

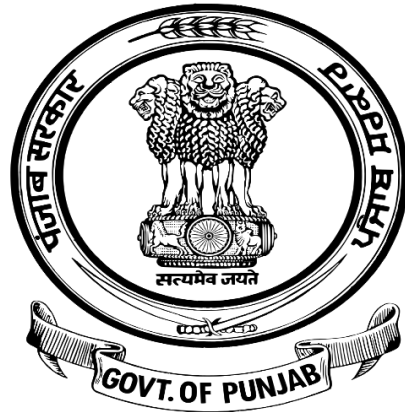
GOVERNMENT OF PUNJAB

DEPARTMENT OF LEGAL AND LEGISLATIVE AFFAIRS

**THE PUNJAB MUNICIPAL INFRASTRUCTURE
DEVELOPMENT FUND ACT, 2011**

(PUNJAB ACT 11 OF 2011)

(As amended upto the 15th June, 2025)



2025

**THE PUNJAB MUNICIPAL INFRASTRUCTURE
DEVELOPMENT FUND ACT, 2011**

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**THE PUNJAB MUNICIPAL INFRASTRUCTURE
DEVELOPMENT FUND ACT, 2011**

(Punjab Act No. 11 of 2011)

[Received the assent of the Governor of Punjab on the 8th April, 2011, and was first published for general information in the Punjab Government Gazette (Extraordinary), Legislative Supplement, dated the 11th April, 2011.]

1	2	3	4
Year	No.	Short title	Whether repealed or otherwise affected by the legislation
2011	11	The Punjab Municipal Infrastructure Development Fund Act, 2011	Amended by Punjab Act No. 8 of 2014 Amended by Punjab Act No. 16 of 2017 Amended by Punjab Act No. 23 of 2018

¹[An Act to provide for grant-in-aid to the Municipalities with a view to constitute the Punjab Municipal Infrastructure Development Fund to provide financial assistance to the Municipalities for their development and for the matters connected therewith or incidental thereto].

BE it enacted by the Legislature of the State of Punjab in the Sixty-second Year of the Republic of India, as follows: -

Short title and commencement.

1. (1) This Act may be called the Punjab Municipal Infrastructure Development Fund Act, 2011.

(2) It shall come into force at once.

Definitions.

2. In this Act, unless the context otherwise requires, -

²[(a) ****];

(b) "Director" means the Director, Local Government Department, Punjab;

(c) "Fund" means the Punjab Municipal Infrastructure Development Fund, constituted under section 3 of this Act;

³[(cc) "grant-in-aid" means the grant-in-aid provided from the Consolidated Fund of the State as compensatory payment under the State Budget till the financial year, 2037-38];

¹ Substituted by Punjab Act No.16 of 2017, Section 2

² Omitted by Punjab Act No.16 of 2017, Section 3

³ Substituted by Punjab Act No.23 of 2018, Section 2

- (d) "Infrastructure Development Project" shall include the construction, renovation, upgradation, repair or providing of basic civic amenities of-
- (i) roads;
 - (ii) bridges (including over-bridges, under-bridges, causeways, pedestrian cross bridges etc.);
 - (iii) street lighting;
 - (iv) drainage;
 - (v) sanitation;
 - (vi) solid waste management (including waste recycling);
 - (vii) water supply;
 - (viii) sewerage and sewerage treatment plant;
 - (ix) storm water drains;
 - (x) parking sites and services;
 - (xi) markets and shopping complexes;
 - (xii) parks, play grounds and stadiums;
 - (xiii) slum housing and development projects;
 - (xiv) upgradation or construction of community centres or dharamshalas;
 - (xv) burial grounds, cremation ghats or grounds and electric crematorium;
 - (xvi) other projects providing for public services;
 - (xvii) any other infrastructure or appliances connected with the above projects; and
 - (xviii) various projects under the Jawaharlal Nehru National Urban Renewal Mission, Urban Infrastructure Development Scheme for Small and Medium Towns and schemes, launched by the Central Government and the State Government;
- (e) "Municipality" shall have the same meaning as assigned to it in clause (e) of article 243-P of the Constitution of India;
- (f) "prescribed" means prescribed by rules made under this Act; and
- (g) "State Government" means the Government of the State of Punjab in the Department of Local Government.

Constitution of the Fund.

3. (1) There shall be constituted a Fund, to be called the Punjab Municipal Infrastructure Development Fund, which shall vest in the State Government.

¹[(2) The grant-in-aid shall be deposited into the Fund:
Provided that the amount of grant-in-aid, so deposited into the Fund, shall not be less than Rs.200 crore (Two hundred crore rupees) per annum or proportion thereof:

Provided further that the amount of grant-in-aid shall increase at the rate of fourteen per cent per annum over the previous year:

Provided further that the amount of grant-in-aid shall be deposited into the Fund on monthly basis.]

²[(3) ****]

Object and administration of the Fund.

4. (1) The Fund shall be utilized to raise resources for infrastructure development projects from the Nationalized or Scheduled Banks or financial institutions ³[or State Government Undertakings] for providing financial assistance to the Municipalities for the development of infrastructure development projects.

(2) The fund shall be administered by the Director in the manner, as may be prescribed.

Manner of depositing grant-in-aid.

⁴[5. The grant-in-aid, referred to in sub-section (2) of section 3, shall be deposited into the Fund in such manner, as may be prescribed.]

Maintenance of accounts.

⁵[6. The Director shall maintain the accounts of the grant-in-aid deposited into the Fund and the expenditure made out of the Fund.]

Audit.

7. 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).

Submission of annual report.

8. The annual report in respect of receipts into the Fund and distribution made out of the Fund to the Municipalities, shall be prepared by the State Government and be submitted to the State Legislature.

Power to make rules.

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

(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: -

¹ Substituted by Punjab Act No.16 of 2017, Section 4

² Omitted by Punjab Act No.16 of 2017, Section 4

³ Added by Punjab Act No.8 of 2014, Section 2

⁴ Substituted by Punjab Act No.16 of 2017, Section 5

⁵ Substituted by Punjab Act No.16 of 2017, Section 6

(a) for providing the manner in which the Fund shall be administered under sub-section (2) of section 4; and

¹[(b) for prescribing the manner in which the amount of grant-in-aid under section 5 is to be deposited.]

Protection of actions taken in good faith.

10. No suit, prosecution or other legal proceeding shall lie against the State Government or any officer or employee of the State Government or any other person or authority, authorized by the State Government for anything, which is done or intended to be done in good faith under this Act or the rules made there-under.

Power to remove difficulties.

11. If any difficulty arises in giving effect to any of the provisions of this Act, the State Government may, by an order published in the Official Gazette, make such provision, not inconsistent with the provisions of this Act, as may appear to be necessary for removing the difficulty:

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

Repeal and saving.

12. (1) The Punjab Municipal Infrastructure Development Fund Ordinance, 2010 (Punjab Ordinance No. 10 of 2010), is hereby repealed.

(2) Notwithstanding such repeal, anything done or any action taken under the Ordinance referred to in sub-section (1), shall be deemed to have been done or taken under this Act.

¹ Substituted by Punjab Act No.16 of 2017, Section 7