

PUNJAB VIDHAN SABHA

Bill No. 13-PLA-2019

THE PUNJAB URBAN TRANSPORT FUND BILL, 2019

A

BILL

*to provide for the establishment of the Punjab Urban Transport Fund with a view to accelerate urban transport development, viability gap funding and infrastructure for urban transport projects recommended or approved under the various Schemes of the State Government or the Central Government duly considered by the Committee and for the matters connected therewith or incidental thereto.*

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

1. (1) This Act may be called the Punjab Urban Transport Fund Act, 2019. Short title and commencement.

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

(3) It extends to the urban areas of the State of Punjab.

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

Definitions.

(a) “Chairperson” means the Chairperson of the Committee ;

(b) “Company” means the Punjab Municipal Infrastructure Development Company under the control and supervision of the Department ;

(c) “Committee” means the Punjab Urban Transport Fund Management Committee constituted under section 3 of this Act ;

(d) “Department” means the Department of Local Government ;

(e) “Fund” means the Punjab Urban Transport Fund constituted under section 7 of this Act.

(f) “Member” means the member of the Committee ;

(g) “prescribed” means prescribed by rules made under this Act ;

(h) “SPV” means the special purpose vehicle to be set up by the State Government for the urban transport projects under this Act ;

- (i) "State Government" means the Government of the State of Punjab in the Department of Local Government ;
- (j) "transport" means the bus or vehicle or other related services provided by the State or community or Municipality or private partner for the public including motorized and non-motorized vehicle ; and
- (k) "urban area" means the areas of the city as defined in the Punjab Municipal Corporation Act, 1976.

Constitution of  
Committee

3. There shall be constituted a Committee to be known as the Punjab Urban Transport Fund Management Committee consisting of the following members, namely :—

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|-----|---|--------------------|
| (1) | the Chief Minister ;  | : Chairperson      |
| (2) | the Minister, Local Government ;  | : Vice-Chairperson |
| (3) | the Chief Secretary to Government of Punjab ;   | : Member           |
| (4) | the Administrative Secretary to Government of Punjab, Department of Local Government ;  | : Member           |
| (5) | the Administrative Secretary to Government of Punjab, Department of Finance ;   | : Member           |
| (6) | the Administrative Secretary to Government of Punjab, Department of Transport ;   | : Member           |
| (7) | Joint Managing Director, Punjab Municipal Infrastructure Development Company-cum-chief Executive Officer, Punjab Municipal Infrastructure Development Company ; | : Member Secretary |
| (8) | State Transport Commissioner, Punjab ; and  | : Member           |

- (9) Managing Director, Punjab .. Member  
Infrastructure Development Board-  
cum-Member Secretary, Punjab Bus  
Metro Society.

4. The Committee shall perform the following functions, Functions of the  
Committee.  
namely :—

- (1) to determine policies, programmes and priorities regarding public transport in urban area ;
- (2) to monitor, evaluate and review the progress and proper utilization of funds ;
- (3) to make suggestions and recommendations regarding generation of resources to support urban transport system and augmentation and maintenance of quality services ;
- (4) to make decisions regarding raising of loans, floating of bonds and debentures and other resources for development of urban development services ;
- (5) to explore possibilities and encourage the outsourcing of urban transport ;
- (6) to work out modalities for funding the fund and to submit the same to the Government for approval ;
- (7) to allocate amounts from fund for urban transport activities ;  
and
- (8) any other functions which may be assigned by the Government.

5. (1) The Committee may, with the prior approval of the Officers and  
employees of the  
Committee. Government, create such posts and appoint such officers and other employees of the Committee as it may consider necessary for the efficient discharge of its functions.

(2) The terms and conditions of service of the officers and other employees of the Committee shall be such as may be specified by the regulations.

6. (1) With effect from the commencement of this Act, every Sources of Fund. person within the urban areas in the State of Punjab shall be liable to pay additional cess under this Act on goods as specified in the Schedule.

(2) The additional cess shall be payable at such rates as specified in respect of goods as described in the Schedule.

(3) Subject to the provisions of this Act and the rules made thereunder, the authorities for the time being empowered to assess, reassess, collect and enforce payment of cess under the Punjab Value Added Tax Act, 2005, shall, on behalf of the Committee, assess, reassess, collect and enforce payment of additional cess, including any interest or penalty, payable by a person under this Act, as if such additional cess or penalty or interest, payable under the Punjab Value Added Tax Act, 2005 and for this purpose, the aforesaid authorities may exercise all or any of the powers, exercisable by them under the Punjab Value Added Tax Act, 2005 and the rules framed there under and the provisions of the Punjab Value Added Tax Act, 2005 relating to the returns, provisional assessment, assessment, reassessment, rectification, review advance payment of tax, registration of transferee of any business, imposition of the tax liability, carrying on the business of the transfer of successor to such business, transfer of any liability of any firm or dissolution of firm, recovery of tax from third parties, appeals, reviews, revisions, rectification, referencess, refunds, rebates, interest or penalty, charging or payment of interest, compounding of offences and treatment of documents, furnished by a person as confidential, shall apply accordingly.

(4) Subject to other provisions of this Act and the rules made there under, the authorities for the time being empowered to assess, reassess, collect and enforce payment of cess on final price of auctioned vehicle number plate under the Motor Vehicle Act, 1988, shall, on behalf of the Committee, assess, reassess, collect and enforce payment of additional cess as specified in the Schedule.

(5) The additional cess collected under sub-sections (3) and (4), shall be credited to the Fund, within such period as may be prescribed.

Constitution of  
the Fund.

7. (1) There shall be constituted a Fund, to be called the Punjab Urban Transport Fund, which shall vest in the Committee.

(2) The Fund shall be administered by such officer or officers of the Committee as may be appointed by it in this behalf.

(3) The additional cess collected under section 6 and the grants from the Government and the Municipalities and the loans raised under this Act shall be credited to the Fund within such period as may be prescribed.

8. The Fund shall be utilized for the following purposes, namely :— Utilization of Fund

- (1) to accelerate urban transport development, viability gap funding and infrastructure for urban transport projects recommended or approved under the various Schemes of the State Government or the Central Government duly considered by the Committee.
- (2) financial support to various special purpose vehicles and institutions of the State implementing urban transport projects ;
- (3) conducting studies pertaining to urban transport ;
- (4) expenses involved in hiring of consultants for various urban transport activities and studies relating to urban transport ;
- (5) organizing capacity building, orientation and training programmes which may include seminars, conferences on urban transport ; and
- (6) any other purpose relating to urban transport as the Committee deems fit.

9. No Suit, prosecution or other legal proceeding shall lie against the Government or any officer or employee of the Government or the Punjab Municipal Infrastructure Development Company, in respect of anything which is in good faith done or intended to be done in pursuance of this Act or rules made or any order issued thereunder. Protection of action taken in good faith.

10. (1) The State Government may, by notification in the Official Gazette, make rules for carrying out the purposes of this Act. Power to make rules.

(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 preparation and submission for sanction of an estimate of annual income and expenditure ;
  - (b) period within which the amount is to be credited to the Fund as collected under sections 6 and 7 ; and
  - (c) any other matter which has to be or may be prescribed.
- (3) Every rule made under this Act 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 or more successive sessions, and if, before the expiry of the session in which it is so laid or the successive sessions as aforesaid, the House agrees in making any modification in the rules or the House agrees that the rules 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 or omitted to be done under that rule.

Power to make regulations.

**11.** (1) The Committee may, from time to time, with the previous approval of the Government, make regulations not inconsistent with this Act and the rules made thereunder for the purposes of giving effect to the provisions of this Act.

(2) In particular and without prejudice to the generality of the foregoing powers, such regulations may provide for—

- (a) transacting business at the meeting of the Committee ; and
- (b) the conditions of service of the officers and other employees of the Committee and their functions and duties.

Audit.

**12.** (1) The Fund shall be audited by the Comptroller and Auditor-General of India in accordance with the provisions of the Comptroller and Auditor-General's (Duties, Powers and Conditions of Service) Act, 1971 (Central Act 56 of 1971).

Removal of difficulties.

**13.** If any difficulty arises in giving effect to the provisions of this Act, the State Government may, by order published in the Official Gazette, make such provision not inconsistent with the provisions of this Act, including any adaptation or modification of any provision of this Act as appears to the State Government to be necessary or expedient for the purpose of removing such difficulty :

Provided that no such order shall be made after the expiry of two years from the date of commencement of this Act.

Power to amend Schedule.

**14.** The State Government may, by notification in the Official Gazette, alter the rate of cess specified in the Schedule, add to or omit from or otherwise, amend the Schedule and thereupon, the Schedule shall be deemed to have been amended accordingly.

## SCHEDULE

(See sections 6 and 14)

Serial No.	Description of articles and goods	Additional cess which is to be levied under this Act	Stage at which additional cess is levied
1	(a) High Speed Diesel [HSD]	The levy of 10 paise per litre within the urban area	The levy shall be at the first stage of sale of diesel in the urban area in the State of Punjab.
	(b) Petrol	The levy of 10 paise per litre within the urban area	The levy shall be at the first stage of sale of petrol in the urban area in the State of Punjab.
2	(a) Vanity Plates [Personalized vehicle plate]	The levy of additional cess of 10% on final price of auctioned vehicle number plate.	The levy shall be at the first stage of registration of vehicle.
	(b) In case of retaining old V.I.P. Numbers.		
	(i) one single digit Vehicle Number i.e. for vehicle No. 0001	rupees 25,000	
	for vehicle No. 0002-0009	rupees 10,000	-do-
	(ii) one double digit and other Vehicle Number i.e. for vehicle No. 0010-99, for vehicle No. 0100-9999	rupees 5000 rupees 2000	

## STATEMENT OF OBJECTS AND REASONS

The State Government has decided to generate the additional revenue by imposing the additional cess under the Punjab Urban Transport Fund with a view to accelerate Urban Transport Development, Viability Gap Funding and Infrastructure for Urban Transport Projects recommended/approved under various schemes of the State Government or Central Government. Accordingly the present Bill i.e. "The Punjab Urban Transport Fund Bill, 2019" has been made to meet the viability gap funding.

BRAHM MOHINDRA,  
Minister for Local Government, Punjab.

## FINANCIAL MEMORANDUM

The State Government has decided to generate the additional revenue by imposing the additional cess under the Punjab Urban Transport Fund with a view to accelerate Urban Transport Development, Viability Gap Funding and Infrastructure for Urban Transport Projects recommended/approved under various schemes of the State Government or Central Government.

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MEMORANDUM REGARDING DELEGATED LEGISLATION

Section 10, 11, 6 and 14 of the Punjab Urban Transport Fund Act, 2019 empowers the State Government to make rules and regulations, add to or omit from or otherwise amend the Schedule to carry out the purposes of this Act. The powers sought are necessary for the proper implementation of the provisions of the Act and are normal in nature.

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The Governor has, in pursuance of clause (1) and (3) of Article 207 of the Constitution of India, recommended to the Punjab Legislative Assembly, the introduction and consideration of the Bill

CHANDIGARH :  
The 4th August, 2019.

SHASHI LAKHANPAL MISHRA,  
Secretary.

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*N.B.*—The above Bill was published in the *Punjab Government Gazette (Extraordinary)*, dated the 4th August, 2019 under the proviso to rule 121 of the Rules of Procedure and Conduct of Business in the Punjab Vidhan Sabha (Punjab Legislative Assembly).