

PUNJAB VIDHAN SABHA

BILL NO. 15-PLA-2023

THE TRANSFER OF PROPERTY (PUNJAB AMENDMENT) BILL, 2023

A
BILL

further to amend the Transfer of Property Act, 1882, in its application to the State of Punjab.

Be it enacted by the Legislature of the State of Punjab in the Seventy-fourth Year of the Republic of India, as follows:-

Short title
and
commence-
ment.

1. (1) This Act may be called the Transfer of Property (Punjab Amendment) Act, 2023.

(2) It shall come into force on and with effect from the date of its publication in the official Gazette.

Amendment
in clause (f)
of section
58 of
Central Act
4 of 1882.

2. In the Transfer of Property Act, 1882, in its application to the State of Punjab, in section 58, after clause (f), the following shall be inserted, namely:-

"Registration of charge in favour of Bank. - (i) Notwithstanding anything contained in the Registration Act, 1908 (Central Act 16 of 1908), a charge in respect of which loan has been credited under clause (f), between the debtor and the creditor, shall be deemed to have been duly registered in accordance with the provisions of the Registration Act, 1908 with effect from the date of such charge or variation, as the case may be, provided that the Bank sends to the Sub-Registrar or Joint Sub-Registrar, within the local limits of whose jurisdiction, the whole or any part of the property charged is situated within a period of sixty days, through a registered post acknowledgment due or in person, a copy of the document creating such charge or variation duly certified to be true copy, by an employee of the Bank authorized to sign, on its behalf.

(ii) The Sub-Registrar or the Joint Sub-Registrar, as the case may be, receiving the declaration referred to in item (i) as

immediately as practicable on receipt thereof, record in a register to be maintained in this behalf the fact of the receipt of such declaration or variation.

(iii) Charge to be created in favour of Bank in the record of rights. - Wherever a charge is created on the land in favour of a Bank, by a land owner under clause (f), the Bank may give intimation in writing to the Tehsildar or Naib-Tehsildar, within the local limits of whose jurisdiction, the whole or any part of the property charged is situated or such other revenue official as may be designated in this behalf, by the State Government, of the particulars of the charge in its favour. The Tehsildar, Naib-Tehsildar or other revenue official shall make a note of the particulars of charge in the record of rights relating to the land over which the charge has been created."

STATEMENT OF OBJECTS AND REASONS

The Transfer of Property Act 1882 is a central Act, it was not applicable in the state of Punjab, through notifications, only some sections of the act are made applicable in the state. Section 58 (f), mortgage by way of deposit of title deed (equitable mortgage) has been made applicable in the year 1975, through a notification. Mortgage by way of deposit of title deeds, as per the act the document is not a compulsory registrable document, it creates stamp evasion, other ambiguities relating to procedure etc. To remove all such ambiguities, it was required that the mortgage by way of deposit of title deeds be made a compulsory registrable document and to minimize the public harassment at sub-registrar offices, a provision be made in the principle act, so that for the registration purpose bank managers be authorized to send such deeds to the sub-registrar offices, which shall deem to be registered ones. In order to implement the said changes, it is proposed to amend the Transfer of property Act, 1882.

Bram Shanker Sharma (Jimpa),
Minister for Revenue, Rehabilitation &
Disaster Management, Punjab.

CHANDIGARH:
THE 19TH OCTOBER, 2023

RAM LOK KHATANA,
SECRETARY.

N.B. – The above Bill was published in the Punjab Government Gazette (Extraordinary), dated the 19th October, 2023 under the proviso to rule 121 of the Rules of Procedure and Conduct of Business in the Punjab Vidhan Sabha (Punjab Legislative Assembly).