

**GOVERNMENT OF PUNJAB**

**DEPARTMENT OF LEGAL AND LEGISLATIVE AFFAIRS**

**THE PUNJABHOUSING DEVELOPMENT BOARD ACT,  
1972**

**(PUNJAB ACT 6 OF 1973)**

*(As amended upto the 15thOctober, 2025)*



**2025**

**THE PUNJAB HOUSING DEVELOPMENT BOARD ACT,  
1972**

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**THE PUNJAB HOUSING DEVELOPMENT BOARD ACT,  
1972**

**(Punjab Act No. 6 of 1973)**

*[Received the assent of the President of India on the 6th January, 1973 and was first published for general information in the Punjab Government Gazette (Extraordinary), Legislative Supplement, dated the 18th January, 1973.]*

1	2	3	4
Year	No.	Short Title	Whether repealed or otherwise affected by the legislation
1973	6	The Punjab Housing Development Board Act, 1972	Amended by Punjab Act No. 30 of 1973

*An Act to provide for the execution of housing, development and improvement schemes, for the establishment of a State Housing Development Board and for certain other matters.*

BE it enacted by the Legislature of the State of Punjab in the Twenty-third Year of the Republic of India as follows:

**Chapter-I**

**PRELIMINARY**

- Short title.
1. This Act may be called the Punjab Housing Development Board Act, 1972.
- Definitions.
2. In this Act, unless the context otherwise requires.-
- (a) "adjoining area" means such area as may be specified to be adjoining area under section 32:
- (b) "amenity" includes roads, water supply, street lighting, drainage, sewerage, public works and such other conveniences as the State Government may, by notification in the official Gazette, specify to be an amenity for the purpose of this Act;

- (c) "Board" means the Punjab Housing Development Board constituted under section 3;
- (d) "Board premises" means any premises belonging to, or vesting in, the Board or taken on lease by the Board or any premises which is entrusted to, or in possession or control of, the Board for the purpose of this Act;
- (e) "building materials" means such of the commodities or articles as are specified by the State Government by notification to be building materials for the purpose of this Act;
- (f) "building operations" includes rebuilding operations, structural alterations of or additions to buildings and other operations normally undertaken in connection with the construction of buildings;
- (g) "Committee" means any committee appointed under section 18;
- (h) "common purposes" means any purposes in relation to any common need, convenience or benefit of the locality and includes the following purposes:
  - (i) Roads and parks, water courses or water channels, bus stand and waiting places, public lavatories, cremation and burial grounds, community halls, janjghar, public open spaces, public places of religious and charitable nature;
  - (ii) Schools and play grounds, dispensaries, Health Centres and institutions of like nature, water works or tube-wells, whether such schools, playgrounds, dispensaries and institutions of such nature, tube-wells, etc., may be managed or controlled by the Board, State Government or Local Bodies or not;
- (i) "development with its grammatical variations" means the carrying out of building, engineering, mining or other operations in, on, over or under land or the making of any material change in any building or land and includes redevelopment;
- (j) "development area" means any such area declared to be a development area under sub-section (1) of section 23;

- (k) "housing scheme" means a housing scheme framed under this Act and includes any other such schemes entrusted to the Board by the State Government from time to time;
- (l) "land" includes benefits to arise out of land and things attached to the earth or permanently fastened to anything attached to the earth;
- (m) "Local Authority" means a Municipal Committee, Notified Area Committee, Town Improvement Trust, Cantonment Board, Zila Parishad, Panchayat Samiti or Gram Panchayat or any other authority entrusted with their functions under any law for the time being in force;
- (n) "means of access" includes any means of access, whether private or public, for vehicles or for foot passengers, and includes a road;
- (o) "member" means the member of the Board and includes the Chairman;
- (p) "owner" means in the case of unalienated land the lawful occupant and when such land has been mortgaged owner means the mortgagor; in the case of alienated land, owner means the superior holder;
- (q) "premises" means any land or building or part of building and includes,
  - (i) the gardens, grounds and out houses, if any, appertaining to such building or part of a building; and
  - (ii) any fittings affixed to such building or part of a building for the more beneficial enjoyment thereof;
- (r) "prescribed" means prescribed by rules;
- (s) "regulations" means regulations made under this Act;
- (t) "rules" means rules made under this Act;
- (u) "to erect" in relation to any building includes,-
  - (i) any material alteration or enlargement of any building;
  - (ii) the conversion by structural alteration into a place for human habitation of any building not originally constructed for human habitation;
  - (iii) the conversion of more than one place for human habitation of a building originally constructed as one such place;

- (iv) the conversion of two or more places of human habitation into a greater number of such places;
  - (v) such alterations of a building, as affect an alteration of its drainage or sanitary arrangements, or materially affect its security;
  - (vi) the addition of any rooms, buildings, houses or other structures to any building; and
  - (vii) the construction in a wall adjoining any street or land not belonging to the owner of the wall, of a door opening on to such street or land;
- (v) "State" means the State of Punjab.

## **CHAPTER-II**

### **ESTABLISHMENT OF THE BOARD**

Establishment of Board.

3. (1) The State Government may by notification, establish for the purposes of this Act, a Board to be called the Punjab Housing Development Board, with effect from such date as may be specified in the notification.

(2) The Board shall be a body corporate by the name aforesaid having perpetual succession and a common seal with power, subject to the provisions of this Act, to acquire, hold or dispose of property, both movable and immovable, and to contract and may by that name sue or be sued.

(3) For the purpose of this Act, the Local Authorities Loans Act, 1914, the Land Acquisition Act, 1894 and the Punjab Public Premises and Land (Eviction and Rent Recovery) Act, 1959, the Board shall be deemed to be a local authority.

Constitution of Board.

4. (1) The Board shall consist of a Chairman and the following other members:

- (a) nominated whole time members, namely:
  - (i) a person to be known as technical member having such qualifications as may be prescribed;
  - (ii) a person to be known as finance and accounts member having such qualifications as may be prescribed;

- (iii) a person to be known as Housing Commissioner, who shall be appointed from amongst officers of the Government having such qualifications and experience as may be prescribed:

Provided that at least one of the nominated whole-time members shall be a member of scheduled castes;

- (b) ex-officio members, namely:
  - (i) Secretary to Government, Punjab, Housing and Urban Development Department, if he is not appointed as Chairman;
  - (ii) Secretary to Government, Punjab, Finance Department;
  - (iii) Secretary to Government, Punjab, Local Government Department;
  - (iv) Chief Town Planner, Punjab;
  - (v) Chief Engineer, Public Health, Punjab;
- (c) not more than five persons at least two of whom shall be members of the scheduled castes or backward classes, from amongst those persons who have wide experience in housing and urban development to be nominated as part time members.

(2) The Chairman and the members referred in clauses (a) and (c) of sub-section (1) shall be appointed by the State Government upon such terms and conditions as may be prescribed.

(3) The appointment of the Chairman and the nomination of other members shall be notified by the State Government in the official Gazette.

Terms of office of  
Chairman and  
members.

<sup>1</sup>[5. (1) The term of office of the Chairman, other than ex-officio Chairman, and other nominated members shall be three years from the date of publication of the notification under sub-section (3) of section 4 or till the date on which they attain the age of fifty-eight years or such age of superannuation as may be fixed by the State Government instead of fifty-eight, whichever is earlier:

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<sup>1</sup>Substituted by Punjab Act No. 30 of 1973, Section 2

Provided that at the expiry of the period of his appointment a person shall be eligible for re-appointment as Chairman or member, as the case may be, if he has not attained the aforesaid age.

(2) Notwithstanding anything contained in sub-section (1), the term of an officer of the State Government sent on deputation as Chairman or member shall be such as may be fixed by the State Government but shall not exceed three years or the age of his superannuation, whichever is earlier.]

Temporary  
absence of  
members.

6. If any member of the Board other than the Chairman is by infirmity or otherwise rendered temporarily incapable of carrying out his duties or is absent on leave or otherwise not involving the vacation of his appointment, the State Government may appoint another person to officiate for him and carry out his functions under this Act or any rule or regulation made thereunder.

Filling of  
vacancies.

7. (1) If a vacancy occurs in the office of the Chairman or a member of the Board through death, resignation, removal, disqualification or otherwise, the vacancy shall be filled in the manner provided in section 4.

(2) Any person appointed or nominated to fill the vacancy shall, notwithstanding anything in section 5, hold office for the unexpired portion of his predecessor.

Disqualifications for  
appointment as  
member of the Board.

8. (1) A person shall be disqualified for being appointed or nominated or for continuing as a member, if he-

- (a) has been convicted by a criminal court at any time after 26th of January, 1950, for an offence involving moral turpitude, unless such conviction has been set aside;
- (b) is an undischarged insolvent;
- (c) is of unsound mind;
- (d) directly or indirectly, whether by himself or by his partner or by any person or body of persons in trust for him or for his benefit or on his account has or had any share or interest in-
  - (i) a contract with the Board;
  - (ii) a firm engaged in a contract or dealing with the Board in any manner whatsoever.

(2) If any question, dispute or doubt arises as to whether or not any person is eligible for membership of the Board or has incurred any disqualification, whether before or after becoming a member, it shall be determined by the State Government whose decision shall be final and binding.

Circumstances under which a member shall vacate office.

9. If a member-
- (a) ceases to have qualifications or ceases to hold office by virtue of which he became a member;
  - (b) becomes subject to any disqualification referred to in section 8; or
  - (c) absents himself, without permission of the Chairman from three consecutive meetings of the Board;
- the State Government shall declare his office to be vacant.

Power to remove members.

10. If, in the opinion of the State Government, any member has been guilty of any misconduct or neglect or has so abused his position as to render his continuance as member detrimental to the interest of the Board or of the general public, the State Government may make an order removing such member from membership:

Provided that no member shall be so removed unless he has been given a reasonable opportunity of showing cause against his removal.

Resignation.

11. (1) If a member wishes to resign his office he shall send his resignation in writing to the State Government:

Provided that the resignation of a member other than the Chairman shall be submitted through the Chairman.

(2) If the State Government accepts the resignation such acceptance shall be communicated to the Board, and thereupon the seat of the member resigning shall become vacant.

Headquarters of the Board.

12. The Board shall have its headquarters at such place as may be notified by the State Government from time to time.

Meetings of the Board.

13. (1) The Chairman may, at any time, and shall at the prescribed intervals or on receipt of a requisition signed by not less than three members and stating the business to be brought before the Board, call a meeting of the Board in the prescribed manner.

(2) The Chairman and in his absence a member chosen by the members of the Board, present in the meeting, shall preside at such meeting of the Board.

(3) All questions at a meeting of the Board shall be decided by the votes of the majority of the members present and voting and in case of equality of votes, the person presiding shall have a second or casting vote.

(4) Three members shall form a quorum at the meetings of the Board:

Provided that if a meeting is adjourned for want of quorum, no quorum shall be necessary at the next meeting for transacting the same business:

Provided further that a notice of the adjourned meeting shall be sent to all the members of the Board.

(5) A copy of the proceedings of every meeting of the Board shall be sent by the Housing Commissioner to the State Government and to all the members of the Board within three days after the meeting is held.

(6) No act done or proceedings taken under this Act by the Board shall be invalid merely on the ground of the existence of any vacancy amongst members, or by reason of defect or irregularity in its constitution or any irregularity in procedure not affecting the merits of the case.

14. The Housing Commissioner or any other officer authorised by the Board in this behalf shall,-

(a) arrange for the transaction of the business of the Board;

(b) authenticate all the orders and decisions of the Board;

(c) be responsible for the presentation of annual estimates and statements of accounts, including the balance sheet to the Board;

(d) be responsible for the custody of the Board Fund and ensuring that all moneys in the fund are expended in accordance with the provisions of this Act or the rules and regulations made thereunder;

(e) discharge such other functions as may be specified in the regulations made by the Board.

Duties of the officers  
of the Board.

Appointment of officers and employees of the Board.

15. (1) The Board may appoint such officers and employees as it may consider necessary for the efficient performance of its functions.

(2) The recruitment and other conditions of service including remuneration of the officers and employees of the Board shall be regulated by the Board in accordance with the regulations to be made by the Board with prior approval of the State Government:

Provided that the Punjab Civil Services Rules shall, as far as may be, apply in this behalf until such regulations are framed.

Provident Fund.

16. (1) The State Government shall establish a provident fund for the employees of the Board and such provident fund shall be deemed to be a Government Provident Fund for the purpose of the Provident Fund Act, 1925 (Central Act XIV of 1925) and notwithstanding anything contained in section 8 thereof, such fund may be administered by such officers of the State Government or of the Board as the State Government may specify in that behalf.

(2) The Board shall in respect of each of its employees, who is a subscriber to the said fund, pay into the said fund, such portion of the contribution in such manner as the State Government may, from time to time, determine.

General disqualification of all officers and servants.

17. No person who has directly or indirectly by himself or his partner or agent any share or interest in any contract by or on behalf of the Board, otherwise than as an officer or servant thereof, shall become or remain an officer or servant of the Board.

Appointment of Committees.

18. Subject to any rules made in this behalf, the Board may, from time to time, appoint one or more Committees for the purpose of securing the efficient discharge of its functions and in particular for the purpose of securing that the said functions are discharged with due regard to the requirements of particular local areas.

Power to make contracts.

19. The Board may enter into and perform all such contracts as it may consider necessary or expedient for carrying out any of the purposes of this Act.

Execution of contract.

20. (1) Every contract shall be made on behalf of the Board by the Chairman or such other member or officer of the Board as may be authorised by it in this behalf:

Provided that-

- (a) no contract involving an expenditure exceeding rupees fifty lacs shall be made except with the previous sanction of the State Government;
- (b) no contract involving an expenditure of twenty-five thousand rupees or more shall, subject to clause (a) above, be made without the previous sanction of the Board.

(2) Sub-section (1) shall apply to every variation or abandonment of a contract or estimate as well as to an original contract or estimate.

Delegation of Board's power to sanction contracts.

21. Subject to any rules which the State Government may make in this behalf, the Board may by order direct that its powers to sanction a contract may be exercised by any officer of the Board specified by it in such order.

Further provisions as to execution of contracts.

22. (1) Every contract on behalf of the Board shall, subject to the provisions of sections 20 and 21, be entered into in such manner and in such form as may be prescribed.

(2) A contract not made or executed as provided in this section and the rules shall not be binding on the Board.

### **CHAPTER-III**

#### **DEVELOPMENT PLANS**

Declaration of area as development area.

23. (1) The Board may, by notification, declare the whole or a part of any area, whether situated within or without the limits of a local authority, to be development area for the purposes of this Act:

<sup>1</sup>[Provided that no land-

- (i) comprised within the limits of a cantonment as defined under the Cantonments Act, 1924; or
- (ii) owned, taken on lease or requisitioned by the Central Government for the purpose of Naval, Military or Air Force authorities;

shall be included in an area so declared.]

(2) The contents of the declaration made under sub-section (1) shall also be published by the Board in at least two vernacular newspapers.

Preparation and approval of development plans.

24. (1) The Board shall, not later than one year from the date of publication of the declaration under sub-section (1) of section 23 or within such further period, as the State Government may allow,

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<sup>1</sup>Added by Punjab Act No. 30 of 1973, Section 3

get development plan for the development area prepared in the prescribed manner, specifying therein the restrictions and conditions proposed to be made applicable in the development area.

(2) The Board shall cause to be made public, by notification, and by displaying it at a conspicuous place in the concerned locality, the development plan got prepared by it under sub-section (1) for the purposes of inviting objections and suggestions thereon.

(3) Any person may, within thirty days from the date of publication of the notification under sub-section (2) send to the Board his objections and suggestions, in writing, in respect of such development plan.

(4) The Board shall also give reasonable opportunity to every local authority within whose local limits any land touched by the development plan is situated or any department of the State Government affected by such development plan, to make any representation with respect to the development plan.

(5) The development plan shall, as soon as may be, after publication, be submitted by the Board to the State Government for its approval along with the objections, suggestions and representations, if any, and the comments of the Board thereon.

(6) The State Government shall consider the objections, suggestions and representations, if any, received with the development plan and may accept or reject them. The State Government thereafter may either approve the development plan without modifications or with such modifications as it may consider necessary, or reject the development plan with directions to the Board to prepare fresh development plan in accordance with such directions.

Operation of  
development plan.

25. (1) Immediately after a development plan has been approved by the State Government, the Board shall publish in such manner as may be provided in the regulations, a notice stating that the development plan has been approved by the State Government and naming the place where a copy thereof may be inspected at all reasonable hours and with the first publication of such notice, the development plan shall come into operation.

(2) Save as otherwise provided in this Act, the Board shall not undertake or carry out any development of land in any area which is not development area.

(3) Notwithstanding anything contained in sub-section (2) the Board may, if it is of opinion that it is expedient so to do, undertake or carry out any development of any land which has been transferred to it or placed at its disposal under section 29 or section 30 even if such land is situated in an area which is not a development area.

(4) After the commencement of this Act, no development of land shall be undertaken or carried out in any development area by any person or body, including a department of Government, unless permission for such development has been obtained in writing from the Board in accordance with the provisions of this Act.

<sup>1</sup>[Provided that no such permission shall be necessary in the case of development of land by or under the authority of Central Government, but information with regard to the proposed development shall be sent to the Board at least thirty days before undertaking the development and if no objection is received from the Board within a period of twenty-one days of the receipt of such information by the Board, it will be presumed that the Board has no objection to such development work being carried out.]

(5) After the coming into operation of a development plan, no development shall be undertaken or carried out in the area covered by such development plan unless such development is also in accordance with such plan.

(6) Notwithstanding anything contained in sub-sections (4) and (5), development of any land begun by any department of Government or any local authority before the commencement of this Act may be completed by that department or local authority without compliance with the requirements of those sub-sections.

26. The Board may, in the manner prescribed for preparing and bringing into operation a development plan and subject to like approval, make any modifications to a development plan as it thinks fit.

Procedure for  
modifications of  
development plan.

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<sup>1</sup>Added by Punjab Act No. 30 of 1973, Section 4

Application for permission.

27. (1) Every person or body (including a department of Government) desiring to obtain permission for development of land in a development area under section 25 shall make an application to the Board in such form as may be prescribed by regulations containing particulars in respect of the development to which the application relates.

(2) Every application under sub-section (1) shall be accompanied by such fee as may be prescribed by rules:

Provided that no such fee shall be payable in the case of an application made by the department of the Government.

(3) On receipt of an application for permission under sub-section (1), the Board after making such inquiry as it considers necessary, shall, by order in writing, either grant the permission, subject to such conditions, if any, as may be specified in the order or refuse to grant such permission:

Provided that before making an order refusing such permission, the applicant shall be given a reasonable opportunity to show cause why the permission should not be refused.

(4) Where permission is refused, the grounds of such refusal shall be recorded in writing and communicated to the applicant in the manner prescribed by regulations.

(5) The Board shall keep in such form as may be prescribed by regulations a register of applications for permission under this section.

(6) The said register shall contain such particulars including information as to the manner in which applications of permission have been dealt with as may be prescribed by regulations and shall be available for inspection by any member of the public at all reasonable hours on payment of such fee not exceeding rupees five as may be prescribed by regulations.

28. After the coming into operation of any of the development plans in a development area, no person shall use or permit to be used any land or building in that development area otherwise than in conformity with such plan:

Provided that it shall be lawful to continue to use upon such terms and conditions, as may be prescribed by regulations made in this behalf, any land or building for the purpose and to the extent

Use of land and buildings in contravention of development plans.

for and to which it is being used upon the date on which such plan comes into force.

Transfer of Government  
Nazul land to the Board.

29. The State Government may, by notification in the official Gazette, and upon such terms and conditions as may be agreed upon between the Government and the Board place at the disposal of the Board, all or any developed and undeveloped lands in municipal areas vested in the State Government for the purpose of development in accordance with the provisions of this Act.

#### **CHAPTER-IV**

#### **HOUSING AND DEVELOPMENT SCHEMES**

Power of the Board to  
undertake housing,  
development and  
improvement schemes  
and incur expenditure.

30. (1) Subject to the provisions of this Act, the Board may, from time to time, incur expenditure and undertake works for the framing and execution of such housing, development and improvement schemes as it may consider necessary.

(2) The State Government may, on such terms and conditions as it may think fit to impose, entrust to the Board the execution or framing and execution of any housing scheme whether provided for by this Act or not, and the Board shall thereupon undertake the execution or the framing and execution of such schemes as if they had been provided for by this Act.

(3) The Board may, on such terms and conditions, as may be agreed upon and with the previous approval of the State Government take over for execution any housing scheme on behalf of a local authority or co-operative society or on behalf of an employer when the houses are to be built mainly for the residence of its or his employees, and the Board shall execute such schemes as if it had been provided for by this Act.

Types of housing  
development and  
improvement schemes.

31. The housing, development and improvement schemes may be of one of the following types, or combination of any two or more of such types or of any special features thereof, namely:-

- (a) a house accommodation scheme;
- (b) a rebuilding scheme;

- (c) a rehousing or rehabilitation scheme;
- (d) a city or town or village expansion scheme;
- (e) a street scheme;
- (f) a deferred street scheme;
- (g) a land development scheme;
- (h) a general improvement scheme.

Matters to be provided for in housing ,development or improvement schemes.

32. Notwithstanding anything contained in any other law for time being in force, a housing, development or improvement scheme may provide for all or any of the following matters, namely:-

- (a) the acquisition by purchase, exchange or otherwise of any property necessary for or affected by the execution of the scheme;
- (b) the laying or relaying out of land comprised in the scheme;
- (c) the distribution or redistribution of sites belonging to owners of the property comprised in the scheme;
- (d) the closure or demolition of dwellings or portions of dwellings unfit for human habitation;
- (e) the demolition of obstructive buildings or portions of buildings;
- (f) the construction and reconstruction of buildings;
- (g) the sale, lease or exchange of any property comprised in the scheme;
- (h) the construction and alteration of roads, streets, back lanes, bridges, culverts and causeways;
- (i) the drainage, water-supply and lighting of the streets included in the scheme;
- (j) the provision of open parks, playing fields and open spaces for the benefit of any area comprised in the scheme or any adjoining area, and the enlargement of existing parks, playing fields, open spaces and approaches;
- (k) the provision of sanitary arrangements required for the area comprised in the scheme, including the conservation of, and prevention of injury or contamination to rivers or other sources and means of water-supply;

- (l) the provision of accommodation for any class of inhabitants;
- (m) the advance of money for the purpose of the scheme;
- (n) the provision of facilities for communication and transport;
- (o) the collection of such information and statistics as may be necessary for the purpose of this Act;
- (p) the reclamation or reservation of lands for markets, gardens, playing fields and afforestation;
- (q) the provision of schools, parks, swimming pools, restaurants, shops, markets, fuel depots, laundries, hair dressing saloons and other amenities in the scheme; and
- (r) any other matter for which, in the opinion of the Government, it is expedient to make provision with a view to provide house accommodation and to the improvement of any area comprised in the scheme, or of any adjoining area for the general efficiency of the scheme.

Explanation:- For the purposes of this section, the Government may, by notification, specify any area surrounding or adjoining the area included in a housing, development or improvement scheme to be an adjoining area.

House Accommodation Scheme.

33. (1) Whenever the Board is of the opinion that it is expedient or necessary to meet the needs for house accommodation in any area, the Board may frame a house accommodation scheme.

(2) Such scheme shall specify the layout of the area where the houses are to be constructed.

(3) Such scheme may provide for the construction of houses and for the sale, leasing out or sale on hire-purchase basis of the houses so constructed.

(4) The Board may provide in the area roads, streets, drainage, water-supply, street lighting and other amenities.

Rebuilding Scheme.

34. (1) Whenever it appears to the Board that any area is an insanitary area and that, having regard to the comparative value of the buildings in such area and of the sites on which they are erected, the most satisfactory method of dealing with the area or any part thereof is a rebuilding scheme, the Board may frame a

rebuilding scheme for the whole area or any part of it in accordance with the provisions of this section.

- (2) A rebuilding scheme may provide for
- (a) the reservation of roads, streets, lanes and open spaces and the enlargement of the existing roads, streets, lanes and open spaces to such extent as may be necessary for the purposes of the scheme;
  - (b) the relaying out of the sites of the area upon roads, streets, and lanes and open spaces so reserved or enlarged;
  - (c) the payment of compensation in respect of any such reservation or enlargement, and the formation of roads, streets, lanes and open spaces so reserved or enlarged;
  - (d) the reconstruction, alteration or demolition of the existing buildings and their appurtenances by the owners, or by the Board in default of the owners, and the erection of buildings in accordance with the scheme by the said owners or by the Board in default of the owners, upon the sites as defined the scheme;
  - (e) the advance to the owners, upon such terms and conditions as to interest, sinking fund, and other matters as may be provided for under the scheme, of such sums as may be necessary to assist them to reconstruct or alter existing buildings or to erect new buildings in accordance with the scheme; and
  - (f) the acquisition by the Board of any site or building comprised in the area included in the area in the scheme.

Rehousing or  
rehabilitation scheme.

35. Whenever the Board is of the opinion that it is necessary for persons who.-

- (a) are displaced by the execution of any housing, development or improvement scheme sanctioned under this Act; or
- (b) are likely to be displaced by the execution of any housing, development or improvement scheme which it is intended to frame under this Act; or

- (c) cannot be accommodated in any scheme area, the Board may frame a rehousing scheme for the construction, maintenance and management of such number of dwelling houses and shops as may be required, or may frame a rehabilitation scheme for providing such number of open plots with roads, streets and open spaces as may be necessary.

City or town or village expansive scheme.

36. (1) Whenever the Board is of opinion that it is expedient to control and provide for the future expansion or development of a city, town or village, the Board may frame an expansion scheme and specify the time-limit for the execution of such scheme.

(2) The expansion scheme may be framed in respect of an area which lies wholly within or wholly outside the limits of the city, town or village or in respect of an area which lies partly within and partly outside the city, town or village.

(3) Such scheme shall specify the proposed layout of the area to be developed, and the purposes for which particular portion thereof are to be utilised.

(4) After any such scheme has come into force, no person shall, without the previous permission of the Board, erect, re-erect, add to or alter any building or wall within the area comprised in the scheme.

(5) If the Board refuses to grant permission to any person to erect, re-erect, add to or alter any building or wall on his land in the area comprised in such scheme and does not proceed to acquire such land within one year from the date of such refusal, the Board shall pay reasonable compensation to such person, for any damage sustained by him in consequence of such refusal.

Street Scheme.

37. (1) Whenever the Board is of opinion that for the purpose of,-

- (a) providing building sites; or
- (b) remedying defective ventilation; or
- (c) creating new or improving existing means of communication and facilities for traffic; or
- (d) affording better facilities for conservancy:

it is expedient to layout new streets or alter existing streets (including bridges, causeways and culverts) in any area, the Board may frame a street scheme for such area.

(2) A street scheme may, within the limits of the area comprised in the scheme, provide for the following matters, namely:-

- (a) the acquisition of any land which, in the opinion of the Board, is necessary for the street scheme;
- (b) the relaying out of all or any of the lands so acquired including the construction and reconstruction of buildings by the Board or by persons authorised by the Board in that behalf and the laying out, construction and alteration of streets and thoroughfares;
- (c) the draining, water-supply and lighting of streets and thoroughfares so laid out, constructed or altered;
- (d) the raising, lowering or reclamation of any land vested in, or to be acquired by the Board for the purposes of the scheme;
- (e) the provision of open spaces for the better ventilation of the areas comprised in the scheme; and
- (f) the acquisition of any land adjoining any street, thoroughfare, or open space to be formed under the scheme.

Deferred Street Scheme.

38. (1) Whenever the Board is of opinion that it is necessary to provide for the ultimate widening of any street by altering the existing alignments of such street to improved alignments to be prescribed by the Board but that it is not necessary immediately to acquire all or any of the properties lying within the proposed improved alignments, the Board may frame a deferred street scheme prescribing an alignment on each side of the street and specify the time-limit for the execution of such scheme.

(2) A deferred street scheme shall provide for the following matters, namely,-

- (a) the acquisition of the whole or any part of any property lying within the street alignments within the time-limit specified in the scheme which may be extended by the Board from time to time:

Provided that such time-limit including the extensions granted by the Board shall in no case exceed twenty years from the date of sanction of the scheme;

- (b) the re-laying out of all or any such property including the construction and reconstruction of buildings by the Board or by any other person, and the formation and alignment of the street;
  - (c) the draining, water-supply and lighting of the streets so formed or altered.
- (3) After a deferred street scheme has been sanctioned by the Board,
- (a) no person shall, except with the written permission of the Board, erect, re-erect, add to or alter any building or wall so as to make the same project into specified alignment of the street;
  - (b) if the Board fails to acquire or to institute proceedings for the acquisition of any property within the specified alignment of any street and within the time-limit specified in the scheme or extended by it, the owner of such property may, at any time thereafter, give the Board notice requiring it to acquire the same or to institute proceedings for the acquisition of such property before the expiration of six months from the date of such notice and thereupon the Board shall acquire, or institute such proceedings and acquire, the property accordingly, and if the Board fails to do so it shall pay reasonable compensation to the owner for any damage sustained by him in consequence of such failure;
  - (c) before proceeding to acquire any property lying within the specified alignment of the street other than property regarding which it has received a notice under clause (b), the Board shall give six months' notice to the owner of its intention to acquire such property;
  - (d) notwithstanding anything contained in the Punjab Municipal Act, 1911, the Town Improvement Act, 1922, the Punjab Development of Damaged Areas Act, 1951, the Punjab Scheduled Roads and Controlled Areas Restriction of Unregulated Development Act, 1963, the Punjab New Capital

(Periphery) Control Act, 1952, the Punjab Panchayat Samitis and Zila Parishads Act, 1961 and the Punjab Gram Panchayat Act, 1952, as amended from time to time, no Municipal Committee, Improvement Trust, Zila Parishad, Panchayat Samiti, Gram Panchayat or any other local authority shall have power to specify any alignment of the street within the limits of the deferred street scheme and any such alignment previously specified within such limits shall cease to be the alignment of the street.

39. (1) Whenever the Board is of opinion that it is expedient to provide building sites in any area, the Board may frame a land development scheme.

(2) Such scheme shall specify the proposed layout of the area to be developed and the purposes for which particular portions thereof are to be utilised.

(3) The Board may provide for roads, streets, open spaces, drainage, water-supply and street-lighting and other amenities for the scheme area.

(4) The Board may lease out or sell by outright sale or on hire-purchase basis the building sites in the scheme area.

40. Whenever it appears to the Board,-

(a) that in any area, any buildings used or intended or likely to be used as dwelling houses are unfit for human habitation; or

(b) that danger to the health of the inhabitants of buildings in any area, or to buildings in the neighbourhood of such area, is likely to be caused by-

(i) the narrowness, closeness, or bad arrangement or condition of streets or buildings or groups of buildings in such area, or

(ii) the want of light, air, ventilation, or proper conveniences in such area, or

(iii) any other sanitary defects in such area.

the Board may frame a General Improvement Scheme in respect of such area.

41. Notwithstanding anything to the contrary contained in any other law, the provisions of this Act and the rules and regulations

Land Development Scheme.

General Improvement Scheme.

Application of other State Acts and permission obtained thereunder.

made thereunder shall have effect in respect of any scheme framed and brought into operation or in respect of development area, and-

- (i) when permission required under this Act for doing any act or taking any action in respect of any land has been obtained, such act or action shall not be deemed to be unlawfully done or taken by reason, only of the fact that permission, approval or sanction required under such other law for doing such act or taking such action has not been obtained;
- (ii) when permission required under this Act for doing such act or taking such action has not been obtained, such act or action shall not be deemed to be lawfully done or taken by reason only of the fact that permission, approval or sanction required under such other law for the doing of such act or the taking of such action has been obtained.

Preparation, publication and transmission of notice as to housing or development or improvement schemes.

42. (1) When any housing, development or improvement scheme has been framed, the Board shall cause the preparation of a notice to that effect and specify-

- (i) the boundaries of the area comprised in the scheme; and
- (ii) the place or places at which particulars of the scheme, a map of the area, and details of the land which it is proposed to acquire may be seen at reasonable hours, and shall have the same published in the official Gazette and in two leading daily newspapers in the State and also have a copy sent to the local authority concerned.

(2) If within thirty days from the date of publication of the housing, development, or improvement scheme any person communicates in writing to the Board any suggestion or objection relating to the scheme, the Board shall consider such suggestion or objection and may modify the scheme.

Representation by the local authority.

43. The local authority to whom a copy of a notice has been sent under clause (ii) of sub-section (1) of section 42, shall within a period of sixty days from the receipt of the said copy, forward to

the Board any representation which the local authority may wish to make regarding the scheme.

Abandonment,  
modification, or sanction of  
a housing development or  
improvement scheme.

44. (1) After considering the suggestions or objections, if any, received in pursuance of sub-section (2) of section 42 and section 43 and after hearing the person who, having made any suggestions or objections, desires to be heard the Board may either abandon or modify or sanction the scheme, or apply to the Government for sanction with such modification, if any, as the Board may consider necessary if the cost of the scheme exceeds fifty lacs of rupees.

(2) The Government may sanction with or without modification, or may refuse to sanction, or may return for reconsideration any housing, development or improvement scheme costing over fifty lacs of rupees submitted to it under sub-section (1).

(3) If a scheme returned for reconsideration under sub-section (2) is modified by the Board, it shall be republished in accordance with section 42-

- (a) in every case in which the modification affects the boundaries of the area comprised in the scheme or involves the acquisition of any land not previously proposed to be acquired, and
- (b) in every other case, where the modification is, in the opinion of the Board, of sufficient importance to require republication.

45. (1) Whenever the Board or the State Government sanctions a housing, development or improvement scheme, it shall be published in the official Gazette and in two leading daily newspapers in the State.

(2) The publication of the scheme under sub-section (1) shall be conclusive evidence that the scheme has been duly framed and sanctioned.

(3) Any person aggrieved by the decision of the Board sanctioning a housing, development or improvement scheme may within thirty days from the date of publication of the said scheme, appeal to the prescribed authority and the decision of the said authority on such appeal shall be final.

(4) The scheme shall come into force and shall have effect-

Publication of sanction of  
housing, development or  
improvement scheme.

- (i) where no appeal is preferred under sub-section (3) on and from the expiry of the said thirty days referred to in that sub-section; and
- (ii) where such appeal is preferred, on and from the date of the decision of the prescribed authority on such appeal.

The Board to execute housing, development or improvement scheme soon after sanction.

46. As soon as may be after a housing, development or improvement scheme other than a deferred street scheme or expansion scheme has come into force, the Board shall proceed to execute the same.

Variation of housing, development or improvement scheme.

47. Any time after a housing, development or improvement scheme has been sanctioned by the Board or the Government, as the case may be, and before it has been carried into execution, the Board may alter or cancel it in the manner provided for the framing and bringing into operation of a new scheme.

Transfer to Board for the purposes or development scheme of building or land vested in local authority.

48. (1) Whenever any building or land or any street or any part thereof which is vested in a local authority, is within the area of any housing, development or improvement scheme, the Board shall give notice accordingly to that local authority and such building, land or street or any part thereof shall thereupon vest in the Board.

(2) Where any land vested in a local authority vests in the Board under sub-section (1) and the Board makes a declaration that such land will be retained by the Board only until it reverts in the local authority as part of a street or an open space under section 51 no compensation shall be payable by the Board to local authority in respect of that land.

(3) Where any land or building vests in the Board under sub-section (1) and no declaration is made under sub-section (2) in respect of the land, the Board shall pay to the local authority as compensation, a sum equal to the market value of such land or building as on the date on which the scheme comes into force under section 45 and where any building situated on the land in respect of which declaration has been made by the Board under sub-section (2) is vested in the Board under sub-section (1) like compensation shall be payable in respect of such building, by the Board.

(4) If, in any case, where the Board has made a declaration in respect of any land under sub-section (2), the Board retains or disposes of the land contrary to the terms of the declaration, so that the land does not revert in the local authority, the Board shall pay, to the local authority, compensation in respect of such land in accordance with the provisions of sub-section (3).

(5) If any question or dispute arises as to whether compensation is payable under sub-section (3) or sub-section (4) or as to the amount of such compensation or as to whether any building, land, street, or any part thereof; is required for the purposes of a scheme, the matter shall be referred to the State Government whose decision shall be final.

Transfer of private street or square to Board for purpose of housing, development or improvement scheme.

49. (1) Whenever any private street or square or part thereof, which is not vested in the Board or in any local authority is required for executing any housing, development, or improvement scheme, the Board shall cause to be affixed in a conspicuous place in or near such street or square or part, a notice signed by the Chairman, and-

- (a) stating the purpose for which the street or square or part thereof, is required; and
- (b) declaring that the Board will, on or after a date to be specified in the notice; take over charge of such street or square, or part from the owner thereof, and shall simultaneously send a copy of such notice to the owner of such street or square or part.

(2) After considering the objections, if any, received in writing before the date specified under clause (b) of sub-section (1), the Board may take over the charge of such street or square or part, and the same shall thereupon vest in the Board.

(3) When the Board alters or closes any private street or square or part thereof, which has vested in it under sub-section (2), it shall pay reasonable compensation to the previous owner for the loss of his rights therein.

(4) If the alteration or closing of any such street or square or part causes damage or substantial inconvenience to owners of property adjacent thereto, or to residents in the neighbourhood, the Board shall forthwith provide some other reasonable means of access for the use of persons who were to use such street or square

or part as a means of access to any property, or place and if the provision of such means of access does not sufficiently compensate any such owner or resident for such damage or inconvenience, the Board shall also pay him reasonable compensation.

50. (1) Such of the provisions of the Punjab Municipal Act, 1911, the Town Improvement Act, 1922, the Punjab Development of Damaged Areas Act, 1951, the Punjab Scheduled Roads and Controlled Areas Restriction of Unregulated Development Act, 1963, the Punjab New Capital (Periphery) Control Act, 1952, and the Punjab Urban Estates Act, 1964, as relate to maintenance or repairs of public streets, closure of public street or parts thereof diverting or turning public street or part thereof and to disposal of the land which is no longer required when any public street is permanently closed, shall not apply to any street which is vested in the Board.

(2) Such of the provisions of the enactments specified in sub-section (1) as relate to temporary closure of streets, precautions during repairs of streets and prosecution against removal of bars and lights shall not apply to the Board when any drain or premises vested in the local authority is opened or broken up by the Board or any public street is under construction by the Board.

51. (1) The Board may hand over any road or street to the local authority concerned after giving one month's notice, when

- (i) any such road or street laid out or altered by the Board has been duly levelled, metalled, flagged, channelled, severed and drained in the manner provided in the scheme sanctioned by the Board or the Government under section 44;
- (ii) lamp posts necessary for the lighting of such streets have been provided by the Board; and
- (iii) water and other sanitary conveniences have been duly provided in such streets.

(2) The local authority concerned may, after receiving the notice from the Board under sub-section (1), declare the street to be a public street and the street shall thereupon vest in the local authority and shall thenceforth be maintained, kept in repair, lighted and cleaned by the local authority.

Bar to application of certain law of a local authority regarding closure.

Transferring streets laid out or altered and open spaces provided by Board under a housing development or improvement scheme.

(3) When any open space for the purpose of ventilation or recreation has been provided by the Board in executing any housing, development or improvement scheme, it shall, on completion, be transferred to the local authority concerned by a resolution of the Board and it shall thereupon vest in the said local authority and thereafter be maintained by that local authority at its expense.

(4) If any difference of opinion arises between the Board and the local authority in respect of any matter referred to in the foregoing provisions of this section, the matter shall be referred to the State Government whose decision shall be final.

52. (1) When any work which may lawfully be done, is being executed by the Board in any street vested in it, the Board may direct that such street shall, during the progress of such work, be either wholly or partially closed to traffic generally or to traffic of any specified description.

(2) When any such direction has been given, the Board shall put up in a conspicuous position in or near the street, an order prohibiting traffic to the extent so directed, and fix such bars, chains; or posts across or in the street as it may think proper for preventing or restricting traffic therein.

53. (1) When any work is being executed by the Board in any public street vested in it, the Board shall, so far as may reasonably be practicable, make adequate provision for-

- (i) the passage or diversion of traffic;
- (ii) securing access to all premises approached from such street; and
- (iii) any drainage, water-supply, or means of lighting which is interrupted by reason of execution of the work.

(2) The Board shall pay reasonable compensation to any person who sustains special damage by reason of the execution of any such work.

54. (1) The Board may-

- (a) turn, divert, discontinue the public use of or permanently close any public street vested in it or any part thereof;

Prevention or restriction of traffic in street vested in Board, during progress of work.

Provision of facilities when work is executed by Board in public streets vested in it.

Power of the Board to turn or close public street or square vested in it.

(b) discontinue the public use of or permanently close any public square vested in it or any part thereof.

(2) Whenever the Board discontinues the public use of or permanently closes any public street vested in it, or any part thereof, it shall pay reasonable compensation to every person who was entitled, otherwise than as a member of the public, to use such street or part as means of access, and has suffered damage from such discontinuance or closing.

(3) Whenever the Board discontinues the public use of or permanently closes, any public square vested in it, or any part thereof, it shall pay reasonable compensation to every person who was entitled, otherwise than as a member of the public to use such square or part as a means of access.

(4) When any public street or square vested in the Board, or any part thereof, is permanently closed under sub-section (1) the Board may sell or lease so much of the same as is no longer required.

Other duties of Board.

55. (1) It shall be the duty of the Board to take necessary measures to maintain, allot, lease and other wise use plots, buildings, and other properties of the Board or of the State Government when required to do so and to collect rents, compensation and damages in respect thereof.

(2) The Board may-

(a) provide technical advice to the State Government and scrutinize projects under housing, improvement or building schemes when required by the State Government to do so;

(b) undertake research on various problems connected with housing in general and find out in particular the economical methods of constructing houses suited to local conditions;

(c) undertake comprehensive surveys of problems of housing;

(d) do all things necessary for

(i) unification, simplification and standardisation of building materials;

- (ii) encouraging prefabrication and mass production of house components;
- (iii) organising and running brick kilns, workshops, garages and stores for manufacture, sale, stock piling and supply of building materials required for housing, development or improvement schemes;
- (iv) securing a steady and sufficient supply of workman trained in the work of construction of buildings.

(3) The Board may at any time, with the consent of the State Government and upon such terms and conditions as may be agreed upon, undertake on behalf of any person any work relating to the development of housing or town improvement or town planning or any constructional activity whether as an agent or otherwise.

56. (1) Notwithstanding anything contained in the foregoing provisions of this Chapter, the State Government may, at any time, in the case of any housing, development or improvement scheme, which is proposed to be framed or which has been framed by the Board, or which is being executed by it, call for and examine the records of the Board relating to such scheme and if, after making the examination and after considering the representations, if any, of the Board and the local authority concerned, it appears to the State Government that such scheme should be modified, annulled or remitted for reconsideration to the Board or that such scheme should be executed with modifications, it may pass orders accordingly.

(2) The State Government may stay the execution of any such scheme pending the exercise of its powers under sub-section (1) in respect thereof.

(3) Any housing, development or improvement scheme which has already come into force but has been modified by the State Government under sub-section (1) shall have effect as if it had been duly sanctioned by the Board or the State Government, as the case may be, under section 44. The scheme as modified shall be published in accordance with the provisions of section 45 and on

Power of State Government to call for the records of Board and to modify housing, development or improvement scheme.

such publication, the scheme so modified shall come into force and have effect accordingly.

Power to exempt.

57. <sup>1</sup>(1) The State Government may, by notification, exempt either generally or subject to such conditions and restrictions as may be specified in such notification and for reasons to be recorded therein, any housing, development or improvement scheme, or class of housing, development or improvement schemes, from all or any of the provisions of this chapter.

<sup>2</sup>[(2) The State Government may by notification exempt any construction raised by any department of the Central Government from all or any of the provisions of this Act.]

## **CHAPTER-V**

### **ACQUISITION AND DISPOSAL OF LAND**

Power to dispose of land.

58. Subject to any rules made by the State Government under this Act, the Board may retain, lease, sell, exchange or otherwise dispose of, any land, building or other property vested in it.

Power to purchase or lease by agreement.

59. (1) The Board may enter into any agreement with any person for the acquisition from him by purchase, lease or exchange, of any land which is needed for the purpose of a housing, development or improvement scheme or any interest in such land or for compensating the owners of any such right in respect of any deprivation thereof or interference therewith.

(2) Whenever the Board is unable to acquire by agreement any land or any other immovable property, the State Government may, in its discretion upon the application of the Housing Commissioner, made with the approval of the Board, order proceedings to be taken for acquiring the same on behalf of the Board, as if such property or land were needed for a public purpose within the meaning of the Land Acquisition Act, 1894, and on payment by the Board of the compensation awarded under the said Act and all charges incurred by the State Government in connection with the proceedings, such land or property shall vest in the Board.

## **CHAPTER-VI**

### **CONSTITUTION OF TRIBUNAL AND ITS FUNCTIONS**

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<sup>1</sup>Re-numbered as sub-section (1) by Punjab Act No. 30 of 1973, Section 5

<sup>2</sup>Added by Punjab Act No. 30 of 1973, Section 5

Constitution of a Tribunal for certain purposes.

60. (1) Notwithstanding anything contained in the Land Acquisition Act, 1894 (Central Act I of 1894), the State Government may constitute Tribunal for the purpose of performing the functions of the Court with reference to the acquisition of land for the Board under the said Act and deciding such other matters as may be prescribed.

(2) The Tribunal shall consist of one person only who shall be a judicial officer not below the rank of District Judge.

(3) The Tribunal shall have the same powers as are vested in a Civil Court under the Code of Civil Procedure, 1908 (Central Act V of 1908).

Officers and servants of the Tribunal.

61. The Tribunal may, with the previous sanction of the Government appoint such officers and servant as it considers necessary for carrying on its business, and the remuneration and other conditions of service of such officers and servants shall be such as may be prescribed.

Payments by Board on account of Tribunal.

62. The amount necessary for the payment of remuneration, salaries, allowances and other contributions payable to the judicial officer appointed as the Tribunal and of the officers and servants of the Tribunal shall be paid out of the funds of the Board.

Appeals from awards of Tribunal.

63. (1) Notwithstanding anything to the contrary in the Land Acquisition Act, 1894 (Central Act I of 1894), the award of the Tribunal in relation to the acquisition of land shall be deemed to be the award of the court under the said Act.

(2) Any person who does not agree to the amount of the compensation awarded by the Tribunal for the land acquired for the Board under the Land Acquisition Act, 1894 (Central Act I of 1894), or to the persons to whom it is payable or to the apportionment of the compensation among those persons may, within sixty days from the date of the award of the Tribunal, prefer an appeal to the High Court:

Provided that the High Court may entertain the appeal after the expiry of the said period of sixty days, if it is satisfied that the appellant was prevented by sufficient cause from filing the appeal in time.

(3) Any award of the Tribunal referred to in sub-section (1) shall, subject to sub-section (2), and any decision of the

Tribunal on any matter referred to it under this Act shall be final and shall not be liable to be questioned in any court of law.

Awards and orders of Tribunal to be executed by civil courts.

64. Every award of the Tribunal shall be enforced by the Subordinate Judge's Court having jurisdiction over the area in which the land concerned in the proceeding of the Tribunal is situated as if it were the decree of the said court.

## **CHAPTER-VII**

### **FINANCE ACCOUNTS AND AUDIT**

Board's Fund

65. (1) The Board shall have its own fund.

(2) The Board may accept grants, subventions, donations and gifts from the Central or State Government or a local authority or any individual or body whether incorporated or not for all or any of the purposes of this Act.

(3) All moneys received by or on behalf of the Board by virtue of this Act including such sum as may be paid to the Board by the State Government at the time of establishment of the Board under section 3, all proceeds of land or any other kind of property sold by the Board, all rents and all interests, profits and other moneys accruing to the Board shall constitute the fund of the Board.

(4) Except as otherwise directed by the State Government, all moneys and receipts specified in the foregoing provision and forming part of the fund of the Board shall be deposited in the State Bank of India or any other Bank included in the Second Schedule to the Reserve Bank of India Act, 1934 (Central Act II of 1934) or invested in such other form or such other securities as may be approved by the State Government.

(5) Such account shall be operated upon by such officers as may be authorised by the Board.

Application of the Fund.

66. All property, fund and all other assets vesting in the Board shall be held and applied by it, subject to the provisions and for the purposes of this Act.

Power of Board to borrow.

67. (1) The Board may, from time to time, with the previous sanction of the State Government and subject to the provisions of this Act and to such conditions as may be prescribed in this behalf, borrow any sum required for the purposes of this Act.

(2) The rules made by the State Government for the purposes of this section may empower the Board to borrow by the

issue of debentures and to make arrangements with any bankers or the Life Insurance Corporation of India.

(3) All debentures issued by the Board shall be in such form as the Board, with the sanction of the State Government, may from time to time, determine.

(4) Every debenture shall be signed by the Chairman and one other member.

(5) Loans borrowed and debentures issued under this section may be guaranteed by the State Government as to the repayment of principal and the payment of interest at such rates as may be fixed by the State Government.

Accounts and Audit.

68. (1) The Board shall cause to be maintained proper books of accounts and such other books as the rules may require and shall prepare in accordance with the rules an annual statement of accounts.

(2) The Board shall cause its accounts to be audited annually by such agency as the Board may decide.

(3) As soon as the accounts of the Board have been audited, the Board shall send a copy thereof together with a copy of the report of the auditor thereon to the State Government, and shall cause the accounts to be published in the prescribed manner and place copies thereof on sale at a reasonable price. The State Government shall thereafter cause to be laid a copy of the audit report before the House of the State Legislature.

(4) The Board shall comply with such directions as the State Government may after perusal of the audit report thinks fit to issue.

Concurrent and special  
audit of account.

69. (1) Notwithstanding anything contained in section 68 the State Government may order that there shall be concurrent audit of the accounts of the Board by such person as it thinks fit. The State Government may also direct a special audit to be made by such person as it thinks fit of the accounts of the Board relating to any particular transaction or a class or series of transactions or to a particular period.

(2) When an order is made under sub-section (1), the Board shall present or cause to be presented for audit such accounts and shall furnish to the person appointed under sub-

section (1) such information as the said person may require for the purpose of audit and remedy or cause to be remedied the defects pointed out by such person, unless they are condoned by the State Government.

(3) The provisions of sub-sections (3) and (4) of section 68, as far as may be, shall be applicable to the audit conducted under this section.

Submission of Budget to Board.

70. (1) The Chairman shall, at a special meeting to be held in the month of January in each year, lay before the Board an estimate of the income and expenditure in the form of a budget of the Board, for the next financial year commencing on the first day of April.

(2) Every such budget shall be prepared in such form, and shall contain such details, as may be prescribed and shall make provision for the due fulfilment of all the liabilities of the Board and for the efficient administration of this Act. It shall also differentiate capital and revenue funds.

Sanction of Board to Budget.

71. The Board shall consider the budget laid before it under the last preceding section and shall sanction it either without modifications or with such modifications as it may think fit.

Approval of State Government to Budget.

72. (1) Every such budget, as sanctioned by the Board, shall be submitted to the State Government who may, at any time within one month after receipt of the same-

(a) approve the budget; or

(b) disallow the budget or any portion thereof and return the budget to the Board for amendment.

(2) If any budget is so returned to the Board, it shall forthwith proceed to amend it and shall resubmit the budget as amended to the State Government who may then approve it.

Supplementary budget.

73. (1) The Chairman may, at any time during the year for which a budget has been sanctioned lay a supplementary budget before the Board at a special meeting.

(2) The provisions of sub-section (2) of section 70, and of sections 71 and 72 shall apply to every supplementary budget.

**CHAPTER-VIII**  
**TRANSFER OF THE ASSETS AND LIABILITIES OF AN**  
**IMPROVEMENT TRUST TO THE BOARD**

Improvement Trust to function as agent of the Board.

74. Notwithstanding anything to the contrary contained in the Punjab Town Improvement Act, 1922, on and from the date of establishment of the Board, the Improvement Trusts constituted under the said Act, may if so directed by the State Government function as agents of the Board in respect of any scheme and shall for the execution of the scheme, work under the directions and control of the Board.

Transfer of assets and liabilities of Improvement Trust to the Board.

75. (1) The State Government may, by notification, abolish an improvement Trust from such date as may be specified in the notification, hereinafter referred to as the appointed day.

(2) On the appointed day the Improvement Trust specified in the notification issued under sub-section (1) shall stand dissolved and all its assets and liabilities shall stand transferred to and vested in the Board.

(3) The assets of the Improvement Trust shall be deemed to include all rights and all property, whether movable or immovable, belonging to or vested in the Improvement Trust including in particular cash balances, reserve funds, investments, deposits and all other interests and rights in or arising out of such property as may be in the possession of the Improvement Trust and all books of account or documents kept or maintained by the Improvement Trust, and the liabilities of the Improvement Trust shall be deemed to include all debts, liabilities and obligations of whatever kind when existing and pertaining to the Improvement Trust.

Transfer of Provident, superannuation and other like funds to the Board.

76. (1) Where an Improvement Trust has established a provident fund or superannuation fund or any other like fund for the benefit of its employees and constituted a trust in respect thereof, hereinafter referred to as the "existing trust" , the moneys standing to the credit of any such fund on the appointed day, together with any such other assets belonging to such fund, shall stand transferred to and vested in the Board free from any such trust and the Board shall, as soon as may be, constitute in respect of the moneys and other assets which are so transferred to and

vested in it, one or more trusts having objects as similar to the objects of the existing trusts as may be practicable.

(2) Where all the moneys and other assets belonging to the existing trust are transferred to and vested in the Board under sub-section (1), the trustees of such trust, as from the date of such transfer, be discharged from the trust, except as regards things done or omitted to be done before such transfer.

Effect of vesting of Assets and Liabilities, of improvement trust.

77. (1) Unless otherwise expressly provided by or under this Act, all contracts, agreements and other instruments of whatever nature subsisting or having effect immediately before the appointed day and to which the Improvement Trust is a party or which are in favour of the Improvement Trust shall be of as full force and effect against or in favour of the Board, as the case may be, and may be enforced or acted upon as fully and effectually as if instead of the Improvement Trust, the Board had been a party thereto or as if they had been entered into or issued in favour of the Board.

(2) If on the appointed day any suit, appeal or other legal proceedings of whatever nature by or against; the Improvement Trust is pending, then, it shall not abate or be discontinued or be in any way prejudicially affected by reason of the transfer to the Board of the assets and liabilities of the Improvement Trust or of any thing done under the Act, but the suit, appeal or other legal proceedings may be continued, prosecuted and enforced by or against the Board.

*Explanation.-* For the purposes of this sub-section legal proceedings include any proceedings under the Land Acquisition Act, 1894 (Central Act I of 1894).

Transfer or service of existing employees of the Improvement Trust to the Board.

78. (1) Every whole-time employee of the Improvement Trust shall, on and from the appointed day, become an employee of the Board, and shall hold his office therein by the same tenure, at the same remuneration and upon the same terms and conditions and with the same rights and privileges as to gratuity, if any, and other matters as he would have held the same on the appointed day if this Act had not come into force and shall continue to do so unless and until his remuneration, terms and conditions are duly altered by the Board.

(2) If any question arises as to whether any person was a whole-time employee of the Improvement Trust immediately

before the appointed day, the question shall be referred to the State Government, whose decision shall be final.

(3) Notwithstanding anything contained in the Industrial Disputes Act, 1947 (Central Act XIV of 1947) or in any other law for the time being in force, the transfer of the services of any employee of the Improvement Trust to the Board shall not entitle any such employee to any compensation under that Act or other law and no such claim shall be entertained by any court, tribunal or other authority.

## **CHAPTER-IX MISCELLANEOUS**

Reports.

79. (1) The Board shall, before such date and in such form and at such intervals as may be prescribed, submit to the State Government reports on such matters as may be prescribed.

(2) The State Government shall, as soon as may be, cause the report submitted by the Board to be laid before the House of the State Legislature.

Other Statements and Returns.

80. The Board shall also submit to the State Government such statistics, returns, particulars, statements, documents or papers in regard to any proposed or existing scheme or relating to any matter or proceedings connected with the working of the Board at such times and in such form and manner as may be prescribed or as the State Government may from time to time direct.

Power of entry.

81. The Chairman or any person either generally or specially authorised by the Chairman in this behalf may with or without assistants or workmen, enter into or upon any land in order-

- (a) to make any inspections, survey, measurement, valuation or inquiry;
- (b) to take levels;
- (c) to dig or bore into the sub-soil;
- (d) to set boundaries and intended lines of work;
- (e) to make such levels, boundaries and lines of work and cutting trenches; or
- (f) to do any other thing,

whenever it is necessary to do so, for any of the purposes of this Act or any rules made or scheme sanctioned thereunder:

Provided that-

- (i) no such entry shall be made between sunset and sunrise;
- (ii) no dwelling house and no public building which is used as a dwelling place, shall be so entered, except with the consent of the occupier thereof without giving the said occupier at least twenty-four hours' previous written notice of the intention to make such entry;
- (iii) sufficient notice shall in every instance be given, even when any premises may otherwise be entered without notice, to enable the inmates of any apartment occupied by women to remove themselves to some part of the premises where their privacy may not be disturbed; and
- (iv) due regard shall always be had, so far as may be compatible with the exigencies of the purpose for which the entry is made, to the social and religious usages of the occupants of the premises entered.

Notice of suit against Board.

82. No person shall institute any suit against the Board or against any officer or employee of the Board or any person acting under the order of the Board, for anything done or purporting to have been done in pursuance of this Act, without giving to the Board, officer or employee or person concerned two months' previous notice in writing of the intended suit and of the cause thereof, nor after six months from the date of the act complained of.

Valuation of assets and liabilities of the Board.

83. The Board shall at the end of every five years have a valuation of assets and liabilities made by a valuer appointed with the approval of the State Government:

Provided that it shall be open to the State Government to direct a valuation to be made at any time it may consider necessary.

Recovery of rents by deductions from the salary or wages in certain cases.

84. (1) Any person who is an employee of the State Government or of a local authority and who has been allotted or has been sold any Board premises, may execute an agreement in favour of the Board providing that the State Government or the local authority, as the case may be, under or by whom he is employed, shall be competent to deduct from the salary or wages payable to him, such amount as may be specified in the agreement

and to pay the amount so deducted to the Board in satisfaction of rent or price due from him in respect of the Board premises allotted or sold to him.

(2) On the execution of such agreement, the State Government or the local authority, as the case may be, shall, if so required by the Board by requisition in writing, make the deduction of the amount specified in the requisition from the salary or wages of the employee specified in the requisition in accordance with the agreement, and pay the amount so deducted to the Board.

Delegation.

85. Subject to the provisions of this Act, the Board may, by regulations, direct that any power exercisable by it or any of its officers, except the power to make regulations, may also be exercised by such officer or Committee as may be specified therein, in such cases and subject to such conditions or restrictions, if any, as may be specified therein.

Members, officers and employees of the Board to be public servants.

86. All members, officers and employees of the Board shall be deemed, when acting or purporting to act in pursuance of any of the provisions of this Act, to be public servants within the meaning of section 21 of the Indian Penal Code.

Protection of action taken under this Act.

87. No suit, prosecution or other legal proceeding shall lie against any person for anything which is in good faith done or purported to be done under this Act.

Power of State Government to give directions to the Board.

88. The State Government may give the Board such directions as in its opinion are necessary or expedient for carrying out the purposes of this Act. It shall be the duty of the Board to comply with such directions.

Power to order inquiries.

89. (1) The State Government with a view to satisfy itself that the powers and duties of the Board are being exercised and performed properly may, at any time, appoint any person or persons to make inquiries into all or any of the activities of the Board and to report to the State Government the result of such inquiries.

(2) The Board shall give to the person or persons so appointed all facilities for the proper conduct of the inquiries and shall produce before the person or persons a document, account or

information in the possession of the Board, which such person or persons demand for the purpose of the inquiries.

Default in performance of duty.

90. (1) If the State Government is satisfied that the Board has made default in performing any duty imposed on it by or under this Act, it may fix a period for the performance of that duty.

(2) If in the opinion of the State Government the Board fails or neglects to perform such duty within the period so fixed for its performance, it shall be lawful for the State Government, notwithstanding anything contained in section 5, to supersede and reconstitute the Board in the manner provided in this Act.

(3) After the supersession of the Board and until it is reconstituted the powers, duties and functions of the Board and its Chairman under this Act shall be carried on by the State Government or by such officer or officers as the State Government may appoint for this purpose.

Dissolution of the Board.

91. (1) If the State Government is of opinion that for any reason it is not necessary to continue the Board it may, by notification, declare that, with effect from such date as may be specified in the notification, the Board shall stand dissolved:

Provided that no such declaration shall be made by the State Government unless a resolution to that effect has been moved in and passed by the House of the State Legislature.

(2) With effect from the date specified in the notification under sub-section (1)-

(a) all properties, funds and dues which are vested in or realizable by the Board shall vest in and be realizable by the Government;

(b) all liabilities enforceable against the Board shall be enforceable against the State Government to the extent of the properties, funds and dues vested in and realized by the State Government.

(3) Nothing in this section shall affect the liability of the State Government in respect of loans or debentures guaranteed under sub-section (5) of section 67.

Penalty for obstruction etc.

92. If any person-

(a) obstructs or molests any person, with whom the Board has entered into a contract, in the performance or execution by such person of his duty or of anything

which he is empowered or required to do under this Act; or

- (b) removes any mark set up for the purpose of indicating any level or direction necessary to the execution of works authorised under this Act;

he shall, on conviction be punished with fine which may extend to two hundred rupees.

Penalty for breach of the provisions of the Act.

93. Whoever contravenes any of the provisions of the Act or of any rule or regulation made or scheme sanctioned thereunder shall, if no other penalty is provided for such contravention, be punishable-

- (a) with fine which may extend to one hundred rupees; and
- (b) in case of a continuing contravention, with further fine which may extend to fifty rupees for each day after the first during which the contravention continues.

Authority for prosecution.

94. Unless otherwise expressly provided, no court shall take cognizance of any offence, punishable under this Act except on the complaint of, or upon information received from the Board or some person authorised by the Board by general or special order in this behalf.

Applicability of East Punjab Rent Restriction Act, 1949.

95. The East Punjab Rent Restriction Act, 1949, shall not apply-

- (a) to any building belonging to or vested in the Board under or for the purpose of this Act; or
- (b) to any tenancies or other like relationships created by the Board in respect of such building.

Bar of jurisdiction of civil court.

96. No order made by the State Government or any other competent authority, in the exercise of any power conferred by or under the provisions of this Act, shall be called in question in any civil court and no injunction shall be granted by any court or other authority in respect of any action taken or to be taken in pursuance of any power conferred by or under this Act.

Power to remove difficulties.

97. (1) If any difficulty arises in giving effect to the provisions of this Act, the State Government may as occasion may require, by order, do anything not inconsistent with the provisions of this Act which appears to it necessary or proper for the purpose of removing the difficulty.

(2) Every order issued under sub-section (1) shall be laid as soon as may be after it is issued, before the House of the State Legislature when in session for a total period of fourteen days which may be comprised in one session or in two successive sessions, and if, before the expiry of the session in which it is so laid, or the session immediately following, the House of the State Legislature makes any modification in the order or decides that the order should not be issued the order 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 done under that order.

98. (1) The State Government may, by notification and subject to the condition of previous publication, 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 be made for all or any of the following purposes:-

- (a) the terms and conditions of appointment of members including the Chairman;
- (b) the manner in which, and the intervals at which meetings of the Board shall be called;
- (c) the manner and form in which contracts shall be entered into under section 22;
- (d) the manner in which development plans are to be prepared under section 24;
- (e) the fee to be paid under section 27;
- (f) the authority to whom an appeal lies under section 45 and the manner of publication of housing scheme under that section;
- (g) the matters other than those specified in section 60 which are to be decided by the Tribunal;
- (h) the remuneration and other conditions of service of employees of the Tribunal;
- (i) the conditions subject to which the Board may borrow any sum under section 67;
- (j) the manner of preparation, maintenance and publication of accounts under section 68;

Power to make rules.

- (k) the form of the annual budget to be laid before the Board under section 70 and other particulars to be contained therein;
- (l) the date before which, the form in which, interval at which, and the matters on which reports shall be submitted under section 79;
- (m) the time at which and the form and manner in which statistics, returns, particulars, statements, documents and papers shall be submitted under section 80; and
- (n) any other matter which is to be or may be prescribed under this Act.

(3) Every rule made under this section 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 in more successive sessions, and if, before the expiry of the session in which it is so laid or the successive sessions aforesaid, the House agrees in making any modification in the rule or the House agrees that the rule 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 the rule.

Power to make regulations.

99. (1) The Board may, from time to time, with the previous sanction of the State 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.

(2) In particular and without prejudice to the generality of the foregoing power, such regulations may provide for-

- (a) all matters expressly required or allowed by this Act to be provided by regulations;
- (b) the delegation of powers or duties of Board, Chairman or officers to Committees or officers;
- (c) the recruitment and other conditions of service including remuneration of the officers and employees of the Board;

- (d) the fees payable for the copies of documents, estimates and plans supplied by any of the officers and employees of the Board under this Act;
- (e) the efficient conduct of the affairs of the Board.