

IndiaCode

The National Capital Territory of Delhi (Recognition of Property Rights of Residents in Unauthorised Colonies) Act, 2019

(ACT NO. 45 OF 2019)

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

THE NATIONAL CAPITAL TERRITORY OF DELHI (RECOGNITION OF PROPERTY RIGHTS OF RESIDENTS IN UNAUTHORISED COLONIES) ACT, 2019

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THE NATIONAL CAPITAL TERRITORY OF DELHI (RECOGNITION OF PROPERTY RIGHTS OF RESIDENTS IN UNAUTHORISED COLONIES) ACT, 2019

ACT NO. 45 OF 2019

[11*th December*, 2019.]

An Act to provide special provisions for the National Capital Territory of Delhi for recognising the property rights of resident in unauthorised colonies by securing the rights of ownership or transfer or mortgage in favour of the residents of such colonies who are possessing properties on the basis of Power of Attorney, Agreement to Sale, Will, possession letter or any other documents including documents evidencing payment of consideration and for the matters connected therewith or incidental thereto.

WHEREAS there has been phenomenal increase in the population of the National Capital Territory of Delhi in the last few decades owing to migration and other factors but development of planned housing colonies have not kept pace with the requirements of a burgeoning population resulting in the increase of unauthorised colonies;

AND WHEREAS number of unauthorised colonies have been identified in the National Capital Territory of Delhi on the basis of applications made by the Residents Welfare Associations for regularisation in pursuance to notification number S.O. 683(E), dated the 24th March, 2008 of the Delhi Development Authority, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (*ii*), dated the 24th March, 2008;

AND WHEREAS the properties in these colonies are not being registered by registering authority and thereby the residents do not have any title documents in respect of such properties and the Banks and financial institutions do not extend any credit facilities in respect of said properties;

AND WHEREAS the ownership of the properties in unauthorised colonies have been transferred several times through registered or un-registered or notarised Power of Attorney, Agreement to Sale, Will, possession letter and other documents including documents evidencing payment of consideration and stamp duty on these multiple transactions have neither assessed nor been paid;

AND WHEREAS the stamp duty on the conveyance deed or authorisation slip, as the case may be, is leviable as per minimum rates (circle rates) specified in the notification of the Government of the National Capital Territory of Delhi published vide number F.1(953) Regn. Br./ Div. Com/HQ/2014, dated the 22nd September, 2014 or the sale consideration mentioned in the conveyance deed or authorisation slip, as the case may be, whichever is higher;

AND WHEREAS the Supreme Court in the case of Suraj Lamp & Industries (P) Ltd. *Vs.* State of Haryana & others *vide* its judgment dated the 11th October, 2011 had held that sale agreement/general Power of Attorney or Will transactions are not "transfers" or "sales" and that such transactions cannot be treated as completed transfers or conveyances and they can continue to be treated as existing agreement of sale;

AND WHEREAS keeping in view the socio-economic conditions of the residents of these unauthorised colonies and ground realities, it is desirable to recognise and confer rights of ownership or transfer or mortgage to the residents of such colonies on the basis of Power of Attorney, Agreement to Sale, Will, possession letter and other documents including documents evidencing payment of consideration and to facilitate development or re-development that may improve existing infrastructure, civic and social amenities which may lead to better quality of life;

AND WHEREAS it is expedient to have a law to recognise and confer rights of ownership or transfer or mortgage to the residents of unauthorised colonies as one time special measure.

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

1. Short title and extent.—(*1*) This Act may be called the National Capital Territory of Delhi (Recognition of Property Rights of Residents in Unauthorised Colonies) Act, 2019.

(*2*) It extends to the National Capital Territory of Delhi.

2. Definitions.—In this Act, unless the context otherwise requires,—

(*a*) "resident" means a person having physical possession of property on the basis of a registered sale deed or latest Power of Attorney, Agreement to Sale, Will, possession letter and other documents including documents evidencing payment of consideration in respect of a property in unauthorised colonies and includes their legal heirs but does not include tenant, licensee or permissive user;

(*b*) "unauthorised colony" means a colony or development comprising of a contiguous area, where no permission has been obtained for approval of layout plan or building plans and has been identified for regularisation of such colony in pursuance to the notification number S.O. 683(E), dated the 24th March, 2008 of the Delhi Development Authority, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (*ii*), dated the 24th March, 2008.

3. Recognition of property rights.—(*1*) Notwithstanding anything contained in the Indian Stamp Act, 1899 (2 of 1899) and the Registration Act, 1908 (16 of 1908) as applicable to the National Capital Territory of Delhi or any rules or regulations or bye-laws made there under and the judgment of the Supreme Court in the case of Suraj Lamp & Industries (P) Ltd. Vs. State of Haryana & others, dated the 11th October, 2011, the Central Government may, by notification in the Official Gazette, regularise the transactions of immovable properties based on the latest Power of Attorney, Agreement to Sale, Will, possession letter and other documents including documents evidencing payment of consideration for conferring or recognising right of ownership or transfer or mortgage in regard to an immovable property in favour of a resident of an unauthorised colony.

(*2*) The Central Government may, by notification published in the Official Gazette, fix charges on payment of which transactions of immovable properties based on the latest Power of Attorney, Agreement to Sale, Will, possession letter and other documents including documents evidencing payment of consideration for conferring or recognising right of ownership or transfer or mortgage in regard to an immovable property in favour of a resident of an unauthorised colony through a conveyance deed or authorisation slip, as the case may be.

(*3*) Notwithstanding anything contained in section 27 of the Indian Stamp Act, 1899 (2 of 1899), the stamp duty and registration charges shall be payable on the amount mentioned in the conveyance deed or authorisation slip, as the case may be.

(*4*) Any resident of an unauthorised colony having registered or un-registered or notarised Power of Attorney, Agreement to Sale, Will, possession letter and other documents including documents evidencing payment of consideration shall be eligible for right of ownership or transfer or mortgage through a conveyance deed or authorisation slip, as the case may be, on payment of charges referred to in sub-section (*2*).

(*5*) No stamp duty and registration charges shall be payable on any previous sale transactions made prior to any transaction referred to in sub-section (*4*).

(*6*) The tenants, licensees or permissive users shall not be considered for conferring or recognising any property rights under this Act.

STATEMENT OF OBJECTS AND REASONS

There has been a phenomenal increase in the population of the National Capital Territory of Delhi in the last few decades owing to migration and other factors. However, the development of planned housing colonies have not kept pace with the requirements of burgeoning population. This results in increasing of unauthorised colonies, which have been identified in the National Capital Territory of Delhi on the basis of applications made by the Residents Welfare Associations for regularisation in pursuance of the notification number S.O. 683(E), dated the 24th March, 2008 of the Delhi Development Authority.

2. The properties in the unauthorised colonies are not being registered by registering authority and thereby the residents do not have any title documents in respect of such properties. Further, the ownership of the properties in unauthorised colonies have been transferred several times on the basis of registered or un-registered or notarised Power of Attorney, Agreement to Sale, Will, possession letter and other documents including documents evidencing payment of consideration and stamp duty on these multiple transactions have neither assessed nor been paid.

3. The Supreme Court in the case of Suraj Lamp & Industries (P) Ltd. *Vs*. State of Haryana & others *vide* its judgement dated the 11th October, 2011 had held that sale agreement or General Power of Attorney or Will transactions are not 'transfers' or 'sales' and that such transactions cannot be treated as completed transfers or conveyances and they can continue to be treated as existing agreement of sale.

4. In view of the socio-economic conditions of the residents of the unauthorised colonies and ground realities, it is desirable to recognise and confer rights of ownership or transfer or mortgage to the residents of such colonies on the basis of Power of Attorney, Agreement to Sale, Will, possession letter and other documents including documents evidencing payment of consideration and to facilitate development or re-development that may improve existing infrastructure, civic and social amenities which may lead to better quality of life.

5. It is, therefore, expedient to have a law to recognise and confer rights of ownership or transfer or mortgage to the residents of unauthorised colonies as one time special measure.

6. In view of the above, a Bill, namely, the National Capital Territory of Delhi (Recognition of Property Rights of Residents in Unauthorised Colonies) Bill, 2019, is proposed, which *inter alia*, provides for—

(*i*) recognition of transfer and registration of property in unauthorised colonies in Delhi on the basis of General Power of Attorney, Agreement to Sale, Will, possession letter and other documents including documents evidencing payment of consideration; and

(*ii*) levy of the stamp duty and registration charges on the amount mentioned in the conveyance deed or authorisation slip issued by the Delhi Development Authority and non-payment of any stamp duty and registration charges on any previous sale transactions made prior to the last transaction.

7. The Bill seeks to achieve the above objectives.

HARDEEP SINGH PURI.

NEW DELHI;
The 21*st November*, 2019.