

Government of Punjab  
Department of Local Government  
(Local Government – 3 Branch)  
Punjab Municipal Bhawan Sector 35-A, Chandigarh

**Notification**

Dated: Chandigarh; 16.10.2017

No. 8/7/2015-5LG3/108568) | 1 In exercise of the power conferred under section 59-B of the Punjab Municipal Act, 1911 (Punjab Act 3 of 1911) and under section 172-A of the Punjab Municipal Corporation Act, 1976 (Punjab Act 42 of 1976) the Governor of Punjab is pleased to frame the Punjab Municipality (Vesting of Property Rights) Amendment Scheme 2017, as one time measure, for Vesting of proprietary rights to tenants or licensee of Municipal property, as given in the Schedule:-

**SCHEDULE**

**"THE PUNJAB MUNICIPALITY (VESTING OF PROPRIETARY RIGHTS)  
Amendment Scheme, 2017"**

1. **Definitions.**

- (a) "Appellate Authority" means State Government.
- (b) "competent authority" means -
  - (i) in relation to the Municipal Corporation - the Assistant Commissioner or the Joint Commissioner or the Additional Commissioner of the Corporation, duly authorized by the Commissioner of the said Municipal Corporation: and
  - (ii) in relation to a Municipal Council or Nagar Panchayat - The Sub Divisional Magistrate of the Sub Division in which the said Municipal Council or Nagar Panchayat is situated.
- (c) "Director" means the Director of Local Government, Punjab;
- (d) "market value" means the minimum value of the said land prevailing on the first January of the preceding financial year as fixed by the Collector under rule 3-A of the Punjab Stamp (Dealing of Undervalued Instruments) Rules, 1983;
- (e) "occupier" -
  - (i) in relation to a dwelling unit, means a person or his sub lettee having possession on municipal property as a dwelling unit continuously for not less than twenty years from the date of publication of this Scheme having proof of electricity, water, sewerage bills or Ration Card etc. (It is clarified there need not be possession of the said person on the said dwelling unit for more than twenty years but the dwelling unit shall be more than twenty years old); and
  - (ii) in other cases, means a person having possession on municipal property continuously for not less than twenty years from the date of publication of this Scheme as a tenant or licensee or sub



lettee, which includes defaulters in terms of payment of rent, lease money and expiry of rent/lease period; but shall not include a person having encroached upon municipal property in any way.

Note:

- 1) In case of dwelling unit any floor has been sub-letted then the same shall be treated as a separate unit.
- 2) In other cases i.e e(ii) above, properties where Terms of Rent/Lease have been violated e.g by way additional floors, additional space etc, such properties will not be covered under this scheme for vesting of Proprietary Rights.

(2) The words and expressions used in this Scheme, but not defined, shall have the same meanings as assigned to those words and expressions in the relevant Act.

2. **Area of the plot** - The area of the plot of such property shall not be more than:-

(a) In case of dwelling unit for the purpose of human habitation, whether of masonry, bricks, wood, mud, thatch, metal or any other material whatsoever -

- (i) 150 square yards in respect of Municipal Corporation; and
- (ii) 200 square yards in respect of Municipal Council/Nagar Panchayat and;

(b) 50 square yards in other cases in Municipal Corporations, Municipal Councils/Nagar Panchayats.

3. **Compensation to be paid to the Municipality:-** An occupier willing to opt for this scheme shall have to pay the amount to be calculated in the following manner:-

(i) in the case of Municipal Corporations:-

Size of the plot		Rate of compensation to be paid
in case of dwelling unit	in other cases	
120 sq.yd to 150 sq.yd	40 sq.yd. to 50 sq.yd.	Market value plus 25% of the market value
Less than 120 sq.yd.	Less than 40 sq yard	Market value

(ii) In the case of Municipal Councils/Nagar Panchayats:

Size of the plot		Rate of compensation to be paid
in case of dwelling unit	in other cases	
160 sq.yd to 200 sq.yd	40 sq.yd to 50 sq.yd.	Market value plus 25% of the market value
Less than 160 sq.yd.	Less than 40 sq yard	Market value



(2) Where roof rights are already with the concerned Municipality, those shall remain with such Municipality:

(3) In case of multi-storey units, in respect of dwelling units and other cases, the rates mentioned in sub-para (1) are for one single units. For separate units on first floor, second floor etc, Collectors have already fixed the market value in most of the cases. However, if such market value is not fixed, the Collectors shall fix the same.

4. **Application by the occupier to the Municipality-**

(1) An occupier, who opts for this Scheme may, submit an application to the Competent Authority concerned, in the form appended, alongwith non-refundable processing fee of one thousand rupees in the form of Bank Draft in the name of the concerned Committee or corporation, as the case may be by 31<sup>st</sup> of March 2018.

(2) On receipt of application, the Competent Authority shall consider the same and make a recommendation, either accepting or rejecting the same, after making enquiry, as it may deem necessary, within a period of one month from the date of receipt of such application:

Provided that no order rejecting the claim shall be passed by the Competent Authority without affording an opportunity of hearing to the concerned applicant.

(3) The findings of the Competent Authority i.e., the Assistant Commissioner in case of a Municipal Corporation and the SDM in case of a Municipal Council or Nagar Panchayat shall be considered and decided in the General House meeting of the Municipal Corporation or Municipal Council or Nagar Panchayat concerned as per the rules.

(4) It is made clear that the Scheme only enables the Urban Local Bodies (ULBs) to confer proprietary rights to the tenants or licensees of Municipal property as given in the schedule but no absolute right is given to get the proprietary rights transferred from ULBs to themselves. The ULBs would be free to evaluate the economics of the proposal i.e., current rate received by a ULB and the proposed compensation to be paid to it and if the ULB finds that the conferment of proprietary right is not beneficial to it, then the proposal can always be rejected."

5. **Issue of letter of intent by the Municipality to the occupier:-** In all cases where the application given by the Occupier is accepted by the concerned Municipal Corporation or Municipal Council or Nagar Panchayat, the occupier shall, simultaneously, be issued a Letter of Intent, intimating the amount of compensation including the schedule of payments as per which the compensation shall be paid by him to the concerned Municipal

