



The Punjab Urban Transport Fund Act, 2019

Act 13 of 2019

Keyword(s):

Fund, Company, SPV, Transport, Urban Area

DISCLAIMER: This document is being furnished to you for your information by PRS Legislative Research (PRS). The contents of this document have been obtained from sources PRS believes to be reliable. These contents have not been independently verified, and PRS makes no representation or warranty as to the accuracy, completeness or correctness. In some cases the Principal Act and/or Amendment Act may not be available. Principal Acts may or may not include subsequent amendments. For authoritative text, please contact the relevant state department concerned or refer to the latest government publication or the gazette notification. Any person using this material should take their own professional and legal advice before acting on any information contained in this document. PRS or any persons connected with it do not accept any liability arising from the use of this document. PRS or any persons connected with it shall not be in any way responsible for any loss, damage, or distress to any person on account of any action taken or not taken on the basis of this document.

PART I

GOVERNMENT OF PUNJAB

DEPARTMENT OF LEGAL AND LEGISLATIVE AFFAIRS, PUNJAB

NOTIFICATION

The 17th September, 2019

No.16-Leg./2019.- The following Act of the Legislature of the State of Punjab received the assent of the Governor of Punjab on the 12th day of September, 2019, is hereby published for general information:-

THE PUNJAB URBAN TRANSPORT FUND ACT, 2019

(Punjab Act No. 13 of 2019)

AN

ACT

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.

2. In this 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:-

- (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 Infrastructure Development Board-cum-Member Secretary, Punjab Bus Metro Society; Member

Functions of the
Committee.

4. The Committee shall perform the following functions, 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 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. Officers and employees of the Committee.

(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 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. Sources of Fund.

(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, rectifications, references, 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.

Utilization of Fund.

8. The Fund shall be utilized for the following purposes, namely:-

(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.

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.

Power to make regulations.

(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. 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 difficulties 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	

S.K. AGGARWAL,
Secretary to Government of Punjab,
Department of Legal and Legislative Affairs.