

Specific Relief (Amendment) Act, 2018

No. 18 Of 2018

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An Act further to amend the Specific Relief Act, 1963.

Specific Relief (Amendment) Act, 2018

No. 18 Of 2018

[1st August, 2018.]

BE it enacted by Parliament in the Sixty-ninth Year of the Republic of India as follows:—

1. Short title and commencement.

(1) This Act may be called the Specific Relief (Amendment) Act, 2018.

(2) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint and different dates may be appointed for different provisions of this Act and any reference in any such provision to the

commencement of this Act shall be construed as a reference to the coming into force of that provision.

2. Amendment of section 6.

In section 6 of the Specific Relief Act, 1963 [47 of 1963] (hereinafter referred to as the principal Act), in sub-section (1), after the words "he or any person", the words "through whom he has been in possession or any person" shall be inserted.

3. Substitution of new section for section 10.

For section 10 of the principal Act, the following section shall be substituted, namely:—

"10. Specific performance in respect of contracts.

The specific performance of a contract shall be enforced by the court subject to the provisions contained in sub-section (2) of section 11, section 14 and section 16."

4. Amendment of section 11.

In section 11 of the principal Act, in sub-section (1), for the words "contract may, in the discretion of the court", the words "contract shall" shall be substituted.

5. Substitution of new sections for section 14.

For section 14 of the principal Act, the following sections shall be substituted, namely:—

"14. The following contracts cannot be specifically enforced, namely:—

(a) where a party to the contract has obtained substituted performance of contract in accordance with the provisions of section 20;

(b) a contract, the performance of which involves the performance of a continuous duty which the court cannot supervise;

(c) a contract which is so dependent on the personal qualifications of the parties that the court cannot enforce specific performance of its material terms; and

(d) a contract which is in its nature determinable.

14A. Power of court to engage experts.

(1) Without prejudice to the generality of the provisions contained in the Code of Civil Procedure, 1908 [5 of 1908], in any suit under this Act, where the court considers it necessary to get expert opinion to assist it on any specific issue involved in the suit, it may engage one or more experts and direct to report to it on such issue and may secure attendance of the expert for providing evidence, including production of documents on the issue.

(2) The court may require or direct any person to give relevant information to the expert or to produce, or to provide access to, any relevant documents, goods or other property for his inspection.

(3) The opinion or report given by the expert shall form part of the record of the suit; and the court, or with the permission of the court any of the parties to the suit, may examine the expert personally in open court on any of the matters

referred to him or mentioned in his opinion or report, or as to his opinion or report, or as to the manner in which he has made the inspection.

(4) The expert shall be entitled to such fee, cost or expense as the court may fix, which shall be payable by the parties in such proportion, and at such time, as the court may direct.”.

6. Amendment of section 15.

In section 15 of the principal Act, after clause (f), the following clause shall be inserted, namely:—

“(fa) when a limited liability partnership has entered into a contract and subsequently becomes amalgamated with another limited liability partnership, the new limited liability partnership which arises out of the amalgamation.”.

7. Amendment of section 16.

In section 16 of the principal Act,—

(i) for clause (a), the following clause shall be substituted, namely:—

“(a) who has obtained substituted performance of contract under section 20; or”;

(ii) in clause (c),—

(I) for the words “who fails to aver and prove”, the words “who fails to prove” shall be substituted;

(II) in the Explanation, in clause (ii), for the words “must aver”, the words “must prove” shall be substituted.

8. Amendment of section 19.

In section 19 of the principal Act, after clause (c), the following clause shall be inserted, namely:—

“(ca) when a limited liability partnership has entered into a contract and subsequently becomes amalgamated with another limited liability partnership, the new limited liability partnership which arises out of the amalgamation.”.

9. Amendment of sub-heading under Chapter II.

For sub-heading “Discretion and powers of Court” occurring after section 19, the sub-heading “Substituted performance of contracts, etc.” shall be substituted.

10. Substitution of new sections for section 20.

For section 20 of the principal Act, the following sections shall be substituted, namely:—

“20. Substituted performance of contract.

(1) Without prejudice to the generality of the provisions contained in the Indian Contract Act, 1872, and, except as otherwise agreed upon by the parties, where the contract is broken due to non-performance of promise by any party, the party who suffers by such breach shall have the option of substituted performance through a third party or by his own agency, and, recover the expenses and other

costs actually incurred, spent or suffered by him, from the party committing such breach.

(2) No substituted performance of contract under sub-section (1) shall be undertaken unless the party who suffers such breach has given a notice in writing, of not less than thirty days, to the party in breach calling upon him to perform the contract within such time as specified in the notice, and on his refusal or failure to do so, he may get the same performed by a third party or by his own agency:

Provided that the party who suffers such breach shall not be entitled to recover the expenses and costs under sub-section (1) unless he has got the contract performed through a third party or by his own agency.

(3) Where the party suffering breach of contract has got the contract performed through a third party or by his own agency after giving notice under sub-section (1), he shall not be entitled to claim relief of specific performance against the party in breach.

(4) Nothing in this section shall prevent the party who has suffered breach of contract from claiming compensation from the party in breach.

20A. Special provisions for contract relating to infrastructure project.

(1) No injunction shall be granted by a court in a suit under this Act involving a contract relating to an infrastructure project specified in the Schedule, where granting injunction would cause impediment or delay in the progress or completion of such infrastructure project.

Explanation.—For the purposes of this section, section 20B and clause (ha) of section 41, the expression “infrastructure project” means the category of projects and infrastructure Sub-Sectors specified in the Schedule.

(2) The Central Government may, depending upon the requirement for development of infrastructure projects, and if it considers necessary or expedient to do so, by notification in the Official Gazette, amend the Schedule relating to any Category of projects or Infrastructure Sub-Sectors.

(3) Every notification issued under this Act by the Central Government shall be laid, as soon as may be after it is issued, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the notification or both Houses agree that the notification should not be made, the notification 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 under that notification.

20B. Special Courts.

The State Government, in consultation with the Chief Justice of the High Court, shall designate, by notification published in the Official Gazette, one or more Civil Courts as Special Courts, within the local limits of the area to exercise jurisdiction and to try a suit under this Act in respect of contracts relating to infrastructure projects.

20C. Expeditious disposal of suits.

Notwithstanding anything contained in the Code of Civil Procedure, 1908 [5 of 1908], a suit filed under the provisions of this Act shall be disposed of by the court within a period of twelve months from the date of service of summons to the defendant:

Provided that the said period may be extended for a further period not exceeding six months in aggregate after recording reasons in writing for such extension by the court.”.

11. Amendment of section 21.

In section 21 of the principal Act, in sub-section (1), for the words “, either in addition to, or in substitution of,” the words “in addition to” shall be substituted.

12. Amendment of section 25.

In section 25 of the principal Act, for the words and figures “the Arbitration Act, 1940 [10 of 1940]”, the words and figures “the Arbitration and Conciliation Act, 1996 [26 of 1996]” shall be substituted.

13. Amendment of section 41.

In section 41 of the principal Act, after clause (h), the following clause shall be inserted, namely:—

“(ha) if it would impede or delay the progress or completion of any infrastructure project or interfere with the continued provision of relevant facility related thereto or services being the subject matter of such project.”.

14. Insertion of Schedule.

After Part III of the principal Act, the following Schedule shall be inserted, namely:—

‘THE SCHEDULE

[See sections 20A and 41 (ha)]

Category of projects and Infrastructure Sub-Sectors

Sl. No.	Category	Infrastructure Sub-Sectors
1	2	3
1.	Transport	(a) Road and bridges (b) Ports (including Capital Dredging) (c) Shipyards (including a floating or land-based facility with the essential features of waterfront, turning basin, berthing and docking facility, slipways or ship lifts, and which is self-sufficient for carrying on shipbuilding/repair/breaking activities) (d) Inland Waterways

		<p>(e) Airports</p> <p>(f) Railway Track, tunnels, viaducts, bridges, terminal infrastructure including stations and adjoining commercial infrastructure</p> <p>(g) Urban Public Transport (except rolling stock in case of urban road transport)</p>
2.	Energy	<p>(a) Electricity Generation</p> <p>(b) Electricity Transmission (c) Electricity Distribution</p> <p>(d) Oil pipelines</p> <p>(e) Oil/Gas/Liquefied Natural Gas (LNG) storage facility (including strategic storage of crude oil)</p> <p>(f) Gas pipelines (including city gas distribution network)</p>
3.	Water and Sanitation	<p>(a) Solid Waste Management</p> <p>(b) Water supply pipelines</p> <p>(c) Water treatment plants</p> <p>(d) Sewage collection, treatment and disposal system</p> <p>(e) Irrigation (dams, channels, embankments, etc.)</p> <p>(f) Storm Water Drainage System</p> <p>(g) Slurry pipelines</p>
4.	Communication	<p>(a) Telecommunication (Fixed network including optic fibre/wire/cable networks which provide broadband/internet)</p> <p>(b) Telecommunication towers</p> <p>(c) Telecommunications and Telecom Services</p>
5.	Social and Commercial Infrastructure	<p>(a) Education Institutions (capital stock)</p> <p>(b) Sports infrastructure (including provision of Sports Stadia and Infrastructure for Academies for Training/Research in Sports and Sports-relating activities)</p> <p>(c) Hospitals (capital stock including Medical Colleges, Para Medical Training Institutes and Diagnostic Centres)</p> <p>(d) Tourism infrastructure viz. (i) three-star or higher category classified hotels located outside cities with population of more than one million; (ii) ropeways</p>

and cable cars

(e) Common infrastructure for industrial parks and other parks with industrial activity such as food parks, textile parks, Special Economic Zones, tourism facilities and agriculture markets

(f) Post-harvest storage infrastructure for agriculture and horticulture produce including cold storage

(g) Terminal markets

(h) Soil-testing laboratories

(i) Cold chain (including cold room facility for farm level pre-cooling, for preservation or storage of agriculture and allied produce, marine products and meat)

(j) Affordable Housing (including a housing project using at least 50% of the Floor Area Ratio (FAR)/ Floor Space Index (FSI) for dwelling units with carpet area of not more than 60 square meters

Explanation.—For the purposes of this sub-clause, the term “carpet area” shall have the same meaning as assigned to it in clause (k) of section 2 of the Real Estate (Regulation and Development) Act, 2016 (16 of 2016).’.