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10/2/2016

Chandigarh Administration  
Department of Cooperation  
Order

P-12 (4)

Pursuant to the order dated 12.1.2016 of Chandigarh Administration, Finance Department issued vide endst. No. 31/1/452/ UTFI(4)/ 2015/819 dated 22.01.2016 (copy enclosed) directing that no transfer of share/ flats/ dwelling units in the Societies shall be allowed by the respective management of the Society in contravention of the law reiterated by the Hon'ble Apex Court in SLP No. 13917 of 2009 titled Suraj Lamp & Industries Pvt. Ltd Vs. State of Haryana and Anr and further followed by the Hon'ble High Court of Punjab and Haryana in CWP No.16227 of 2009 titled Amritpal Singh Vs. Chandigarh Administration to the effect that immovable property can be legally and lawfully transferred/conveyed only by a registered Deed of Conveyance (sale deed) or Deed of Transfer of Leasehold rights, as the case may be, in accordance with the provisions of the Transfer of Property Act, 1882 read in conjunction with Indian Stamp Act, 1899 and Registration Act, 1908 and not by way of SA/GPA/WILL transactions which are not 'transfers' or 'sales' as such transactions cannot be treated as completed transfers or conveyances, and further to protect the interests of bonafide members and prospective purchasers from any unwanted litigation, and to streamline the procedure for the purpose, the following guidelines are hereby issued for regulating the transfer of share/flats/dwelling units in the Cooperative House Building Societies in Chandigarh:-

1. The Society has paid full premium of the site allotted to it and obtained NDC from the Estate Officer/Chandigarh Housing Board, as the case may be.
2. The Society had chunk of land allotted to it, transferred in its name, on freehold or leasehold as per the terms of allotment by executing the Deed of Conveyance or Lease Deed, as the case may be, on paying the prescribed stamp duty on actual amount paid to the Chandigarh Housing Board/ Chandigarh Administration, as consideration. In case it has not been done, the Society shall get this done within a period of six months, in consultation with Estate Officer or Chandigarh Housing Board, as the case may be.
3. Upon the execution of Deed of Conveyance and Lease Deed, as the case may be, as in para 2 above, the transfer of individual dwelling unit (s)/flat in each Society shall be allowed only through the Deed of Conveyance (Sale Deed) or Deed of Transfer of Leasehold rights, as the case may be, to be executed and registered on payment of the prescribed stamp duty on the value of dwelling unit as determined by the Collector from time to time.
4. A GPA/SPA/Sub GPA holder may however, execute a Deed of Conveyance (Sale Deed) or Deed of Transfer of Leasehold rights in exercise of the powers granted under the Power of Attorney and convey title on behalf of the Executant as held by the Hon'ble Apex Court in favour of Intending purchaser.
5. The Intending purchaser or his/her spouse or dependent children should not possess/ own either on free hold, lease hold or hire purchase basis, a dwelling unit or a residential house/site/flat at Chandigarh, Manimajra Panchkula and SAS Nagar (Mohali) on the date of execution of Deed of Conveyance (Sale Deed) or Deed of Transfer of Leasehold rights, as the case may be. After the execution of Deed of Conveyance (Sale Deed) or Deed of Transfer of Leasehold rights, as in para 3 above, the purchaser shall not be eligible for enrolment as a member in any other Cooperative House Building Society in Chandigarh for transfer of share/flat.

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6. The intending purchaser shall obtain a 'No Objection Certificate' from the respective Society to the effect that no dues are pending on the part of the outgoing member/allottee/lessee, and the Society has no objection to his/her enrolment as a member, which shall be a pre condition before the execution of Deed of Conveyance ( Sale Deed) or Deed of Transfer of Leasehold rights, by the outgoing member of the Society as in para 3 above.
7. Upon the receipt of the application from the transferee/intending purchaser for NOC, the Society shall immediately invite objections from the General Public through Public Notice in three leading newspapers, one in English, one in Hindi and one in Punjabi having wide circulation in the area giving full particulars of the share/property and the applicant(s) who have applied for transfer of share/dwelling unit/flat in his/her favour giving at least thirty (30) days from the date of publication of the notice which shall be at the cost of the transferee(s), stating that if any person is/are having any objection against the transfer of right, title or interest in the share/dwelling unit/flat, the same may be submitted to the Society in writing, along with supporting documents within thirty (30) days of the publication of the notice, failing which action will be taken for issuance of NOC.
8. The Intending purchaser shall deposit transfer fee by way of Demand Draft in favour of the respective Society as detailed below in lieu of unearned increase liable to be paid by the member as per provisions of Capital of Punjab (Development and Regulation ) Act, 1952 and rules framed there under before execution of Deed of Conveyance( Sale Deed) or Deed of Transfer of Leasehold rights, as in para 3 above:-

Category A	: 1,00,000/-
Category B	: 50,000/-
Category C	: 30,000/-

The said payment shall further be deposited by the respective Society in favour of Registrar, Cooperative Societies Department, U.T. Chandigarh by way of Demand Draft after allowing transfer of share/DU/flat under para 14 below:

In the case of transfer of share/ flat/ dwelling unit to a legal heir(s) or family members i.e. mother, father, spouse, brother, sister, son and daughter, it shall not be construed as transfer for the purpose of transfer fee.

9. In addition to transfer fee as in para 8 above, the transferee/intending purchaser shall also pay a sum of Rs.25000/- by way of Demand Draft in favour of the respective Society as miscellaneous/ processing charges besides other expenses likely to be incurred by the Society for processing of his/her application for the transfer of share/flats, before execution of deed of conveyance (Sale Deed) or Deed of Transfer of Leasehold rights, as in para 3 above or otherwise.

10. The transferee/intending purchaser shall furnish all required documents and also an indemnity bond to the effect that:-
  - a) He/she shall be personally liable for settling all the court cases and dues so levied by the Society or Chandigarh Administration for settling the past liabilities;
  - b) He/she shall remove the building violations/misuse, if any;
  - c) He/she will execute the redemption deed if not executed earlier, wherever applicable.



11. On completion of all requirements stipulating the guidelines at S.No.2, 5 to 10 above of this order, if the intending purchaser is found eligible for enrolment as a member of the Society in place of outgoing member, the respective Society after passing a resolution in a meeting of the Executive Committee/Managing Committee and after obtaining prior approval of the Registrar, Cooperative Societies, U.T. Chandigarh, shall issue NOC for the enrolment of the said transferee/intending purchaser as a member of the Society and for the transfer of the right, title or interest in the flat/immovable property in his/her favour through a written letter which shall be subject to the terms and conditions of original allotment, the Punjab Cooperative Societies Act, 1961 and rules/byelaws framed there under and the Capital of Punjab (Development & Regulation) Act, 1952 and rules/Chandigarh Allotment of Land to Cooperative House Building Societies Scheme, 1991 (repealed) framed there under, enabling the transferee/intending purchaser to execute the Deed of conveyance ( Sale Deed) or Deed of Transfer of Leasehold rights, as the case may be, as in para 3 above. While issuing NOC, the Society shall also make it clear that this shall not confer any right upon the transferee/intending purchaser to claim the transfer of the right, title or interest in the share/ flat/ dwelling unit in his/her favour till he/she submits the duly stamped and registered deed of conveyance ( Sale Deed) or Deed of Transfer of Leasehold rights, as the case may be.
12. In the case of transfer of share/dwelling unit/flats to the legal heirs in the event of death of the allottee/lessee, procedure notified by Chandigarh Administration, Finance Department (Estate Branch) vide No.45/5/22/ UTFI(5)/2014/3355 dated 23.4.2014 shall be followed.
13. Once the deed of conveyance ( Sale Deed) or Deed of Transfer of Leasehold rights, as the case may be, (In triplicate) duly stamped has been executed and registered with the Sub Registrar, Chandigarh, the transferee/intending purchaser shall apply for the transfer of share/dwelling unit/flat in the Society to the respective Society along with a copy of the duly stamped and registered Deed of Conveyance ( Sale Deed) or Deed of Transfer of Leasehold rights, for change of transfer of right, title or interest in the share/flat/ dwelling unit in the Society's record and issuance of fresh share certificate.
14. Upon receipt of application as per para 13 above, the Society shall convey the enrolment of the said transferee/intending purchaser as a member of the Society and transfer the right, title or interest in the share/flat/DU in his/her favour through a written letter subject to the terms and conditions of original allotment, provisions of the Punjab Cooperative Societies Act, 1961 and rules/byelaws framed there under and the Capital of Punjab (Development & Regulation) Act, 1952 and rules/Chandigarh Allotment of Land to Cooperative House Building Societies Scheme, 1991 (repealed) framed there under and shall also issue a fresh share certificate.
15. Once such a transfer takes place, the new owner or shareholder shall be treated as a registered member of the Society.
16. All transfer of shares/flats either on the basis of GRAs or otherwise being in contravention of essence of the narration of the Hon'ble Apex Court in SLP No. 13917 of 2009 titled Suraj Lamp & Industries Pvt. Ltd Vs. State of Haryana and Anr as well as by the Hon'ble Punjab and Haryana High Court in CWP No.16227 of 2009 titled Amritpal Singh Vs. Chandigarh Administration read in conjunction with Transfer of Property Act, 1882, Indian Stamp Act, 1899, Registration Act, 1908 and Powers of Attorney Act, 1882 shall not be construed as completed or concluded transfers in the absence of duly



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stamped and registered deed of conveyance or lease deed, as the case may be.

17. The intending purchaser shall be liable for action against him/her as per law if any information furnished by him/her is found to be false.

This issues with the approval of H.E. the Administrator.

*Bhawna*  
Bhawna Garg, IAS,  
Secretary Cooperation  
Chandigarh Administration

Chandigarh, dated the  
5<sup>th</sup> February, 2016

Endst. No. 178/HII (4)/2015/

Dated, the

A copy is forwarded to the Controller, Printing & Stationery Department, U.T. Chandigarh with the request that the above order may please be published in the Chandigarh Administration Gazette (extraordinary) and supply 30 printed copies thereof for office use and record.

Joint Secretary Cooperation,  
For Secretary Cooperation,  
Chandigarh Administration.

Endst. No. 178/HII (4)/2015/ 2961

Dated, the 10/2/16

A copy is forwarded to the following for information and necessary action:-

1. Finance Secretary, Chandigarh Administration;
2. Deputy Commissioner-cum-Collector, U.T. Chandigarh with the request that he may please immediately notify the collector rate in respect of Category A, B and C dwelling units/flats in Cooperative House Building Societies for the purpose of execution of a deed of conveyance/lease deed, as the case may be, by the seller for the transfer of dwelling unit/flat in favour of the intending purchaser.
3. Registrar, Cooperative Societies, U.T. Chandigarh with the request that he may bring the guidelines to the notice of all Societies for strict compliance and ensure that no transfer of share/dwelling unit/flat in the Societies is done by the managements in contravention of the law of land;
4. Secretary, Chandigarh Housing Board, Chandigarh with the request that he may provide a specimen of conveyance deed/lease deed, as the case may be, to all the Societies and also intimate the stamp duty likely to be paid by each Society for execution of conveyance deed/lease deed, as the case may, as per terms of allotment letter.
5. Sub Registrar, Chandigarh
6. D.P.R. for giving press note.

*DP*  
Joint Secretary Cooperation,  
For Secretary Cooperation,  
Chandigarh Administration.

*Secretary*  
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