

सत्यमेव जयते

# The Urban Land (Ceiling and Regulation) Repeal Act, 1999

(ACT NO. 15 OF 1999)

[*As on the* 1*st June*, 2026]

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LIST OF ABBREVIATIONS USED

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|---|---|---|
| G.S.R. . . . . | *for* | General Statutory Rules. |
| S.O. . . . . | „ | Statutory Order. |
| Notifn. . . . . | „ | Notification. |

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THE URBAN LAND (CEILING AND REGULATION) REPEAL ACT, 1999

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ARRANGEMENT OF SECTIONS

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SECTIONS

1. Short title, application and commencement.
2. Repeal of Act 33 of 1976.
3. Savings.
4. Abatement of legal proceedings.
5. Repeal and saving.

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# THE URBAN LAND (CEILING AND REGULATION) REPEAL ACT, 1999

ACT NO. 15 OF 1999

[18*th March*, 1999.]

An Act to repeal the Urban Land (Ceiling and Regulation) Act, 1976.

BE it enacted by Parliament in the Fiftieth Year of the Republic of India as follows: —

**1. Short title, application and commencement.**—(*1*) This Act may be called the Urban Land (Ceiling and Regulation) Repeal Act, 1999.

(*2*) It applies in the first instance to the whole of the States of Haryana and Punjab and to all the Union territories; and it shall apply to such other State which adopts this Act by resolution passed in that behalf under clause (*2*) of article 252 of the Constitution.

(*3*) It shall be deemed to have come into force in the States of Haryana and Punjab and in all the Union territories on the 11th day of January, 1999 and in any other State which adopts this Act under clause (*2*) of article 252 of the Constitution on the date of such adoption; and the reference to repeal of the Urban Land (Ceiling and Regulation) Act, 1976 shall, in relation to any State or Union territory, mean the date on which this Act comes into force in such State or Union territory.

**2. Repeal of Act 33 of 1976.**—The Urban Land (Ceiling and Regulation) Act, 1976 (hereinafter referred to as the principal Act) is hereby repealed.

**3. Savings.**—(*1*) The repeal of the principal Act shall not affect—

(*a*) the vesting of any vacant land under sub-section (*3*) of section 10, possession of which has been taken over by the State Government or any person duly authorised by the State Government in this behalf or by the competent authority;

(*b*) the validity of any order granting exemption under sub-section (*1*) of section 20 or any action taken thereunder, notwithstanding any judgment of any court to the contrary;

(*c*) any payment made to the State Government as a condition for granting exemption under sub-section (*1*) of section 20.

(*2*) Where—

(*a*) any land is deemed to have vested in the State Government under sub-section (*3*) of section 10 of the principal Act but possession of which has not been taken over by the State Government or any person duly authorised by the State Government in this behalf or by the competent authority; and

(*b*) any amount has been paid by the State Government with respect to such land,

then, such land shall not be restored unless the amount paid, if any, has been refunded to the State Government.

**4. Abatement of legal proceedings.** —All proceedings relating to any order made or purported to be made under the principal Act pending immediately before the commencement of this Act, before any court, tribunal or other authority shall abate:

Provided that this section shall not apply to the proceedings relating to section 11, 12, 13 and 14 of the principal Act in so far as such proceedings are relatable to the land, possession of which has been taken over by the State Government or any person duly authorised by the State Government in this behalf or by the competent authority.

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**5. Repeal and saving.**—(*1*) The Urban Land (Ceiling and Regulation) Repeal Ordinance, 1999 (Ord. 5 of 1999) is hereby repealed.

(*2*) Notwithstanding such repeal, anything done or any action taken under the said Ordinance shall be deemed to have been done or taken under the corresponding provisions of this Act.

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## STATEMENT OF OBJECTS AND REASONS

The Urban Land (Ceiling and Regulation) Act, 1976 was passed with a laudable social objective. The main purpose was to prevent concentration of urban land in a few hands and to provide affordable housing to the Economically Weaker Sections. It has on the contrary pushed up land prices, practically brought the housing industry to a stop and provided opportunities for corruption. There is a widespread demand for removing this irritant to land assembly and construction activity. During the implementation of the Urban Land (Ceiling and Regulation) Act, 1976, there have been a spate of litigations giving rise to serious hurdles in taking over possession of land, by the State Governments. Public opinion is nearly unanimous that the Act has failed to achieve its objectives as expected.

2. Parliament has no power to repeal or amend the Act unless resolutions are passed by two or more State Legislatures as required under clause (2) of article 252. The Legislatures of Haryana and Punjab have passed resolutions empowering Parliament to repeal the Act in those States. The Act stands repealed in those States and in the Union territories immediately after promulgation of the repeal Ordinance and subsequently if State Legislatures adopt this Repeal Act by resolution, then the Urban Land (Ceiling and Regulation) Act, 1976 will stand repealed in those States, from the date of its adoption.

3. The Urban Land (Ceiling and Regulation) Repeal Bill, 1998 was examined by the Standing Committee on Urban and Rural Development. The Committee felt that the land which is yet to be put to use for the original purposes stated in the Act, under possession of the Government should not be restored to previous owners as such restoration may lead to avoidable discrimination. The Committee also suggested that the repeal Bill should contain a provision for abatement of proceedings in the different courts. Keeping in view the recommendations of the Committee, this Bill is being introduced to replace the Urban Land (Ceiling and Regulation) Repeal Ordinance, 1999 (Ord. 5 of 1999) notified on 11.1.1999 so that the State Governments would be free to have their own legislation commensurate with their needs and experiences. Till this Act is repealed, States have no power to legislate on this subject.

4. The proposed repeal, along with some other incentives and simplification of administrative procedures, is expected to revive the stagnant housing industry. The repeal will facilitate construction of dwelling units both in the public and private sector and help achievement of targets contemplated under National Agenda for Governance. The repeal will not, however, affect vesting of any vacant land under sub-section (3) of section 10 of the Urban Land (Ceiling and Regulation) Act, 1976 the possession of which has been taken over by the State Governments. It will not affect payments made to the State Governments for exemptions. The exemptions granted under section 20 of the Act will continue to be operative. The amounts paid out by the State Governments will become refundable before restoration of the land to the former owners.

5. The Bill also seeks to facilitate land assembly and a flexible regime for administering urban land to suit the varying local conditions based on State level legislations or requirements.

NEW DELHI; RAM JETHMALANI.

*The* 17*th February,* 1999.

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