sub-section (1) of section 6 and on the basis of the value, if any, determined under section 7, the competent authority shall prepare a draft statement in respect of the person who has filed the statement under section 6.

(2) Every statement prepared under sub-section (1) shall contain the following particulars, namely :—

- (i) the name and address of person;
- (ii) particulars of all urban property owned by such person and the total value thereof;
- (iii) particulars of urban property which such person desires to retain within the ceiling limit ; and
- (iv) such other particulars as may be prescribed.

(3) The draft statement shall be served on the person concerned together with a notice stating that any objection to the draft statement shall be preferred within forty-five days of the service of such notice.

(4) The competent authority shall duly consider any objection received within the period specified in the notice referred to in sub-section (3) from the person on whom a copy of the draft statement has been served under that sub-section and the competent authority shall, after giving the objector a reasonable opportunity of being heard pass such orders as it deems fit.

9. Final Statement.—After the disposal of the objections, if any, preferred under sub-section (4) of section 8, the competent authority shall make necessary alterations in the draft statement in accordance with the orders passed on the objections aforesaid and shall declare the urban property owned by the person concerned in excess of the ceiling limit and cause a copy of the draft statement

8. Preparation of draft statement as regards urban property in excess of ceiling limit.—(1) On the basis of the statement filed under sub-section (1) of section 6 and on the basis of the value, if any, determined under section 7, the competent authority shall prepare a draft statement in respect of the person who has filed the statement under section 6.

(2) Every statement prepared under sub-section (1) shall contain the following particulars, namely :—

- (i) the name and address of person;
- (ii) particulars of all urban property owned by such person and the total value thereof ;
- (iii) particulars of urban property which such person desires to retain within the ceiling limit ; and
- (iv) such other particulars as may be prescribed.

(3) The draft statement shall be served on the person concerned together with a notice stating that any objection to the draft statement shall be preferred within forty-five days of the service of such notice.

(4) The competent authority shall duly consider any objection received within the period specified in the notice referred to in sub-section (3) from the person on whom a copy of the draft statement has been served under that sub-section and the competent authority shall, after giving the objector a reasonable opportunity of being heard pass such orders as it deems fit.

9. Final Statement.—After the disposal of the objections, if any, preferred under sub-section (4) of section 8, the competent authority shall make necessary alterations in the draft statement in accordance with the orders passed on the objections aforesaid and shall declare the urban property owned by the person concerned in excess of the ceiling limit and cause a copy of the draft statement

as so altered to be served on the person concerned.

as so altered to be served on the person concerned.

10. *Government to acquire urban property in excess of the ceiling limits.*—At the expiration of a period of three years, from the commencement of this Act, the Government may acquire urban property declared to be in excess of the ceiling limit under section 9 with a view to utilising such excess urban property for a public purpose.

10. *Government to acquire urban property in excess of the ceiling limits.*—At the expiration of a period of three years from the commencement of this Act, the Government may acquire urban property declared to be in excess of the ceiling limit under section 9 with a view to utilising such excess urban property for a public purpose.

11. *Notice to be given to competent authority before urban property in excess of ceiling limit transferred.*—During a period of three years from the commencement of this Act, no person owning urban property in excess of the ceiling limit shall transfer by way of sale, gift, exchange or otherwise any urban property declared under section 9 to be in excess of the ceiling limit unless notice of the intended transfer is given to the competent authority with in such time and in such manner as may be prescribed.

11. *Notice to be given to competent authority before urban property in excess of ceiling limit transferred.*—During a period of three years from the commencement of this Act, no person owning urban property in excess of the ceiling limit shall transfer by way of sale, gift, exchange or otherwise any urban property * * * * * in excess of the ceiling limit unless notice of the intended transfer is given to the competent authority within such time and in such manner as may be prescribed.

12. *Competent authority to obtain orders of Government whether urban property in excess of ceiling limit is needed for a public purpose.*—After the receipt of the notice under section 11, the competent authority shall, within a period of one hundred and twenty days of such receipt obtain the orders of Government as to whether the property is needed for a public purpose and if so needed, shall intimate the person who has given the notice, accordingly.

12. *Competent authority to obtain orders of Government whether urban property in excess of ceiling limit is needed for a public purpose.*—After the receipt of the notice under section 11, the competent authority shall, within a period of one hundred and twenty days of such receipt obtain the orders of Government as to whether the property is needed for a public purpose and if so needed, shall intimate the person who has given the notice accordingly.

13. *Power of Government to acquire urban property in excess of the ceiling limit.*—Where intimation has been given under section 12 that any urban property in excess of the ceiling limit is needed for a public purpose, the Government shall, as soon as may be after such intimation has been given, acquire such property in accordance with law relating to acquisition of immovable property in force at the time of acquisition of property under this Act.

13. *Power of Government to acquire urban property in excess of the ceiling limit.*—Where intimation has been given under section 12 that any urban property in excess of the ceiling limit is needed for a public purpose, the Government shall, as soon as may be after such intimation has been given, acquire such property in accordance with law relating to acquisition of immovable property in force at the time of acquisition of property under this Act.

14. *Power to take possession.*—(1)

14. *Power to take possession.*—(1)

possession of the urban property acquired under section 10 or section 13 which shall hereupon vest absolutely in the Government free from all encumbrances.

(2) In taking possession of the urban property under sub-section (1), the competent authority may use such force as it may deem fit.

15. Compensation for acquisition of urban property.—(1) *Where any urban property is acquired by the Government under section 10 or section 13, the Government shall pay for such acquisition compensation, the amount of which shall be determined in accordance with the provisions of this section.*

(2) *Where the amount can be determined by agreement between the Government and the person concerned, it shall be determined in accordance with such agreement.*

(3) *Where no such agreement can be reached, the competent authority shall determine the amount of compensation for such acquisition as also the person or persons to whom such amount shall be paid:*

(4) *In determining the amount of compensation, the competent authority shall follow such procedure as may be prescribed and be guided by the following principles, namely :—*

- (a) *if the market value of the property does not exceed two lakh and fifty thousand rupees, the amount payable shall be seventy-five per centum of such value;*
- (b) *if the market value exceeds two lakh and fifty thousand rupees but does not exceed five lakh rupees, the amount payable shall be seventy-five per centum of the first two lakh and fifty thousand rupees and sixty per centum of the remainder;*
- (c) *if the market value exceeds five lakh rupees but does not exceed ten*

possession of the urban property acquired under section 10 or section 13 which shall thereupon vest absolutely in the Government free from all encumbrances.

(2) In taking possession of the urban property under sub-section (1), the competent authority may use such force as it may deem fit.

15. Compensation for acquisition of urban property.—(1) *Where any urban property is acquired by the Government under section 10 or section 13, the Government shall pay for such acquisition compensation, the amount of which shall be determined in accordance with the provisions of this section.*

(2) *Where the amount can be determined by agreement between the Government and the person concerned, it shall be determined in accordance with such agreement.*

(3) *Where no such agreement can be reached, the competent authority shall determine the amount of compensation for such acquisition as also the person or persons to whom such amount shall be paid.*

(4) *In determining the amount of compensation, the competent authority shall follow such procedure as may be prescribed and be guided by the following principles, namely :—*

- (a) *if the market value of the property does not exceed two lakh and fifty thousand rupees, the amount payable shall be seventy-five per centum of such value;*
- (b) *if the market value exceeds two lakh and fifty thousand rupees but does not exceed five-lakh rupees, the amount payable shall be seventy-five per centum of the first two lakh and fifty thousand rupees and fifty per centum of the remainder;*
- (c) *if the market value exceeds five lakh rupees but does not exceed ten*

lakh rupees, the amount payable shall be seventy-five per centum of the first two lakh and fifty thousand rupees, sixty per centum of the next two lakh and fifty thousand rupees and fifty per centum of the remainder;

- (d) if the market value exceeds ten lakh rupees, the amount payable shall be seventy-five per centum of the first two lakh and fifty thousand rupees, sixty per centum of the next two lakh and fifty thousand rupees, fifty per centum of the next five lakh rupees and twenty-five per centum of the remainder.

(5) The amount of compensation shall be paid through twelve years bond carrying an interest of 5.75 per centum per annum :

Provided that where the State Government is satisfied that the compensation is proposed to be invested in an industrial undertaking, the State Government may, on such terms as it may think fit, redeem any such bond earlier than the period specified above.

Explanation.—In this section market value, means the value determined under section 7.

16. When urban property in excess of the ceiling limit may be transferred.—Where within a period of 120 days of the receipt of the notice under section 10, the competent authority does not intimate that the urban property in excess of the ceiling limit is needed for a public purpose, such person shall be free to transfer such property in any mode whatsoever.

17. Restrictions on registration of transfers of urban property.—Notwithstanding anything contained in any law for the time being in force, no document relating to any transfer of urban property either by sale, gift, exchange or otherwise shall be registered by any registering officer

lakh rupees, the amount payable shall be seventy-five per centum of the first two lakh and fifty thousand rupees, fifty per centum of the next two lakh and fifty thousand rupees, and forty per centum of the remainder;

- (d) if the market value exceeds ten lakh rupees, the amount payable shall be seventy-five per centum of the first two lakh and fifty thousand rupees, fifty per centum of the next two lakh and fifty thousand rupees, forty per centum of the next five lakh rupees and twenty-five per centum of the remainder.

(5) The amount of compensation shall be paid through twelve years bond carrying an interest of 5.75 per centum per annum :

Provided that where the State Government is satisfied that the compensation is proposed to be invested in an industrial undertaking, the State Government may, on such terms as it may think fit, redeem any such bond earlier than the period specified above.

Explanation.—In this section market value means the value determined under section 7.

16. When urban property in excess of the ceiling limit may be transferred.—Where within a period of 180 days of the receipt of the notice under section 11, the competent authority does not intimate that the urban property in excess of the ceiling limit is needed for a public purpose, such person shall be free to transfer such property in any mode whatsoever.

17. Restrictions on registration of transfers of urban property.—Notwithstanding anything contained in any law for the time being in force, no document relating to any transfer of urban property either by sale, gift, exchange or otherwise shall be registered by any registering officer

appointed under the Registration Act, 1908, unless—

(a) the transferor makes a declaration in writing before such officer that the property intended to be transferred has not been declared to be in excess of the ceiling limit under section 9 and in a case where such property has been so declared he produces to the satisfaction of such officer a certificate from the competent authority that such property is not needed for a public purpose ; and

(b) the transferee makes a declaration in writing in such form as may be prescribed, and files before such officer as to the total value of urban property owned by him and further makes a declaration in writing before such officer that the value of urban property already owned by him together with the value of urban property to be transferred to him will not exceed the ceiling limit.

18. *Ceiling limit on future acquisition by inheritance, bequest or by sale in execution of decrees etc.*—(1) If, on or after the commencement of this Act, any person acquires, by inheritance, settlement or bequest from any other person, or by sale in execution of a decree or order of a civil court or of an award or order of any other authority, any urban property which together with the urban property, if any, already owned by him exceeds in the aggregate the ceiling limit, then, he shall, within three months of the date of such acquisition, file a statement before the competent authority specifying the location, value and such other particulars as may be prescribed of all the urban properties owned by him and also specifying the urban properties within the ceiling limit which he desires to retain.

(2) The provisions of sections 6 to 16 (inclusive) shall, as far as may be, apply to the statement filed under this section.

appointed under the Registration Act, 1908, unless—

(a) the transferor makes a declaration in writing before such officer that the property intended to be transferred is not in excess of the ceiling limit and in a case where such property has been so declared he produces to the satisfaction of such officer a certificate from the competent authority that such property is not needed for a public purpose ; and

(b) the transferee makes a declaration in writing in such form as may be prescribed, and files before such officer as to the total value of urban property owned by him and further makes a declaration in writing before such officer that the value of urban property already owned by him together with the value of urban property to be transferred to him will not exceed the ceiling limit.

18. *Ceiling limit on future acquisition by inheritance, bequest or by sale in execution of decrees etc.*—(1) If, on or after the commencement of this Act, any person acquires, by inheritance, settlement or bequest from any other person, or by sale in execution of a decree or order of a civil court or of an award or order of any other authority, any urban property which together with the urban property, if any, already owned by him exceeds in the aggregate the ceiling limit, then, he shall, within three months of the date of such acquisition, file a statement before the competent authority specifying the location, value and such other particulars as may be prescribed of all the urban properties owned by him and also specifying the urban properties within the ceiling limit which he desires to retain.

(2) The provisions of sections 6 to 16 (inclusive) shall, as far as may be, apply to the statement filed under this section.

and to the urban property owned by such person in excess of the ceiling limit.

19. Powers of competent authority.—The competent authority shall have the powers of a civil court, while trying a suit under the Code of Civil Procedure, 1908, in respect of the following matters, namely :—

- (a) summoning and enforcing the attendance of any person and examining him on oath ;
- (b) requiring the discovery and production of any document ;
- (c) receiving evidence on affidavits ;
- (d) requisitioning any public record or copy thereof from any court or office ;
- (e) issuing commissions for the examination of witnesses or documents ; and
- (f) any other matter which may be prescribed.

20. Appeal against orders of the competent authority.—(1) Any person aggrieved by an order made by the competent authority under this Act may within ninety days of the date on which the order is communicated to him, prefer an appeal to such authority as may be prescribed (hereinafter referred to as the appellate authority) :

Provided that the appellate authority may entertain the appeal after the expiry of the said period of three months, if it is satisfied that the appellant was prevented by sufficient cause from filing the appeal in time.

(2) On receipt of an appeal under subsection (1), the appellate authority shall, after giving the appellant an opportunity of being heard, pass such orders thereon as it deems fit.

(3) Every order passed by the appellate authority under this section shall be final.

and to the urban property owned by such person in excess of the ceiling limit.

19. Powers of competent authority.—The competent authority shall have the powers of a civil court, while trying a suit under the Code of Civil Procedure, 1908, in respect of the following matters, namely :—

- (a) summoning and enforcing the attendance of any person and examining him on oath ;
- (b) requiring the discovery and production of any document ;
- (c) receiving evidence on affidavits ;
- (d) requisitioning any public record or copy thereof from any court or office ;
- (e) issuing commissions for the examination of witnesses or documents ; and
- (f) any other matter which may be prescribed.

20. Appeal against orders of the competent authority.—(1) Any person aggrieved by an order made by the competent authority under this Act may within ninety days of the date on which the order is communicated to him, prefer an appeal to such authority as may be prescribed (hereinafter referred to as the appellate authority) :

Provided that the appellate authority may entertain the appeal after the expiry of the said period of three months, if it is satisfied that the appellant was prevented by sufficient cause from filing the appeal in time.

(2) On receipt of an appeal under subsection (1), the appellate authority shall, after giving the appellant an opportunity of being heard, pass such orders thereon as it deems fit.

(3) Every order passed by the appellate authority under this section shall be final.

21. Powers of revision.—The Government may at any time, either on its own motion or on an application made to it in this behalf, call for the record of any proceedings which are pending before or have been disposed of by a competent authority or appellate authority under this Act, for the purpose of satisfying itself as to the legality or propriety of such proceedings or of any order made therein and may pass such orders in relation thereto, as it may consider fit :

Provided that the Government shall not pass any order under this section prejudicial to any person without giving him a reasonable opportunity of being heard.

22. Penalty for concealment etc. of particulars of urban properties.—(1) If the competent authority, in the course of any proceedings under this Act, is satisfied that any person has concealed the particulars of any urban property owned by him or furnished inaccurate particulars of such property, it may, after giving such person an opportunity of being heard in the matter, by order in writing direct that such person shall pay by way of penalty a sum which shall not be less than, but which shall not exceed twice, the amount representing the value of the urban property in respect of which the particulars have been concealed or in respect of which inaccurate particulars have been furnished.

(2) Any amount recoverable under this section may be recovered as if it is an arrear of land revenue.

23. Offences and punishments.—(1) If any person acquires by purchase any urban property which by itself or together with the urban property already owned by him exceeds the ceiling limit, he shall be punishable with imprisonment for a term which may extend to two years or with fine which may extend to five thousand rupees or with both.

(2) If any person who is under an obligation to file a statement under this

21. Powers of revision.—The Government may at any time, either on its own motion or on an application made to it in this behalf, call for the record of any proceedings which are pending before or have been disposed of by a competent authority or appellate authority under this Act, for the purpose of satisfying itself as to the legality or propriety of such proceedings or of any order made therein and may pass such orders in relation thereto, as it may consider fit :

Provided that the Government shall not pass any order under this section prejudicial to any person without giving him a reasonable opportunity of being heard.

22. Penalty for concealment etc. of particulars of urban properties.—(1) If the competent authority, in the course of any proceedings under this Act, is satisfied that any person has concealed the particulars of any urban property owned by him or furnished inaccurate particulars of such property, it may, after giving such person an opportunity of being heard in the matter, by order in writing direct that such person shall pay by way of penalty a sum which shall not be less than, but which shall not exceed twice, the amount representing the value of the urban property in respect of which the particulars have been concealed or in respect of which inaccurate particulars have been furnished.

(2) Any amount recoverable under this section may be recovered as if it is an arrear of land revenue.

23. Offences and punishments.—(1) If any person acquires by purchase any urban property which by itself or together with the urban property already owned by him exceeds the ceiling limit, he shall be punishable with imprisonment for a term which may extend to one year or with fine which may extend to two thousand rupees or with both.

(2) If any person who is under an obligation to file a statement under this

Act refuses or wilfully fails to file the statement within the time specified for the purpose, he shall be punishable with imprisonment for a term which may extend to two years or with fine which may extend to five thousand rupees or with both.

(3) If any person who, having been convicted under sub-section (2), continues to refuse or wilfully fails to file the statement, he shall be punishable with fine which may extend to five hundred rupees for each day after the previous date of conviction during which he continued so to offend.

(4) If any person who is under an obligation to file a statement under this Act files a statement which he knows or has reason to believe to be false, he shall be punishable with imprisonment for a term which may extend to two years or with fine which may extend to one thousand rupees or with both.

(5) If any person contravenes the provisions of section 11, he shall be punishable with imprisonment for a term which may extend to two years or with fine which may extend to five thousand rupees or with both.

(6) If any person who is under an obligation to file a declaration under section 18 makes any such declaration which he thinks or has reasons to believe to be false he shall be punishable with imprisonment for a term which may extend to one year or with fine which may not be less than one thousand rupees.

24. *Offences to be cognizable.*—Notwithstanding anything contained in any other law, an offence under section 23 of this Act shall be cognizable.

25. *Act not to apply to certain urban properties.*—Nothing in this Act shall apply to—

(a) any urban property owned by—

(i) the Central Government or the State Government or any

Act refuses or wilfully fails to file the statement within the time specified for the purpose, he shall be punishable with imprisonment for a term which may extend to two years or with fine which may extend to five thousand rupees or with both.

(3) If any person who, having been convicted under sub-section (2), continues to refuse or wilfully fails to file the statement, he shall be punishable with fine which may extend to one hundred rupees for each day after the previous date of conviction during which he continued so to offend.

(4) If any person who is under an obligation to file a statement under this Act files a statement which he know or has reason to believe to be false, he shall be punishable with imprisonment for a term which may extend to one year or with fine which may extend to one thousand rupees or with both.

(5) If any person contravenes the provisions of section 11, he shall be punishable with imprisonment for a term which may extend to one year or with fine which may extend to two thousand rupees or with both.

(6) If any person who is under an obligation to file a declaration under section 18 makes any such declaration which he thinks or has reasons to believe to be false he shall be punishable with imprisonment for a term which may extend to one year or with fine which may not be less than one thousand rupees.

24. *Offences to be cognizable.*—Notwithstanding anything contained in any other law, an offence under section 23 of this Act shall be cognizable.

25. *Act not to apply to certain urban properties.*—Nothing in this Act shall apply to—

(a) any urban property owned by—

(i) the Central Government or the State Government or any

- local authority or any corporation established by or under a Central or State Act or any Government Company as defined in section 617 of the Companies Act, 1956 ;
- (ii) any public charitable or religious trust ;
- (iii) any widely-held company ;
- (iv) any co-operative society (registered under any law relating to co-operative societies) other than a co-operative housing society engaged in any business or industry ; and
- (v) any club formed by association of individuals on mutual non-profit basis. ;
- (b) any urban property, being a building built for the accommodation of the poorer sections of society in accordance with the schemes approved by the Government :
- local authority or any corporation established by or under a Central or State Act or any Government Company as defined in section 617 of the Companies Act, 1956 ;
- (ii) any public charitable or religious trust ;
- (iii) any widely -held company ;
- (iv) any co-operative society (registered under any law relating to co-operative societies) other than a co-operative housing society engaged in any business or industry ; *
- (v) any club formed by association of individuals on mutual non-profit basis ; and
- (vi) a society registered under the Societies Registration Act, 1860, for the promotion of literature, science, or the fine arts, or for the diffusion of useful knowledge or for charitable purpose ;
- (b) any urban property, being a building built for the accommodation of the poorer sections of society in accordance with the schemes approved by the Government ;
- (c) any urban property being exclusively used as a place of public worship or public charity, such as, temples, gurdwaras, mosques, churches, dharamsalas, hospitals, dispensaries, orphanages, institutions for disabled persons, alm houses and infirmaries for the treatment of animals ;
- d) any urban property being used exclusively for educational purpose including boarding houses, hostels and libraries on no profit basis, if such

property is owned by the educational institution concerned

(e) any urban property being used as a public park, play-ground, library or museum, which is open to the public ;

(c) any building or class of buildings which the Government may by special or general order specify.

(f) any building or class of buildings which the Government may by special or general order specify.

Explanation.—In this section “widely-held company” means a company (not being a private company) as defined in the Companies Act, 1956, the shares of which are listed, in a recognised stock exchange in India in accordance with the Securities Contract (Regulation) Act, 1956, and the rules made thereunder.

Explanation.—In this section “widely-held company” means a company (not being a private company) as defined in the Companies Act, 1956, the shares of which are listed, in a recognised stock exchange in India in accordance with the Securities Contract (Regulation) Act, 1956, and the rules made thereunder.

26. *Power to make rules.*—(1) The Government may, by notification in the official Gazette, make rules to carry out the purposes of this Act.

26. *Power to make rules.*—(1) The Government may, by notification in the official Gazette, make rules to carry out the purposes of this Act.

(2) In particular and without prejudice to the generality of the foregoing power such rules may provide for all or any of the following matters, namely:—

(2) In particular and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:—

(a) the particulars which the statement to be filed under sub-section (1) or sub-section (2) of section 6 shall contain ;

(a) the particulars which the statement to be filed under sub-section (1) or sub-section (2) of section 6 shall contain ;

(b) the method of determining the value of any urban property under sub-section (5) of section 6 ;

(b) the method of determining the value of any urban property under sub-section (5) of section 6 ;

(c) the manner in which and the means by which the competent authority may ascertain the value of urban property under section 7 ;

(c) the manner in which and the means by which the competent authority may ascertain the value of urban property under section 7 ;

(d) the particulars which the draft statement shall contain under sub-section (2) of section 8 ;

(d) the particulars which the draft statement shall contain under sub-section (2) of section 8 ;

- (e) the time within which and the manner in which notice of the intended transfer of urban property may be given to the competent authority under section 11 ;
- (f) the particulars which the statement to be filed under subsection (1) of section 18 shall contain ;
- (g) the authority to which appeal may be preferred under section 20 and the form and manner in which appeals may be filed under that section ;
- (h) any other matter which has to be or may be prescribed.

3) Every rule made under this section shall be laid as soon as may be after it is made before the House of the State Legislature while it is in session for a total period of ten days which may be comprised in one session or in two successive sessions, and if, before the expiry of the session in which it is laid or the session immediately following, the House agrees in making any modification in the rule or the House agrees that the rule should not be made, the rule shall, thereafter have effect only in such modified form or be of no effect, as the case may be, so however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

(e) the time within which and the manner in which notice of the intended transfer of urban property may be given to the competent authority under section 11

(f) the particulars which the statement to be filed under subsection (1) of section 18 shall contain ;

(g) the authority to which appeal may be preferred under section 20 and the form and manner in which appeals may be filed under that section

(h) any other matter which has to be or may be prescribed.

(3) Every rule made under this section shall be laid as soon as may be after it is made before the House of the State Legislature while it is in session for a total period of ten days which may be comprised in one session or in two successive sessions, and if, before the expiry of the session in which it is laid or the session immediately following, the House agrees in making any modification in the rule or the House agrees that the rule should not be made, the rule shall, thereafter have effect only in such modified form or be of no effect, as the case may be, so however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

Chandigarh : } KRISHEN SWAROOP
 April 9, 1973. } Secretary,
 Punjab Vidhan Sabha.

APPENDIX I

Motion adopted by the Punjab Vidhan Sabha on the 15th December, 1972.

“That the Punjab Urban Property (Ceiling) Bill, 1972 be referred to a Select Committee consisting of:—

1. Shri Joginder Pal Pandey, Minister-in-charge.
2. Shri Yash Pal.
3. Shri Pirthipal Singh.
4. Chaudhri Darshan Singh.
5. Shri Kesho Ram Goel.
6. Mrs. Gurbrinder Kaur Brai.
7. Shri Darshan Singh K.P.
8. Bhagat Guran Das Hans.
9. Shri Prem Gupta.
10. Shri Harcharan Singh.
11. Comrade Raj Kumar.
12. Shri Surjit Singh (Barnala).
13. Giani Arjan Singh.
14. Shri Dhanna Singh Gulshan.

with a direction to make a report by the 15th February, 1973”.

APPENDIX II

***Preliminary Report of the Select Committee on the Punjab Urban Property (Ceiling) Bill, 1972.**

The select Committee on the Punjab Urban Property (Ceiling) Bill, 1972, at its meeting held on the 31st January, 1973, decided to request the Punjab Vidhan Sabha to extend the time for submission of its report on the Punjab Urban Property (Ceiling) Bill, 1972, by one month i.e., upto 15th March, 1973, as the Committee felt that it may not be able to finish its work by the stipulated date i.e., the 15th February, 1973.

Chandigarh—160001 :

The 1st February, 1973:

JOGINDER PAL PANDEY,
Chairman,
(Minister of State for Local Government
and Jails Punjab.)

*Presented to the Punjab Vidhan Sabha on the 28th February, 1973.

APPENDIX III

***Second Preliminary Report of the Select Committee on the Punjab Urban Property (Ceiling) Bill, 1972.**

The Select Committee on the Punjab Urban Property (Ceiling) Bill, 1972, at its meeting held on the 13th March, 1973, decided to request the Punjab Vidhan Sabha to further extend the time for submission of its report on the Punjab Urban Property (Ceiling) Bill, 1972, by one month i.e., upto the 15th April, 1973, as the Committee felt that it may not be able to finish its work by the stipulated date i.e., the 15th March, 1973.

Chandigarh—160001 :

The 13th March, 1973.

JOGINDER PAL PANDEY
Chairman,
(Minister of State for Local
Government and Jails Punjab.)

¹Presented to the Punjab Vidhan Sabha on the 15th March, 1973.

© 1973.

Published under the authority of the Punjab Vidhan Sabha and
printed by the Controller, Government Press, Chandigarh-160018.