

**GOVERNMENT OF INDIA
URBAN DEVELOPMENT
LOK SABHA**

UNSTARRED QUESTION NO:4452
ANSWERED ON:19.05.2006
LAND CEILING ACT
Ahir Shri Hansraj Gangaram

Will the Minister of URBAN DEVELOPMENT be pleased to state:

- (a) whether the Government has made any recommendation to the State Governments to repeal the land Ceiling Act in the urban areas;
- (b) if so, the reasons therefor;
- (c) whether the prospects of disparities in property ownership have been taken into account in case the land Ceiling Act in urban areas is repealed;
- (d) if so, the details thereof; and
- (e) the steps taken by the Government to check the said disparities?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF URBAN DEVELOPMENT (SHRI AJAY MAKEN)

(a): The Government of India has launched Jawaharlal Nehru National Urban Renewal Mission (JNNURM) and Urban Infrastructure Development Scheme for Small & Medium Towns (UIDSSMT) on December 3, 2005 to provide reform linked Central assistance to Urban Local Bodies in various States of the country. One of the reforms required to be undertaken by the State Governments to access funds under JNNURM and UIDSSMT is repeal of Urban Land (Ceiling & Regulation) Act.

(b): Urban Land (Ceiling & Regulation) Act did not have any significant impact on availability of land in urban areas. Most of the land declared surplus under the Act did not become available due to exemptions and litigations.

(c)to(e): Under the Urban Land (Ceiling & Regulation) Act, out of the estimated 2,20,674.86 ha. surplus vacant land, only 19,082.22 ha. of vacant land could be acquired by the State Governments. Thus, the Urban Land (Ceiling & Regulation) Act did not have significant impact on the disparity in property ownership. Taking note of this fact as well as the fact that the Urban Land (Ceiling & Regulation) Act was creating distortions in supply of land in urban areas. Government of India is encouraging Urban Local Bodies to earmark 20-25% of the total land in all housing projects for economically weaker sections and lower income groups with a system of cross subsidization as part of the reform agenda under JNNURM.