**Part IV—Section 1**

**Tamil Nadu Bills**

**CONTENTS**

<table>
<thead>
<tr>
<th>Bill Description</th>
<th>Pages</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. 40 of 2018—The Tamil Nadu Town and Country Planning (Second Amendment) Act, 2018</td>
<td>278-282</td>
</tr>
<tr>
<td>No. 41 of 2018—The Tamil Nadu Town and Country Planning (Third Amendment) Act, 2018</td>
<td>283-294</td>
</tr>
<tr>
<td>No. 42 of 2018—The Tamil Nadu District Municipalities (Amendment) Act, 2018</td>
<td>295-296</td>
</tr>
<tr>
<td>No. 43 of 2018—The Tamil Nadu Municipal Laws (Fifth Amendment) Act, 2018</td>
<td>297-302</td>
</tr>
<tr>
<td>No. 44 of 2018—The Tamil Nadu Lokayukta Act, 2018</td>
<td>303-320</td>
</tr>
<tr>
<td>No. 45 of 2018—The Tamil Nadu National Law School (Amendment) Act, 2018</td>
<td>329-330</td>
</tr>
<tr>
<td>No. 46 of 2018—The Chennai City Civil Court (Amendment) Act, 2018</td>
<td>331-332</td>
</tr>
<tr>
<td>No. 47 of 2018—The Tamil Nadu Appropriation (No.3) Act, 2018</td>
<td>333-339</td>
</tr>
</tbody>
</table>
Under Rule 130 of the Tamil Nadu Legislative Assembly Rules, the following Bill which was introduced in the Legislative Assembly of the State of Tamil Nadu on 9th July, 2018 is published together with Statement of Objects and Reasons for general information:—

L.A. Bill No. 41 of 2018

A Bill further to amend the Tamil Nadu Town and Country Planning Act, 1971.

BE it enacted by the Legislative Assembly of the State of Tamil Nadu in the Sixty-ninth Year of the Republic of India as follows:—

1. (1) This Act may be called the Tamil Nadu Town and Country Planning (Third Amendment) Act, 2018.

2. In section 2 of the Tamil Nadu Town and Country Planning Act, 1971 (hereinafter referred to as the principal Act),—

(1) in clause (13), for the expression “detailed development plan or a new town development plan”, the expression “detailed development plan, new town development plan or a land pooling area development scheme” shall be substituted;

(2) in clause (15), for the expression “detailed development plan and a new town development plan”, the expression “detailed development plan, new town development plan and a land pooling area development scheme” shall be substituted;

(3) after clause (22), the following clause shall be inserted, namely :—

“(22-A) “land pooling area development scheme” means the scheme in which land owned by individual or group of individuals are pooled together by transfer of ownership rights to the appropriate planning authority which are developed by the appropriate planning authority and part of such developed land is transferred to the original owner and the remaining part of such land is used for establishing common facilities and amenities or for sale;”.

3. In section 36 of the principal Act, for the expression “detailed development plan or a new town development plan”, the expression “detailed development plan, new town development plan or a land pooling area development scheme” shall be substituted.

4. In section 37 of the principal Act, in sub-section (1), for the expression “detailed development plan or a new town development plan”, the expression “detailed development plan, new town development plan or a land pooling area development scheme” shall be substituted.

5. In section 38 of the principal Act, for the expression “detailed development plan or a new town development plan”, the expression “detailed development plan, new town development plan or a land pooling area development scheme” shall be substituted.

6. After Chapter IV of the principal Act, the following Chapter shall be inserted, namely:—

Insertion of new Chapter IV-A.
CHAPTER – IV A.

LAND POOLING AREA DEVELOPMENT SCHEME.

39-A. Declaration of intention to make a Land Pooling Area Development Scheme.— (1) The appropriate planning authority may, for the purpose of development of any area within its jurisdiction in an orderly manner, declare its intention to make a land pooling area development scheme (hereinafter in this Chapter referred to as the scheme) for that area:

Provided that the appropriate planning authority shall obtain the prior approval of the Government before publication of such declaration:

Provided further that the appropriate planning authority other than the Chennai Metropolitan Development Authority shall send such proposal to the Government through the Director:

Provided also that the appropriate planning authority may adopt, with or without any modification, the scheme proposed by any Government department, public sector undertaking or statutory body owned or controlled by the State Government or Central Government or by seventy per cent of the land owners in a scheme area.

Explanation.— For the purpose of this section, “statutory body owned or controlled by the State Government or Central Government” means anybody corporate established by or under a Central or State Act and includes a Government company as defined in clause (45) of section 2 of the Companies Act, 2013 (Central Act 18 of 2013), a society registered under the Societies Registration Act, 1860 (Central Act 21 of 1860), or under any corresponding law for the time being in force in a State being a Society established or administered by Government and a Co-operative Society within the meaning of any law relating to Co-operative Societies for the time being in force in the State, in which not less than fifty one per cent of the paid-up share capital is held by the Central Government or by any State Government or Governments or partly by the Central Government and partly by one or more State Governments.

(2) The declaration under sub-section (1) shall be published by the appropriate planning authority in such manner as may be prescribed, by notification in the District Gazette of that area and in two leading daily newspapers in that area of which at least one shall be in Tamil and such notification shall contain such particulars as may be prescribed and specify the time and place where a plan showing the boundaries of the proposed scheme area may be inspected by the public.

39-B. Power of Government to require appropriate planning authority to make the scheme.— Notwithstanding anything contained in section 39-A, the Government may direct any appropriate planning authority to make a scheme for any specific area and submit for its sanction. In such cases, the appropriate planning authority shall proceed further for declaration of the scheme area under section 39-A and preparation of the scheme as provided in this Chapter.

39-C. Restrictions on use of land and making development.— (1) On or after the date on which the declaration of the intention to make the scheme is published under section 39-A, no person shall, within the area covered under the scheme, carry out any development work without obtaining permission from the appropriate planning authority under section 49.

(2) The provisions of sections 50 to 58 shall, mutatis mutandis, apply in relation to development and use of land covered in the scheme area in so far as they are not inconsistent with the provisions of this Chapter.
39-D. Contents of the scheme.— The scheme may provide for all or any of the following matters, namely:—

(a) the matters specified in clauses (a) to (c) and (e) to (n) of sub-section (1) of section 20;

(b) reservation of land for the purpose of providing housing accommodation to the members of Economically Weaker Section to such extent, as may be prescribed;

(c) allotment of land from the total area covered under the scheme,—

(i) for roads, parks, playgrounds, garden and open space;

(ii) for social infrastructure to be given to Government Departments or leased for public purpose such as water supply, electricity, school, clinic or dispensary, community halls or thrumana mandapams;

(iii) for returning back to each land owner in lieu of the land contributed by him for the scheme to an extent of minimum forty percent:

Provided that the percentage of the allotment of land under this sub-clause may be fixed in each scheme, depending upon the nature of development and for the reasons to be recorded in writing:

(iv) for payment of market value of land or transfer of development right to the land owner in lieu of returning back the land as provided in sub-clause (iii):

(d) the area, ownership and tenure of each original plot;

(e) the particulars of land allotted or reserved under clause (k) of sub-section (1) of section 20 with a general indication of the public purpose to which such land is to be reserved and subject to such terms and conditions as may be specified;

(f) an estimate of the total cost of the scheme and the cost to be borne by the appropriate planning authority and the relevant agencies;

(g) zoning and development regulations, for regulating developments in the scheme area;

(h) proposals to allocate transfer of development right in lieu of monetary compensation to any land owner who has incurred undue loss due to the scheme, if he gives his option for transfer of development right;

(i) the suspension, so far as may be necessary for the proper carrying out of the scheme, of any provision of any Act of the Legislative Assembly of the State or any rule, bye-law, regulation, notification or order made or issued thereunder:

Provided that any suspension under this clause shall cease to operate,—

(i) if the Government refuse to sanction the scheme;

(ii) if the Government withdraw the scheme;

(iii) on the date of coming into force of the scheme; and

(j) such other matters as may be prescribed.

39-E. Disputed ownership.— Where there is a disputed claim to the ownership of any land or building included in an area in respect of which declaration of intention to prepare a scheme has been made, and any entry in the revenue records or mutation relevant to such disputed claim is inaccurate or inconclusive, on the request of the appropriate planning authority or the designated officer appointed for the scheme, at any time before the scheme is made, an enquiry may be held by such officer appointed by the Government within such time from the date of receipt of such request, as may be prescribed, for the purpose of deciding as to who shall be deemed to be the owner of the said land covered by the scheme and such decision shall be final:
Provided that if any dispute regarding the ownership of land or building in the scheme area is pending before any civil court or any other authority, it may not be a bar to include such land or building in such scheme area, unless the civil court or any other authority otherwise directs and the order or decision of the civil court or authority thereon shall be abide by the appropriate planning authority or the designated officer.

39-F. Preparation of the scheme.— (1) Within six months from the date of publication of the notification under section 39-A or within such further time not exceeding six months, as may be permitted by the Government, the appropriate planning authority shall prepare the draft scheme for the area along with the maps and other particulars:

(2) The appropriate planning authority, after consulting the owners of the lands and buildings in the scheme area shall hold land surveys and ownership verification meeting in such manner as may be prescribed and shall consider the objections and suggestions received in writing, if any, and modify the scheme, if necessary. The appropriate planning authority shall prepare estimates and costs of various components of the draft scheme, in consultation with the appropriate agency, if required, covering all the matters, as may be prescribed and submit the draft scheme with full details to the Government:

Provided that the appropriate planning authority other than the Chennai Metropolitan Development Authority shall submit the same to the Government through the Director.

39-G. Preliminary approval of the scheme.— (1) As soon as may be, after the receipt of the draft scheme by the Government but not later than such time as may be prescribed, the Government may direct the appropriate planning authority to make such modifications in the draft scheme as they may think fit and thereupon the appropriate planning authority shall make such modifications and resubmit it to the Government but not later than such time, as may be prescribed.

(2) The Government shall give preliminary approval for the draft scheme, within such time as may be prescribed.

(3) Within one month from the date of notification of the preliminary approval of the draft scheme by the Government, the Director shall appoint an officer not lower in rank than that of the Assistant Director of Town Planning or the Chennai Metropolitan Development Authority shall appoint an officer not lower in rank than that of the Deputy Planner as the designated officer, as the case may be, for the purpose of the scheme.

(4) The Director or the Chennai Metropolitan Development Authority, as the case may be, may at any time change the designated officer so appointed for incompetence or misconduct or for any other specific reason and replace him by another officer. Any proceedings pending before such designated officer shall be continued from the stage at which it was left and disposed of by the new designated officer.

39-H. Publication of notice on preliminary approval of the scheme.— (1) As soon as may be, after the receipt of the preliminary approval for the draft scheme from the Government under sub-section (2) of section 39-G, the appropriate planning authority shall publish a notice in the Tamil Nadu Government Gazette and in two leading daily newspapers in that area of which at least one shall be in Tamil, and in the place or places where copies of the same may be inspected, inviting objections and suggestions, in respect of the scheme in writing, from any person interested in the land within such period as may be specified in the notice:

Provided that such period shall not be less than two months from the date of publication of the notice in the Tamil Nadu Government Gazette.
(2) After expiry of the period mentioned in the notice, the designated officer shall give a reasonable opportunity of being heard to any person including representatives of Government department or other authority, who has made request for the same and examine all the objections and suggestions, if any, received and make such amendment to the scheme as he may consider proper.

39-I. Duties of designated officer.— (1) The duties of the designated officer shall include,—

(a) examination of the objections and suggestions received and considering the same on its merits in the preparation of the final scheme;

(b) demarcation of final plots and public purpose plots, decide on the allottees of the final plots;

(c) determination of the exemption to be made to the declared archaeological monuments from the payment of proportionate contributions;

(d) estimation of the amount to be collected from or paid to the land owners;

(e) determination of compensation payable to the land owners;

(f) drawing the final scheme; and

(g) such other matters as may be prescribed.

39-J. Certain decisions of designated officer to be final.— (1) Every decision of the designated officer in the matters, other than the estimation of costs, levy of the amount payable by the owners, compensation payable and transfer of development rights arrived, shall be final and binding on all persons.

39-K. Appeal.— (1) The decision of the designated officer in the matters of estimation of costs, the amount to be collected from or paid to the land owners, compensation payable to the land owners and transfer of development rights arrived at, shall be communicated to the persons concerned, including the appropriate planning authority.

(2) Any person aggrieved by such decision may, within one month from the date of communication of the decision, appeal to the Director or the Chennai Metropolitan Development Authority, as the case may be and the same shall be disposed off in such manner, as may be prescribed.

(3) Any person aggrieved by the decision of the Director or Chennai Metropolitan Development Authority, as the case may be, may appeal to the Government in such form, in such manner and within such period, as may be prescribed.

(4) On receipt of an appeal under sub-section (3), the Government shall, after giving the appellant an opportunity of being heard, pass such order as they think fit.

39-L. Revision by High Court.— Any person aggrieved by an order of the Government may, within a period of sixty days from the date on which a copy of the order was communicated to him, file an application for revision of such order to the High Court:

Provided that the High Court may within a further period of thirty days entertain an application made after the said period of sixty days, if it is satisfied that the petitioner had sufficient cause for not making the application within the said period of sixty days.

39-M. Preparation of final scheme.— The designated officer shall in preparing the final scheme, after giving notice to the land owners covered in the scheme, in such manner as may be prescribed,—

(a) define and demarcate the areas allotted for various purposes and the final plots;
(b) determine the extent of final plots to be allotted to the land owners;

(c) provide for any total or partial transfer of development rights in an original plot or final plot;

(d) determine the period within which the works provided in the scheme shall be completed by the appropriate planning authority or any other public authority;

(e) estimate with reference to the claims made before him for compensation to be paid to any land owner for his right injuriously affected because of the scheme;

(f) determine whether the areas allotted or reserved for public purposes or for development by the appropriate planning authority are beneficial wholly or partly to the land owners or residents in the scheme area;

(g) determine the contributions to be levied on each plot included in the final scheme; and

(h) do such other acts as may be prescribed.

39-N. Approval by Government.— (1) The designated of officer shall submit the final scheme to the Government through the Director or the Chennai Metropolitan Development Authority, as the case may be, for approval within twelve months from the date of publication of notice under section 39-H or within such further time, not exceeding six months, as may be allowed by the Government.

Explanation.— For the purpose of calculating the time limit, the period during which an appeal has been pending before the Director or the Chennai Metropolitan Development Authority, as the case may be, and the Government shall be excluded.

(2) The Government may, within three months from the date of receipt of the final scheme, either approve the said scheme with or without such modifications as may be considered necessary or may return the said scheme to the appropriate planning authority to modify the scheme or to prepare fresh scheme in accordance with such direction as the Government may issue in this behalf. The appropriate planning authority shall modify the scheme or prepare a fresh scheme as directed by the Government and submit it to the Government for approval:

Provided that the Chennai Metropolitan Development Authority shall submit it directly to the Government.

39-O. Coming into operation of the scheme.— (1) The approval of the Government for the scheme shall be published by notification in the Tamil Nadu Government Gazette and in two leading daily newspapers in that area of which at least one shall be in Tamil and such notification shall state the place and time at which the said scheme shall be open to the inspection of the public.

(2) A notification published under sub-section (1) shall be the conclusive evidence that the scheme has been duly made and approved. The said scheme shall come into operation from the date of publication of the approval in the Tamil Nadu Government Gazette.

(3) On the date of coming into operation of the scheme,—

(a) all lands required by the appropriate planning authority either for its developments or for any authority such as Government departments, local authority, public sector undertakings, shall, unless or otherwise determined in such scheme, vest absolutely in the appropriate planning authority free from all encumbrances;

(b) all rights in the original plots which have been reconstituted into final plots shall cease to exist and the final plot shall become subject to the rights settled by the designated officer;
(c) the appropriate planning authority shall hand over the possession of the final plots to the owners to whom they are allotted in the final scheme and issue a certificate of allotment in the allottee's name;

(d) all the Government lands including lands belonging to local authorities, public sector undertakings, temples, within the scheme area which are required by the appropriate planning authority shall stand transferred to the appropriate planning authority for the purpose of development.

39-P. Enforcement of the scheme.— (1) The appropriate planning authority shall, after coming into operation of the scheme, enforce the scheme by taking appropriate measures as may be required, including eviction, removal of structures or buildings in contravention of the scheme, locking and sealing and recover the cost incurred by the appropriate planning authority in such manner as may be prescribed.

(2) The appropriate planning authority shall utilise the proceeds from the sale of land referred to in section 39-D, for the purpose of providing compensation and infrastructure facilities as may be required.

39-Q. Variation to the scheme.— (1) If the appropriate planning authority, after the final scheme has come into operation, either suo motto or on application by a land owner, considers that the scheme is defective on account of any error, irregularity or infirmity, it may request the Government for appropriate modification of the scheme:

Provided that the Chennai Metropolitan Development Authority, may directly request the Government for modification of the scheme:

Provided further that any request for further modification of the scheme shall not be entertained by the Government.

(2) On receipt of such request from the appropriate planning authority, the Government may, if satisfied, modify the scheme by publishing the modification in the Tamil Nadu Government Gazette and in two leading daily newspapers in that area of which at least one shall be in Tamil.

(3) Notwithstanding anything contained in the sub-sections (1) and (2), a final scheme may be varied or revoked by a subsequent scheme prepared and approved in accordance with this Act.

39-R. Cessation of application of local body Act.— (1) The Government may direct that any powers or functions exercisable by the local authority under the local body Act within the land pooling area development scheme shall be transferred to, and performed by, the appropriate planning authority under the said Act for such period and for such purposes as may be notified, in relation to such land pooling area development scheme.

Explanation.— For the purpose of this section,—

(a) "local authority" means,—

   (i) any Municipal Corporation established under any law for the time being in force;

   (ii) a Municipal Council constituted under the Tamil Nadu District Municipality Act, 1920 (Tamil Nadu Act V of 1920);

   (iii) a District Panchayat or a Panchayat Union Council or a Village Panchayat constituted under the Tamil Nadu Panchayats Act, 1994 (Tamil Nadu Act 21 of 1994); and
(iv) a Board constituted under the Tamil Nadu Water Supply and Drainage Board Act, 1970 (Tamil Nadu Act 4 of 1971) or the Chennai Metropolitan Water Supply and Sewerage Act, 1978 (Tamil Nadu Act 28 of 1978);

(b) “local body Act” means,—

(i) The Chennai City Municipal Corporation Act, 1919 (Tamil Nadu Act IV of 1919);
(ii) The Madurai City Municipal Corporation Act, 1971 (Tamil Nadu Act 15 of 1971);
(iii) The Coimbatore City Municipal Corporation Act, 1981 (Tamil Nadu Act 25 of 1981);
(iv) The Tiruchirappalli City Municipal Corporation Act, 1994 (Tamil Nadu Act 27 of 1994);
(v) The Tirunelveli City Municipal Corporation Act, 1994 (Tamil Nadu Act 28 of 1994);
(vi) The Salem City Municipal Corporation Act, 1994 (Tamil Nadu Act 29 of 1994);
(vii) The Tiruppur City Municipal Corporation Act, 2008 (Tamil Nadu Act 7 of 2008);
(viii) The Erode City Municipal Corporation Act, 2008 (Tamil Nadu Act 8 of 2008);
(ix) The Vellore City Municipal Corporation Act, 2008 (Tamil Nadu Act 26 of 2008);
(x) The Thoothukudi City Municipal Corporation Act, 2008 (Tamil Nadu Act 27 of 2008);
(xi) The Thanjavur City Municipal Corporation Act, 2013 (Tamil Nadu Act 24 of 2013);
(xii) The Dindigul City Municipal Corporation Act, 2013 (Tamil Nadu Act 25 of 2013);
(xiii) The Tamil Nadu District Municipalities Act, 1920 (Tamil Nadu Act V of 1920);
(xiv) The Tamil Nadu Panchayats Act, 1994 (Tamil Nadu Act 21 of 1994);
(xv) The Tamil Nadu Water Supply and Drainage Board Act, 1970 (Tamil Nadu Act 4 of 1971) and

(2) After the expiry of the period notified under sub-section (1) all assets and facilities such as public street, drinking water and sewerage system, street light and such other facilities created by the appropriate planning authority or the designated officer in the scheme area shall automatically be vested with the local authority referred to in sub-section (1).
39-S. Recovery of arrears.— (1) Any sum due to the appropriate planning authority under this Act or any rule or regulation made thereunder shall be a first charge on the plot on which it is due, subject to the payment of land revenue, if any, due to the Government thereon.

(2) Any sum due to the appropriate planning authority under this Act or any rule or regulation made thereunder which is not paid on demand on the day on which it becomes due or on the day fixed by the appropriate planning authority shall be recovered as an arrear of land revenue.

39-T. Execution of works in the scheme by appropriate planning authority.— (1) The appropriate planning authority shall complete all the works in the scheme within the period stipulated under section 39-M.

(2) If the planning authority fails to complete the work within the period stipulated or the extended period, the Government may, notwithstanding anything contained in sub-section (1), require the appropriate planning authority to complete the works within a further period as they may consider reasonable or appoint an officer to complete such works.

39-U. Chennai Metropolitan Development Authority to submit report on certain matters to Government.— In cases where the appropriate planning authority is the Chennai Metropolitan Development Authority, all matters relating to the scheme shall be submitted by the Chennai Metropolitan Development Authority directly to the Government.

7. In section 48 of the principal Act, for the expression “the notice in the Tamil Nadu Government Gazette under section 26”, the expression “the notice in the Tamil Nadu Government Gazette under section 26 or section 39-A” shall be substituted.

8. In section 49 of the principal Act, for the expression “the notice in the Tamil Nadu Government Gazette under section 26”, the expression “the notice in the Tamil Nadu Government Gazette under section 26 or section 39-A” shall be substituted.

9. In section 99 of the principal Act including the marginal heading, for the expression “detailed development plan” in two places where it occurs, the expression “detailed development plan and land pooling area development scheme” shall be substituted.

10. In section 122 of the principal Act, in sub-section (2), for clause (j), the following clauses shall be substituted, namely:—

“(j) the form and contents of the regional plan, master plan, detailed development plan, new town development plan and land pooling area development scheme and the procedure to be followed in connection with the preparation, submission and approval of such plans and scheme and the form and the manner of publication of the notices relating to such plans and scheme;

(jj) duties of the designated officer and the manner of reconstitution of plots, allotment of final plots, incorporation of the legal rights settled in the final scheme in the land registers of the Revenue department;

(jjj) estimated cost of the scheme, financial account for the scheme such as escrow account, for the preparation, approval and effective implementation of the scheme;”.

Amendment of section 48.

Amendment of section 49.

Amendment of section 99.

Amendment of section 122.
STATEMENT OF OBJECTS AND REASONS

Land pooling or land re-adjustment is a way of consolidating land for development of projects by making land owners as partners in development. This scheme can also be an alternative to the time consuming and contentious land acquisition procedures. Tamil Nadu is a rapidly urbanizing and industrially progressive State with a growing need for housing as well as infrastructure. In order to boost the economic and social development apart from orderly and planned spatial developments in the State and to share the benefits of such development with land owners, it is proposed to introduce Land Pooling Area Development Scheme as an alternative to the present modes of land acquisition in order to meet the land requirements for the developmental activities of the State. To give effect to the above decision, the Government decided to amend the Tamil Nadu Town and Country Planning Act, 1971 (Tamil Nadu Act 35 of 1972) suitably.

2. The Bill seeks to give effect to the above decision.

O. PANNEERSELVAM,
Deputy Chief Minister.
MEMORANDUM REGARDING DELEGATED LEGISLATION

Sections 39-A, 39-D, 39-F, 39-I, 39-K, 39-M, 39-O and 39-P proposed to be inserted by clause 6 of the Bill empowers the Government to make rules or issue notifications, as the case may be, for the purposes specified therein.

2. The powers delegated are normal and not of an exceptional character.

O. PANNEERSELVAM,
Deputy Chief Minister.

K. SRINIVASAN,
Secretary.