

THE PUDUCHERRY TOWN AND COUNTRY
PLANNING (AMENDMENT) BILL, 2025
(Bill No. 9 of 2025)

A
BILL

**further to amend the Puducherry Town and Country
Planning Act, 1969.**

BE it enacted by the Legislative Assembly of
Puducherry in the Seventy-sixth Year of the Republic of
India as follows :—

Short title and
commencement.

1. (1) This Act may be called the Puducherry
Town and Country Planning (Amendment)
Act, 2025.
- (2) It extends to the whole of the Union
territory of Puducherry.
- (3) It shall come into force on and from the
date of its publication in the Official
Gazette.

Amendment of
section 2.

2. In section 2 of the Puducherry Town and
Country Planning Act, 1969 (hereinafter referred to as
the principal Act),—

(1) after the existing clause (7), the following
clause shall be inserted, namely:—

“(7-A) “Chief Town Planner” means, the
Town Planner appointed by the Government
under section 10;”

(2) after clause (9), the following clause shall
be inserted, namely:—

“(9-A) “company” means—

- (a) any company as defined in the
Companies Act, 2013 including any
foreign company within the meaning
of section 591 of that Act;

- (b) anybody corporate; or
- (c) any firm or association (whether incorporated or not), carrying on business in the Union territory of Puducherry, whether or not its principal place of business is situated in the said Union Territory;”

(3) after clause (10), the following clause shall be inserted, namely: -

“(10-A) “Designated Officer” means, the Senior Town Planner of the Town and Country Planning Department appointed for the implementation of the Town Planning Scheme;

(4) for clause (11), the following shall be substituted, namely:—

“(11) “development” means, the carrying out of all or any of the works as contemplated in an interim, comprehensive, detailed development plan or a Town Planning Scheme prepared under this Act, and shall include the carrying out of building, engineering, mining or other operations in, or over or under land, or the making of any material change in any building or land, or in the use of any building, land and includes redevelopment and layout and sub-division of any land and ‘to develop’ shall be construed, accordingly, and shall not include the following operations or uses of the land for the purpose of this Act, that is to say,—

- (a) the carrying out of any temporary works for the maintenance, improvement or other alteration of any building, being works which do not materially affect the external appearance of the building;

- (b) the carrying out by a Local Authority of any temporary works required for the maintenance or improvement of a road, or works carried out on the land within the boundaries of the road;
- (c) the carrying out by a Local Authority or statutory undertaker of any temporary works for the purpose of inspecting, repairing or renewing any sewers, mains, pipes, cables or other apparatus, including the breaking open of any street or other land for that purpose;
- (d) the use of any building or other land within the curtilage of a dwelling house for any purpose incidental to the enjoyment of the dwelling house as such; and
- (e) the use of any land for the purpose of agriculture, gardening or forest (including afforestation) and the use for any purpose specified in this clause of this proviso of any building occupied together with the land so used;"

(5) for clause (12) the following shall be substituted namely:—

(12) "Development plan" means, a plan for the development or re-development or improvement of the area within the jurisdiction of a Planning Authority and includes an interim, comprehensive, detailed development plan prepared under the Act;"

(6) after clause (12), the following clauses shall be inserted, namely:—

“(12-A) “development right certificate” means, the certificate to be issued under the authentication of the Member-Secretary of the Planning Authority including digital signature, indicating the Floor Area Ratio credit in square meters of the built-up area to which the owner or lessee is entitled, the place from where it is generated and the rate of that plot as prescribed in the Guideline value as issued by the Registration Department for the relevant year;

(12-B) “development rights” means, the right to carry out the development or to develop the land or building or both in the area specified in the development right certificate;”

(7) after clause (13), the following clauses shall be inserted, namely:—

“(13-A) “final Scheme” means, a final Scheme relating to the Town Planning Scheme as approved by the Government;

(13-B) “Floor Area Ratio” means, the quotient obtained by dividing the total covered area (plinth) on all the floors excepting the areas specifically exempted by Notification by the plot area, *i.e.*,

$$\text{Floor Area Ratio} = \frac{\text{Total covered area on all floors}}{\text{Plot area;”}}$$

(8) after clause (14), the following clauses shall be inserted, namely:—

“(14-A) “heritage building” means, and includes any building of one or more premises or any part thereof and / or structure and / or artifact which requires conservation and/or preservation for historical and / or architectural and / or artisanry and / or aesthetic and / or cultural and / or environmental and / or ecological purpose and includes such portion of land adjoining such building or part thereof as may be required for fencing or covering or in any manner preserving the historical and / or architectural and / or aesthetic and / or cultural value of such building ;

(14-B) “heritage committee” means, the State Level Heritage Conservation and Advisory Committee constituted by the Government;

(14-C) “heritage precinct” means, and includes any space that requires conservation and / or preservation for historical and / or architectural and / or aesthetic and / or cultural and/or environmental and / or ecological purpose. Walls or other boundaries of a particular area or place or building or may enclose such space by an imaginary line drawn around it;

(14-D) “highway” has the same meaning as in section 4 of the National Highways Act, 1956 (Central Act XLVIII of 1956);”

(9) after clause (16), the following clause shall be inserted, namely:—

“(16-A) “infrastructure and amenities charges” means, fee levied on the institution of use or change of use of any land or building or development of any land or building to meet the impact of development and to cover the cost of providing capital facilities needed to serve the development;”

(10) after clause (21), the following clauses shall be inserted, namely:—

“(21-A) “major street” means, a main street connecting different localities;

(21-B) “Master Plan” means, a comprehensive development plan prepared as per the Act in the name of interim, comprehensive, detailed or the Town Planning Scheme for a local planning area covering the whole area or part thereof or a joint planning area as the case may be, conceived within the framework of the perspective plan, if any, providing long-term policies, programmes and detailed proposals for spatial development of such area indicating the manner in which the use of land and development therein shall be carried out;

(21-C) “means of access” includes any means, of passage, whether private or public, for vehicles or for pedestrians and includes any street;

(21-D) “Member-Secretary” means, the Senior Town Planner appointed to the Planning Authority as per section 10-A;

(21-E) “mitigation” means, the measures taken in advance of a disaster aimed at decreasing or eliminating its impact on society and on environment including preparedness and prevention.

(21-F) “national highway” means, any highway declared to be a national highway under section 2 of the National Highways Act, 1956;

(21-G) “natural disaster” means, a serious disruption of the functioning of a Society, causing widespread human, material or environmental losses caused due to earthquake, cyclone, flood or landslide which exceeds the ability of the affected society to cope up using only its own resources;

(21-H) “natural hazard prone areas” means, areas likely to have,—

- (i) moderate to very high damage risk zone of earthquake, or
- (ii) moderate to very high damage risk of cyclones, or
- (iii) significant flood flow or inundation, or
- (iv) landslide potential or proneness, or
- (v) one or more of these hazards;”

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

“(22-A) “Notification” means, a Notification published in the Official Gazette;”

(12) after clause (23), the following clause shall be inserted, namely:—

“(23-A) “operational construction” means, any construction whether temporary or permanent which is necessary for operations, maintenance, development or execution of services essential to the life of the community by the Government;”

(13) after clause (26), the following clauses shall be inserted, namely:—

(26-A) “Preliminary Scheme” means, a preliminary Scheme relating to a Town Planning Scheme prepared by the Designated Officer;

(26-B) “premium or purchasable Floor Area Ratio” means, additional Floor Area Ratio permitted over and above the ordinary Floor Area Ratio on payment of premium, as may be prescribed;

(14) after clause (30), the following clauses shall be inserted, namely:—

“(30-A) “railway” has the same meaning as in clause (31) of section 2 of the Indian Railways Act, 1989 (Central Act 24 of 1989);

(30-B) “reconstituted plot” means, the alteration of plots by the making of a development plan otherwise than by the severance of the land used, allotted or reserved for any public purpose or a plot which is in any way altered by making the Town Planning Scheme;

(30-C) “reconstruction of a building” includes,—

- (a) the re-erection, wholly or partially of a building after more than one half of its cubical contents has been taken down or burnt down or has fallen down whether at one time or not;
- (b) the re-erection, wholly or partially, of any building of which an outer wall has been taken down or burnt down or has fallen down to or within three metres of the ground adjoining the lowest storey of the building, and of any frame building which has so far been taken down or burnt down or has fallen down as to leave only the framework of the lowest storey;

- (c) the conversion into a dwelling house, or a place of public worship of any building not originally constructed for human habitation or for public worship, as the case may be, or the conversion into more than one dwelling-house of a building originally constructed as one dwelling-house only or the conversion of dwelling-house into factory;”
- (d) the re-conversion into a dwelling-house or a place of public worship or a factory of any building—
 - (i) the use whereof as a dwelling-house or a place of public worship or a factory has been discontinued; or
 - (ii) which has been appropriated for any purpose other than for use as a dwelling-house or a place of public worship or a factory;”

(15) after clause (33), the following clause shall be inserted, namely:—

“(33-A) “ring road” means, any highway connecting different parts within the planning area in a ring or circular fashion;”

(16) for clause (35), the following clause shall be substituted, namely:—

“(35) “Scheme” means, a Town Planning Scheme prepared under the Act, and includes a plan or plans, together with the descriptive matter, if any, relatively to such a Scheme;”

(17) after clause (37), the following clause shall be inserted, namely:—

“(37-A) “Town Planning Scheme” means, the Scheme in which land owned by the individual or a group of individuals are pooled together and developed by the 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;”

“(37-B) “Transfer of Development Rights” means, compensation in the form of additional Floor Area Ratio or development rights, which shall entitle the owner for construction of additional built-up area, subject to such rules and regulations as the Government or an Authority under this Act may prescribe and the Floor Area Ratio credit shall be issued in such form as may be prescribed.”

3. In the principal Act, in sub-sections (3) and (4) of section 3, for words, “Senior Town Planner”, the words, “Chief Town Planner,” shall be substituted. Amendment of Section 3.

4. In the principal Act, the title of Chapter-III, for the words, “Senior Town Planner”, the words “Chief Town Planner,” shall be substituted. Amendment of Title in Chapter-III.

5. In the principal Act, in sub-section (5) of section 8, for the existing words figures and numbers, “sub-section (1) of section 4 of the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013” and “section 6”, the words figures and numbers “section 11 of the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 and section 19”, shall be substituted, respectively. Amendment of Section 8.

Central
Act 30
of
2013.

Amendment of section 10. 6. In the principal Act, in section 10, for the words “Senior Town Planner”, the words “Chief Town Planner”, shall be substituted.

Amendment of section 11. 7. (i) In the principal Act, in section 11, after the existing sub-section (1), the following sub-section shall be inserted, namely: -

“(1-A) As soon as may be, after constitution of the Planning Authority, the Government shall, by Notification in the Official Gazette, appoint a Senior Town Planner for each of the Planning Authority called the “Member-Secretary” of the Planning Authority for the purpose of carrying out the functions assigned to him to this Act, Rules and Regulations made there under.”

(2) In clause (ii) of sub-section 2 of the section 11, of the words “the Senior Town Planner or any other officer of the Town and Country Planning Department, who shall be”, shall be deleted.”

Amendment of section 12 and insertion of section 12-A, 12-B and 12-C. 8. (1) In the principal Act, after the sub-clause (d) of clause (i) of sub-section (1) of section 12, the following shall be inserted, namely:—

(e) “a Town Planning Scheme.”

(2) After the section 12, the following sections shall be inserted, namely:—

“12-A. The Planning Authority with the approval of the Committee and the Town and Country Planning Board, and by Order of the Government entrust to any Local Authority as may be specified in such Order, the work of execution of any Master Plan prepared by it.

12-B. The Planning Authority with the approval of the Committee and the Town and Country Planning Board, by Order of the Government, authorize any Local Authority or

other Authority or third-party expertise as may be specified in such Order, to exercise any of the powers vested in it or under this Act and may in the like manner withdraw such Authority; and the exercise of any power delegated in this behalf shall be subject to such restrictions and conditions as may be specified in such Order.

12-C. The Planning Authority with the approval of the Government may levy and collect necessary fees / charges to carry out its functions. The fees / charges collected shall be utilized as per this Act and as may be prescribed.”

9. (1) In the principal Act, in sub-sections (2) and (3) of section 18, for the words, “Senior Town Planner”, the words “Chief Town Planner”, shall be substituted. Amendment of Section 18.

(2) The sub-section (6) of section 18, shall be substituted with the following, namely: -

Central
Act 30
of
2013.

“(6) Proceedings under this section and section 19 shall be deemed and have the same effect as proceedings under section 15 of the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013”.

10. In the principal Act, in sub-sections (1) and (2) of section 20, for the existing words “Senior Town Planner”, the words “Chief Town Planner”, shall be substituted. Amendment of Section 20.

11. In the principal Act, in sub-section (2) of section 21, after the clause (d), the following clause shall be inserted, namely:— Insertion of clauses in section 21.

(e) include zones and regulations for premium or purchasable floor area ratio, transfer of development rights and implementation of the Scheme.”

Amendment of section 23. 12. In the principal Act, in sub-sections (1) and (2) of section 23, for the words “Senior Town Planner”, the words “Chief Town Planner”, shall be substituted.

Amendment of section 29. 13. In the principal Act, in sub-sections (1) and (2) of section 29, for the words “Senior Town Planner”, the words “Chief Town Planner”, shall be substituted.

Amendment of section 31. 14. In the principal Act in sub-section (2) of section 31, for the words “Senior Town Planner”, the words “Chief Town Planner”, shall be substituted.

Amendment of section 33. 15. In the principal Act, for sub-section (5) of section 33, the following sub-section shall be substituted, namely:—

“(5) The Notification under this section shall be deemed and has the same effect as a declaration under section 19 of the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013

Amendment of section 34. 16. In principal Act, for section 34A, the following shall be substituted, namely:—

“34 A. Change of Land use in the Development Plans.— (1) The Government may *suo moto* or on a reference from the Planning Authority, make such modifications to the sanctioned development plan, as it thinks fit and which in its opinion are necessary. The Government may also delegate powers to the Planning Authority for modification of land use for certain parcels of land as prescribed in the regulations notified by the Government.

(2) Any modification in the land use zonal classification Plans shall be made only in accordance with the regulations notified by the Government.

(3) The Planning Authority shall levy such fees and charges as may be prescribed in the rule notified under in sub-section (2).

(4) Any person changed his land use without following the rules notified under sub-section (2), penalty shall be imposed as per the rule notified by the Government time to time.

17. In the principal Act, after section 37, the following sections shall be inserted, namely:—

Insertion of
sections 37-A,
37-B and 37-C.

“37-A. Levy of premium charges for grant of premium or purchasable Floor Area Ratio.— (1) The Planning Authority may grant permission for premium or purchasable Floor Area Ratio in the areas identified for the purpose in the zonal regulation of the Master Plan or in the areas prescribed by the Government from time to time;

(2) Where an application is made for grant of permission for utilization of premium or purchasable floor area ratio for the development of a building under section 37, the Planning Authority may levy premium charges at such rates, as may be prescribed by the Government from time to time, for grant of premium or purchasable Floor Area Ratio.

37-B. Transfer of development rights.— (1) Where any area is required for a public purpose and the owner of any site or land which comprises such area, surrenders it free of cost and handed over possession of the same to the Planning / Local Authority free from encumbrances, or maintains the land or restricts development on the land as per the requirement of the Government, the Planning Authority may permit the transfer of development rights in proportion to the land area surrendered or the restrictions placed on developments in the manner prescribed;

(2) The development rights so permitted under sub-section (1) may be utilized either on the remaining portion of the area after the surrender if feasible, or at any other location in the Union Territory equivalent in value of land, subject to such conditions as may be prescribed, either by the person surrendering the land or suffering the restriction or any other person to whom the original allottee of the development rights has transferred such rights.

37-C. Value Capturing Finance (VCF).—The Planning Authority to raise or meet resources by tapping a share of increase in value of land and other properties like buildings resulting from public investments and policy initiatives, in the identified area of influence shall implement Value Capture Financing technique in any form in the manner as prescribed by the Government from time to time.”

Amendment of section 38. 18. In the Principal Act, in sub-section (4) of section 38, for the words “Senior Town Planner”, the words “Chief Town Planner”, shall be substituted.

Amendment of section 41. 19. In the Principal Act, in sub-section (3) of section 41, for the words “Senior Town Planner”, the words “Chief Town Planner”, shall be substituted.

Amendment of section 42. 20. In the Principal Act, in sub-section (2) of section 42, for the words “Senior Town Planner”, the words “Chief Town Planner”, shall be substituted.

Amendment of section 47. 21. In the Principal Act, for the clause (iii) of sub-section (2) of section 47, the following shall be substituted, namely:—

“(iii) any matter related to preservations and conservations of historical, architectural, environmental, ecological or heritage purpose or other matters which is to be or as may be prescribed.”

22. In the Principal Act, in section 54, for the words “Senior Town Planner”, the words “Chief Town Planner” shall be substituted. Amendment of Section 54.

23. In the Principal Act for the existing sub-section (2) of section 56, the following shall be substituted, namely:— Amendment of Section 56.

(2) All permit charges payable in respect of any land or building by any person shall, together with interest at the rate of six percent per annum upon any amount outstanding up to the date of realization, be recoverable from such person or his successor in interest in such a land or building as on arrears of land revenue.”

24. In the Principal Act, after the existing Section 56, the following sections shall be inserted, namely:— Insertion of sections 56-A, 56-B, 56-C, 56-D and 56-E.

“56-A. Levy of infrastructure and amenities charges.— (1) The Planning Authority while according building permit under this Act, shall levy charges on the institution of use or change of use of land or building or development of any land or building in the whole area or any part of the Planning area so as to meet the impact of development and for ensuring sustainable development of urban and rural areas by providing adequate infrastructure and basic amenities at the rates as determined in accordance with such procedure as may be prescribed which shall not be less than minimum and not more than the maximum as may be prescribed, and different rates may be prescribed for different parts of the Planning area and for different uses.

(2) The infrastructure and amenities charges shall be leviable on any person who undertakes or carries out any such development or institutes any use or changes any such use.

(3) The collection of the infrastructure and amenities charges shall be made in such manner as may be prescribed.

56-B. Constitution of State Infrastructure and Amenities Fund.— (1) The Government may constitute a fund called "Infrastructure and Amenities Fund" to provide adequate infrastructure and basic amenities so as to meet the impact on development and for ensuring sustainable development of urban and rural area.

(2) The infrastructure and amenities charges levied under section 56-A shall be credited to this fund.

(3) The fund shall be operated, utilized and maintained in such manner as may be prescribed.

56-C. Levy of shelter charges.— (1) The Planning Authority, while according permission under this Act, shall levy charges on the institution of use or change of use of land or building or development of any land or building in the whole area or any part of the planning area so as to contribute towards cost of providing affordable housing to the poor in urban areas, at the rates as determined in accordance with such procedure as may be prescribed which shall not be less than the minimum and not more than the maximum as may be prescribed, and different rates may be prescribed for different parts of the Planning area and for different uses.

(2) The shelter charges shall be leviable on any person who undertakes or carries out any such development or institutes any use or changes any such use.

(3) The collection of the shelter charges shall be made in such manner as may be prescribed.

56-D. Constitution of State Shelter Fund.—

(1) The Government may constitute a fund called “Shelter Fund” to provide for affordable housing to the poor in urban areas.

(2) The shelter charges levied under section 56C shall be credited to this fund.

(3) The proceeds from other sources as approved by the Government shall also be credited to this fund.

(4) The fund shall be operated, utilized and maintained in such manner as may be prescribed.

56-E. Collection of any other charges.—(1) For the purpose of conservation or preservation of areas and structures related to historical and / or heritage and / or architectural and / or aesthetic and / or cultural significance, the Planning Authority may collect any other charges as approved by the Government from time to time.

(2) The Planning Authority shall operate, utilize and maintain the fund so collected in such manner as may be prescribed.”

25. In the principal Act, after Chapter – X, the following Chapter and sections shall be inserted, namely:—

Insertion of
Chapter – X-A
and sections.

"CHAPTER – X-A**TOWN PLANNING SCHEME**

56-F. Declaration of intention to make a Town Planning Scheme.— (1) The Planning Authority may, by notification, for the purpose of development of any area within its jurisdiction in an orderly holistic manner, declare its intention to make a Town Planning Scheme (hereinafter in this Chapter referred to as the Scheme) for that area:

Provided that the Planning Authority shall obtain prior approval of the Government before notification of such declaration:

Provided further that any appropriate Planning Authority shall send such proposal to the Government through the Chief Town Planner, Town and Country Planning Department:

Provided also that the Planning Authority may adopt, with or without any modification, the Scheme as proposed by any Government Department, Company or Public Sector Undertaking or Statutory Body owned or controlled by the Government or the Central Government or Co-operative Societies or by seventy per cent of the land owners in the Scheme area:

Provided further that where any Scheme is not made for any specific areas, adjacent to any Scheme, the owners or the lands of such area, may make a request to the Planning Authority to make a Scheme.

(2) A Scheme may be made in accordance with the provisions of this Act in respect of any land which is —

- (i) in the course of development;
- (ii) likely to be used for residential or commercial or industrial or for building purposes; or
- (iii) already built upon.

Explanation.— For the purpose of this sub-section, the expression “land likely to be used for building purposes” shall include any

land likely to be used as, or for the purpose of providing open spaces, roads, streets, parks, pleasure or recreation grounds, parking spaces or for the purpose of executing any work upon or under the land incidental to the Scheme, whether in the nature of a building work or not.

(3) The declaration under sub-section (1) shall be published by the Planning Authority in such manner as may be prescribed, by notification in the Official Gazette and in two leading daily newspapers in that area of which one shall be in Tamil / Malayalam / Telugu (respective region) 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.

56-G. Power of the Government to require appropriate Planning Authority to make a Scheme.—

Notwithstanding anything contained in section 56-F, the Government may direct the Planning Authority to make a Scheme for any specific area and submit for their approval. In such cases, the Planning Authority shall proceed further for declaration of the intention of the Scheme under section 56-F and for preparation of the Scheme as provided in this Chapter.

56-H. Restrictions on Land Development Work.— (1) On or after the date of publication of declaration of the intention to make a Scheme under section 56-F, no person shall within the area covered under the Scheme, carry out any development work without obtaining permission from the Planning Authority:

Provided that on or after the date of publication of the approved Draft Scheme, the Planning Authority may, in consultation with the Designated Officer, grant permission to any Department of the Government, Public Sector Undertaking or a Statutory Body owned or controlled by the Government or the Central Government to carry out any development work:

Provided further that any other person may also apply for permission in the form and in the manner as may be prescribed, to carry out any development work after publication of the approved draft Scheme.

(2) On receipt of an application for permission to carry out any development work in the Scheme area, the Planning Authority shall send a written acknowledgement therefor.

(3) The Planning Authority, after consultation with the Designated Officer, may grant permission to carry out the development work within the Scheme area, having regard to the purpose for which the permission is required and the suitability of the place for such purpose and subject to such conditions as it may deem fit, or refuse to grant permission stating the reason therefor:

Provided that any such condition shall be in accordance with the approved draft Scheme.

(4) If any person contravenes the provisions of sub-section (1) or any condition imposed under sub-section (3), the Planning Authority may direct such person by notice in writing to stop the work in progress, and after making an inquiry in the prescribed manner, remove, pull

down, or alter any building or other development and restore the land or building in respect of which such contravention is made, to its original condition.

(5) The restrictions imposed in this section shall cease to operate in the event of lapse of declaration of intention under sub-section (2) of section 56-N or on the publication of the preliminary Scheme under sub-section (2) of section 56-T or on withdrawal of the Scheme under section 56-Z.

(6) Notwithstanding anything contained in sub-section (1), after publication of the draft Scheme under sub-section (1) of section 56-N, the Planning Authority may carry out any development work within the Scheme area for the purposes of the Scheme.

(7) The provisions of this section shall not apply to any operational construction undertaken by the Central Government or the Government.

Explanation.— “operational construction” means, any construction whether temporary or permanent, which is necessary for the operation, maintenance, development, or execution of any of the following services, namely:—

- (a) Railways;
- (b) National Highways;
- (c) National Waterways;
- (d) Major Ports;
- (e) Airways and Aerodromes;

- (f) Posts, Telephones, Wireless, Broadcasting and other like forms of communication;
- (g) Regional grid for electricity;
- (h) Defence;
- (i) Metro Rail;
- (j) Minor Ports; or
- (k) any other service which the Government is of the opinion that the operation, maintenance, development or execution of such service is essential to the life of the community, by notification, declare to be a service for the purposes of this clause;

(8) For removal of doubts, it is hereby declared that,— (i) new residential buildings (other than gate lodges, quarters for limited essential operational staff and the like), roads and drains in railway colonies, hotels, clubs, institutes and schools, in the case of railways; and

(ii) a new building, new structure or new installation or any extension thereof, in the case of any other service, shall not be deemed to be an operational construction.

56-1. Appointment of Designated Officer.—

(1) Within one month from the date of publication of declaration of intention under sub-section (1) of section 56-F, the Government shall appoint an Officer not lower in rank than that of the Senior Town Planner of the Town and Country Planning Department as the Designated Officer, for the purposes of the Scheme.

(2) The Government may, if it thinks fit, at any time remove, on the ground of incompetence or misconduct or any other good and sufficient reason a Designated Officer appointed under this section and shall forthwith appoint another person in his place and any proceeding pending before Designated Officer immediately before the date of his removal shall be continued and disposed of by the newly Designated Officer appointed in his place:

Provided that no Designated Officer shall be removed under this sub-section except after an inquiry in which he has been informed of the charges against him and a reasonable opportunity of being heard in respect of those charges has been given to him.

(3) Subject to the provisions of sub-section (2), a Designated Officer appointed under sub-section (1) for the purpose of any Scheme shall cease to hold office with effect from the date on which the final Scheme is sanctioned under section 56-X.

56-J. Duties of the Designated Officer.— The duties of the Designated Officer are,—

(i) to involve with the Planning Authority, in the examination of objections and suggestions received on the draft Scheme;

(ii) to prepare the Preliminary Scheme and the Final Scheme;

(iii) to give notice in the prescribed manner and in the prescribed form to the persons affected by the Scheme, define and demarcate the areas allotted to, or reserved for, any public purpose, or for a purpose of the Planning Authority and the final plots;

(iv) to give notice as aforesaid, determine the period within which the works provided in the Scheme shall be completed by the appropriate Authority;

(v) to provide for the total or partial transfer of any right in an original plot to a final plot or provide for the transfer of any right in an original plot in accordance with the provisions of section 56-AF;

(vi) to fix the difference between the total of the values of the original plots and the total of the values of the plots included in the Scheme in accordance with the provisions of clause (f) of sub-section (1) of section 56-AB;

(vii) to determine whether the areas used, allotted or reserved for a public purpose or purposes of the appropriate Authority are beneficial wholly or partly to the owners or residents within the area of the Scheme;

(viii) to estimate the portion of the sums payable as compensation on each plot used, allotted or reserved for a public purpose or for the purpose of the appropriate Authority which is beneficial partly to the owners or residents within the area of the Scheme and partly to the general public, which shall be included in the costs of the Scheme;

(ix) to calculate the contribution to be levied under sub-section (1) of section 56-AD, on each plot used, allotted or reserved for a public purpose or for the purpose of the appropriate Authority which is beneficial partly to the owners or residents within the area of the Scheme and partly to the general public;

(x) to determine the amount of exemption, if any, from the payment of contribution that may be granted in respect of plots exclusively occupied for religious or charitable purposes;

(xi) to estimate the increment to accrue in respect of each plot included in the Scheme in accordance with the provisions of section 56-AC ;

(xii) to estimate the amount to be collected from or to be paid to the land owners as per section 56-V, 56-AD, 56-AE, 56-AJ and 56-AC;

(xiii) to determine the compensation amount payable to the land owners as per section 56-V, 56-AD and 56-AI;

(xiv) to draw in the prescribed form the preliminary and the final Scheme in accordance with the draft Scheme;

(xv) to be present at the proceedings before the Board of appeal; and

(xvi) for such other matters as may be prescribed.

Provided that the Designated Officer may make variation from the draft Scheme, but no such variation, if it is to involve an increase of ten percent in the cost of the draft Scheme of the Planning Authority, shall be made except with the previous sanction of the Government.

56-K. Certain decisions of the Designated Officer to be final.— (1) Every decision of the Designated Officer in matters, other than estimation of costs, estimation of the amount payable to or by the owners, determination of the compensation payable to the owners and transfer of development rights shall be final and binding on all concerned;

(2) On the request of the Planning Authority, the Designated Officer may split up the draft Scheme in to different sections and to deal with each section separately as if such section were a separate draft Scheme.

56-L. Disputed ownership.— (1) Where there is a disputed claim to the ownership of any land or building included in an area in respect of which the 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 Planning Authority or the Designated Officer, at any time before the Scheme is made, the Government may cause an inquiry to be made by such Officer, within such time, as may be prescribed, for the purpose of including such land or building in the Scheme area, unless the civil Court or the Authority, otherwise directs and the Order or decision of the civil Court or Authority thereon shall bind the Planning Authority or the Designated Officer.

(2) Where any Decree is passed by the civil Court, after the Final Scheme has been approved by the Government under section 56-X, such Final Scheme shall be deemed to have been suitably varied to the extent of such Decree.

56-M. Contents of Draft Scheme.— The draft Scheme may provide for all or any of the following matters, namely:—

- (a) the area, ownership and tenure of such original plot;
- (b) laying out or re-laying out, of land, either vacant or already built upon, as building sites;
- (c) construction, diversion, extension, alteration, improvement or closure of lanes, streets, roads and communications;

(d) construction, alteration, removal or demolition of buildings, bridges and other structures;

(e) redistribution of boundaries and reconstitution of plots belonging to owners of properties in the Scheme area;

(f) disposal by sale, exchange, lease or otherwise of land acquired or owned by the Planning Authority;

(g) transport facilities;

(h) water-supply;

(i) lighting;

(j) drainage, inclusive of sewerage and of surface drainage and sewage disposal;

(k) allotment or reservation of land for streets, roads, squares, houses, buildings for religious or charitable purpose, open spaces, gardens, recreation grounds, schools, markets, shops, factories, hospitals, dispensaries, public buildings and public purposes of all kinds and defining and demarcating of the reconstituted plots or the areas allotted to or reserved for the above-mentioned purposes;

(l) demarcation of places or objects and buildings of archaeological or historical interest or natural scenic beauty or used for religious purposes or regarded by the public with veneration, or protection of canal, tank or river sides, coastal areas and other places of natural or landscape beauty;

(m) imposition of conditions and restrictions in regard to the character, density, architectural features and height of buildings, building or

control lines for roads, railway lines and power supply lines and the purposes for which buildings or specified areas may or may not be appropriated and the provision and maintenance of sufficient open spaces, the discontinuance of objectionable uses of lands in any area in specified periods, parking spaces, loading and unloading spaces for any building and the sizes or locations of projections and advertisement signs;

(n) filling up or reclamation of low lying, swampy or unhealthy areas, or leveling up of land;

(o) layout of new streets or roads, construction, diversion, extension, alteration, improvement and closing up of streets and roads and discontinuance of utility connections, communication lines, *etc.*;

(p) allotment of land to the extent of not more than forty per cent of the total area covered under the Scheme, in the aggregate, for any or all of the following purposes, namely:—

- (i) for roads;
- (ii) for parks, play grounds, gardens and open spaces;
- (iii) for social infrastructure such as school, dispensary, fire and rescue service and public utilities;
- (iv) for sale by the appropriate Planning Authority for residential, commercial, institutional or industrial use, depending upon the nature of development;

- (v) reservation of land up to the extent often per cent of the total area covered under the Scheme, in the aggregate, for the purpose of providing housing accommodation to the members of economically weaker section and for persons dispossessed of their properties in the Scheme area:

Provided that the proceeds from the sale of land referred to in sub-clause (iv) shall be used for the purpose of providing infrastructural facilities and payment of compensation as per the Final Scheme;

- (q) returning reconstituted plots to the extent of not less than sixty per cent or for providing compensation in accordance with the Final Scheme; and

- (r) for such other matters as may be prescribed.

Explanation.— For the purpose of this Chapter, ‘reconstituted plot’ means, a plot which is in any way altered by the making of the Scheme and includes alteration of ownership of a plot.

56-N. Making and publication of the Draft Scheme.— (1) Within nine months from the date of publication of the declaration of the intention to make a Scheme under section 56-F, the Planning Authority shall, in consultation with the Designated Officer, make a draft Scheme for the Scheme area and publish the same in the Official Gazette, along with the draft regulations, if any, for carrying out the provisions of the Scheme, in such manner as may be prescribed:

Provided that on a request by the Planning Authority, the Government may, by notification, extend the aforesaid period, for a further period of six months.

(2) If publication of a draft Scheme is not made within the said total period of fifteen months, the declaration of intention to make a Scheme shall lapse:

Provided that any such lapse of declaration shall not prevent the Government from making a fresh declaration at any time in respect of the same area.

56-O. Reconstitution of plots.— (1) In the draft Scheme referred to in section 56-N, the size and shape of every plot shall be determined, so far as may be, to render it suitable for building purposes and where a plot is already built upon, suitable alterations shall be made to the buildings, so as to comply with the provisions of the Scheme.

(2) For the purposes of sub-section (1), the draft Scheme may contain the following proposals, namely:—

- (a) to form a final plot by reconstitution of an original plot, by alteration of the boundaries of the original plot, if necessary;
- (b) to form a final plot from an original plot by re-adjusting wholly or partly of the adjoining lands;
- (c) to provide, with the consent of the owners, that two or more original plots each of which is held in ownership severally or in joint ownership shall hereafter, with or without alteration of boundaries, be held in ownership in common as a final plot;

- (d) to allot a final plot to any owner dispossessed of land in furtherance of the Scheme; or
- (e) to pass on the ownership of an original plot from one person to another.

Explanation.— For the purpose of this Chapter.—

- (i) “final plot” means, a plot reconstituted from an original plot and allotted in a Scheme as a final plot;
- (ii) “original plot” means, the corresponding plot held in single or joint ownership and numbered to be shown as one single plot by the Planning Authority for the purposes of the Scheme.

(3) Where under clause (m) of section 56-M, the purpose to which buildings or specified areas may not be appropriated have been specified, the buildings shall cease to be used for a purpose other than the purposes specified in the Scheme within such time as may be specified in the final Scheme and the person affected by the provision shall be entitled to compensation from the appropriate Authority in the manner and according to the method prescribed.

56-P. Public consultation to the Draft Scheme.— Any person may, within sixty days from the date of publication of the draft Scheme under section 56-N, submit his objection or suggestion in writing to the Planning Authority. The Planning Authority shall consider such objection or suggestion and may modify the draft Scheme, in consultation with the Designated Officer as it deems fit and submit the same not later than thirty working days to the Government for approval.

56-Q. Approval of the Draft Scheme by the Government.— (1) The Government may, on receipt of the draft Scheme under section 56-P after making such inquiry as they may deem fit and after consulting the Chief Town Planner or the Planning Authority concerned, as the case may be, not later than three months from the date of its receipt,—

(i) either approve the draft Scheme, with or without modifications and subject to such conditions as they may deem fit; or

(ii) refuse to approve the draft Scheme; or

(iii) return the draft Scheme to the Planning Authority to carry out such modifications and within such period as may be directed, including a direction to include or exclude any land in the Draft Scheme. The Planning Authority, in consultation with the Designated Officer, shall comply with such directions of the Government and re-submit the draft Scheme within one month from the date of receipt of such directions to the Government for approval.

(2) As soon as on receipt of the modified draft Scheme from the Planning Authority, the Government not later than six months may approve the draft Scheme and the approved draft Scheme shall be published in the Official Gazette and in two leading daily newspapers in that area (region), of which one shall be in Tamil / Malayalam / Telugu (respective region). The approved draft Scheme shall also be placed in the public domain for inspection during the office hours in the Planning Authority and in the office of the Designated Officer.

56-R. Vesting of the land with the Planning Authority.— On expiry of a period of two months from the date of publication of the approved draft Scheme under sub-section (2) of section 56-Q, all lands required

for the purposes as specified in clauses (g), (h), (i), (j) and (o) of section 56-M, shall vest with the Planning Authority free from all encumbrances. The Planning Authority may take 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 therefor, in such manner as may be prescribed, in the said lands for enforcement of the said public purposes:

Provided that such vesting of lands with the appropriate Planning Authority shall not affect the ownership right of the owners of such lands.

56-S. Preparation of the Preliminary Scheme.— (1) The Designated Officer shall, after taking into consideration the objections, if any, received on the approved draft Scheme within a period of nine months from the date of its publication, prepare the Preliminary Scheme as per section 56-J in the prescribed manner and in the prescribed form, after giving notice to the owners of the land in the Scheme area. The Preliminary Scheme shall,-

(a) define and demarcate the areas allotted to, or reserved for, any public purpose, or for the purpose of the appropriate Planning Authority and also demarcate the final plots;

(b) decide the person or persons to whom a final plot is to be allotted and when such plot is to be allotted to persons in common ownership, decide the shares of such persons;

(c) provide for the total or partial transfer of any right in an original plot to a final plot;

(d) record the rights of secured creditors, mortgagees, lessees or other persons who claim to have secured interest in the original plot;

(e) an estimate of the cost of the Scheme to be borne by the stakeholders;

(f) specify the period within which the works provided in the Scheme may be completed by the Planning / Local / appropriate Authority; and

(g) for any other prescribed particulars. (2) The Designated Officer shall submit the Preliminary Scheme so prepared, through the Planning Authority and the Chief Town Planner, to the Government for approval.

56-T. Approval of the Preliminary Scheme by the Government.— (1) On receipt of the Preliminary Scheme, the Government shall, within two months from the date of its receipt, either approve or approve with such modifications as may be considered necessary or may return the said Scheme to the Designated Officer to modify the Scheme or to prepare a fresh Scheme, in accordance with such directions and within such period as the Government may specify in this behalf.

(2) The Preliminary Scheme, as approved by the Government shall be published in the Official Gazette and in two leading daily newspapers in that area, of which one shall be in Tamil / Malayalam / Telugu (respective region) and such notification shall state the place and time at which the said Scheme shall be open to inspection by the public.

(3) Such notification shall fix a date, in which all the liabilities created by the Scheme shall come into force :

Provided that the Government may from time to time extend such date, by notification, for such period, not exceeding three months, as it thinks fit.

(4) A notification under sub-section (2) shall be the conclusive evidence that the Preliminary Scheme has been duly made and approved.

56-U. Effect of Preliminary Scheme.— (1) On and after the date on which the Preliminary Scheme is published in the Official Gazette,—

(a) all lands required by the appropriate Planning Authority shall, unless it is otherwise determined in such Scheme, vest absolutely with the appropriate Planning Authority free from all encumbrances; and

(b) all rights in the original plot which have been reconstituted into final plots shall be determined and the final plots shall be subject to the rights of the original land owners, as settled by the Designated Officer.

(2) The Planning Authority shall take such measures as may be required,—

(a) to enforce the Scheme, including eviction, removal of structures or buildings in contravention of the Scheme, locking and sealing and recover the cost incurred therefor, in such manner as may be prescribed; and

(b) execute any work which it is the duty of any person to execute under the Scheme in any case where it appears that the delay in execution of the work would prejudice the efficient operation of the Scheme and any expenses incurred shall be recovered from the person in default or from the owner of the plot in such manner as may be prescribed, and

(c) no person shall be entitled to compensation in respect of any damage, loss or injury resulting from all action taken by the Planning Authority under the provision of the

section except in respect of the building or work began before the date referred to in sub-section (3) of section 56-T and only in so far as such building or work has proceeded until that date:

Provided that any claim to compensation which is not barred by these sub-section shall be subject to the condition of any agreement entered between the claimant and the Planning Authority;

(d) to carry out mutation in the records of the Revenue, Survey and Settlement and Registration Departments as per the allotment of the final plots including plots reserved for public purposes, made in the Preliminary Scheme.

56-V. Preparation of the Final Scheme.—

(1) The Designated Officer shall, after publication of the Preliminary Scheme in the Official Gazette of Puducheny within a period of nine months therefrom, prepare the Final Scheme in the manner specified hereunder:—

(a) estimate the value of the original plots and fix the difference between the values of the original plots and the values of the final plots in the Scheme area, in the manner prescribed;

(b) determine whether the areas allotted or reserved for public purposes or for development by the Planning Authority are beneficial wholly or partly to the land owners or residents in the Scheme area;

(c) estimate in the manner prescribed, the sums payable as compensation on each plot used, allotted or reserved for a public purpose or for the purpose of the Planning Authority,

which is beneficial partly to the owners or residents within the Scheme area and partly to the general public, and the compensation so payable shall be included in the cost of the Scheme;

(d) estimate the increment in value, in the manner prescribed, that may accrue in respect of each plot included in the Scheme area;

(e) calculate the betterment contribution, in the manner prescribed, to be levied on each plot in the Final Scheme, in proportion to the increment in value estimated to accrue in respect of such plot:

Provided that no betterment contribution shall be levied in respect of plots exclusively allotted for religious or charitable purpose;

(f) estimate in the manner prescribed with reference to the claims made before him for compensation to be paid to any land owner for his right prejudicially affected because of the Scheme;

(g) record the person to whom the final plot is allotted in accordance with the Preliminary Scheme in the form and in the manner as may be prescribed; (h) do such other acts as may be prescribed.

(2) As soon as on the preparation of the Final Scheme, the Designated Officer shall communicate the details including the quantum of amount arrived at with respect to clauses (a) to (f) of sub-section (1) to the persons concerned and to the Planning Authority before submission of the Final Scheme to the Government for approval.

56-W. Appeal.— (1) Any person aggrieved by the decision of the Designated Officer communicated under sub-section (2) of section 56-V may, within one month from the date of its receipt, appeal to the Board, in such manner, as may be prescribed.

(2) On receipt of an appeal under sub-section (1), the Board, within a period of two months, dispose of the appeal after giving the Appellant an opportunity of being heard.

(3) Any person aggrieved by the decision of the Board, may within one month from the date of communication of such decision under sub-section (2), appeal to the Government in such form and in such manner as may be prescribed:

Provided that the Government may entertain an appeal made beyond the said period, if they are satisfied that the appellant was prevented by sufficient cause for not making the appeal in time.

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

56-X. Approval of the Final Scheme by the Government.— (1) On receipt of the Final Scheme from the Designated Officer, the Government shall, within two months from the date of its receipt either approve or approve with such modifications as may be considered necessary. The Designated Officer shall thereafter modify the Scheme, if so directed by the Government and submit it to the Government for approval.

Explanation.— For the purpose of calculating the time-limit of two months, the period during which appeals, if any, were pending before the Board and the Government shall be excluded.

(2) The Final Scheme, as approved shall be published in the Official Gazette and in two leading daily newspapers in that area, of which one shall be in Tamil / Malayalam / Telugu (respective region) and such notification shall state the place and time at which the Scheme shall be open to inspection by the public.

(3) A notification under sub-section (2) shall be conclusive evidence that the Final Scheme has been duly made and approved.

56-Y. Variation of Scheme.— (1) After publication of the Final Scheme, if the Planning Authority, either *suo motu* or on application by a owner of any land in the, Scheme area, considers that the Scheme is defective on account of any error, irregularity or infirmity, it may request the Government for appropriate variation of the Scheme:

Provided that any request for further variation of the Scheme shall not be entertained by the Government.

(2) On receipt of such request from the Planning Authority, the Government may, if satisfied, vary the Scheme by publishing the variation in the Official Gazette and in two leading daily newspapers in that area, of which one shall be in Tamil / Malayalam / Telugu (respective region):

Provided that the use of land allotted for the purposes of parks, playgrounds, gardens and open spaces shall not be changed for any other purpose.

(3) Notwithstanding anything contained in 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.

56-Z. Withdrawal of the Scheme.—

Notwithstanding anything contained in this Chapter, the Government may by order, for reasons to be recorded, withdraw any Scheme:

Provided that no such withdrawal shall be ordered after approval of the Preliminary Scheme:

Provided further that on such withdrawal of the Scheme, the lands shall be restored to the original condition, as it stood on the date of publication of declaration of the intention under section 56-F, at the cost of the Government.

56-AA. Costs of the Scheme.— (1) The costs of the Scheme shall include—

(a) all sums payable by the Planning Authority under the provisions of this Act, which are not specifically excluded from the costs of the Scheme;

(b) all sums spent or estimated to be spent by the Planning Authority in the making and execution of the Scheme:

Provided that the estimates shall be with reference to the period during which the preliminary Scheme is to be implemented after it is sanctioned under section 56-T;

(c) all sums payable as compensation for land reserved or designated for any public purpose or for the purposes of the appropriate Authority which is solely beneficial to the owners of land or residents within the area of the Scheme;

(d) such portion of the sums payable as compensation for land reserved or designated for any public purpose or for the purpose of the Planning Authority which is beneficial partly to the owners of land or residents within the area of the Scheme and partly to the general public, as is attributable to the benefit accruing to the owners of land or residents within the area of the Scheme from such reservation or designation;

(e) all legal expenses incurred by the Planning Authority in the making and in the execution of the Scheme;

(f) any amount by which the total amount of the values of the original plots exceeds the total amount of the values of the plots included in the final Scheme, each of such plots being estimated at its market value at the date of the declaration of intention to make a Scheme, with all the buildings and works thereon at the said date and without reference to improvements contemplated in the Scheme other than improvements due to alteration of its boundaries;

(g) twenty percent of the amount of the cost of infrastructure provided in the area adjacent to the area of the Scheme as is necessary for the purpose of and incidental to the Scheme.

(2) If in any case the total amount of the values of the plots included in the final Scheme exceeds the total amount of the values of the original plots, each of such plots being estimated in the manner as provided in clause

(f) of sub-section (1), then the amount of such excess shall be deducted in arriving at the costs of the Scheme as defined in sub-section (1).

56-AB. Calculation of increment.— For the purpose of this Act, the increments shall be deemed to be the amount by which at the date of the declaration of intention to make a Scheme the market value of the plot included in the final Scheme estimated on the assumption that the Scheme has been completed shall exceed at the same date the market value of the same plot estimated without reference to improvements contemplated in the Scheme:

Provided that in estimating such value, the value of the buildings or other works erected or in the course of erection on such plot shall not be taken into consideration.

56-AC. Contribution towards cost of the Scheme.— (1) The costs of the Scheme shall be met wholly or in part by a contribution to be levied by the appropriate Authority on each plot included in the final Scheme calculated in proportion to the increment which is estimated to accrue in respect of such plot by the Designated Officer :

Provided that—

- (i) (a) where the cost of the Scheme does not exceed half the increment, the cost shall be met wholly by a contribution, and
- (b) where it exceeds half the increment, to the extent of half the increment it shall be met by a contribution and the excess shall be borne by the appropriate Authority;

- (ii) where a plot is subject to a mortgage with possession or to a lease, the Designated Officer shall determine in what proportion the mortgagee or lessee on the one hand and the mortgagor or lessor on the other hand shall pay such contribution;
- (iii) no such contribution shall be levied on a plot used, allotted or reserved for a public purpose or for the purpose of the appropriate Authority which is solely beneficial to the owners of land or residents within the area of the Scheme; and
- (iv) the contribution levied on a plot used, allotted or reserved for a public purpose or for the purpose of the appropriate Authority which is beneficial partly to the owners of land or residents within the area of the Scheme and partly to the general public shall be calculated in proportion to the benefit estimated to accrue to the general public from such use, allotment or reservation.

(2) The owner of each plot included in the final Scheme shall be primarily liable for the payment of the contribution leviable in respect of such plot.

56-AD. Certain amounts to be added to, or deducted from contribution leviable from a person.—

The amount by which the total value of the plots included in the final Scheme with all the buildings and works thereon allotted to a person falls short of or exceeds the total value of the original plots with all the

buildings and works thereon of such person shall be deducted from, or, as the case may be, added to, the contribution leviable from such person, each of such plots being estimated at its market value at the date of the declaration of intention to make a Scheme or the date of the notification issued by the Government under section 56-G and without reference to improvements contemplated in the Scheme other than improvements due to the alteration of its boundaries.

56-AE. Transfer of right from the original to final plot or extinction of such right.— Any right in an original plot which in the opinion of the Designated Officer is capable of being transferred wholly or in part, without prejudice to the making of a Scheme, to a final plot shall be so transferred and any right in an original plot which in the opinion of the Designated Officer is not capable of being so transferred shall be extinguished:

Provided that an agricultural lease shall not be transferred from an original plot to a final plot without the consent of all the parties to such lease.

56-AF. Compensation in respect of property or right injuriously affected by the Scheme.— The owner of any property or right which is injuriously affected by the making of a Scheme shall, if he makes a claim before the Designated Officer within the prescribed time, be entitled to be compensated in respect thereof by the appropriate Authority or by any person benefitted or partly by the appropriate Authority and partly by such person as the Designated Officer may in each case determine :

Provided that the value of such property or rights shall be deemed to be its market value at the date of the declaration of intention to make a Scheme or the date of the notification issued by the Government under section 56-G without reference to improvements contemplated in the Scheme, as the case may be.

56-AG. Exclusion of compensation in certain cases.— (1) No compensation shall be payable in respect of any property or private right which is alleged to be injuriously affected by reason of any provisions contained in the Scheme, if under any other law for the time being in force applicable to the area for which such Scheme is made, no compensation is payable for such injurious by attached .

(2) Any property or private right shall not be deemed to be injuriously affected by reason of any provision inserted in a Scheme which imposes any conditions and restrictions in regard to any of the matters specified in clause (m) of section 56-M.

56-AH. Provision for cases in which the amount payable to owners exceeds amount due from him.— If the owner of an original plot is not provided with a plot in the preliminary Scheme or if the contribution to be levied from him under section 56-AD is less than the total amount to be deducted therefrom under any of the provisions of this Act, the net amount of his loss shall be payable to him by the appropriate Authority in cash or in such other manner as may be agreed upon by the parties.

56-AL Provision for cases in which the amount is payable by the owner.—(1) If from any cause the total amount which shall be due to the appropriate Authority under the provisions of this Act from the owner of a plot to be included in the final Scheme exceeds the value of such plot estimated on the assumption that the Scheme has been completed, the Designated Officer shall at the request of the appropriate Authority direct the owner of such plot to make payment to the appropriate Authority of the amount of such excess.

(2) If such owner fails to make such payment within the prescribed period, the Designated Officer shall, if the appropriate Authority so requests, acquire the original plot of such defaulter and apportion the compensation among the owner and other persons interested in the plot on payment by the appropriate Authority of the value of such plot estimated at its market value at the date of the declaration of intention to make a Scheme or the date of a notification under section 56-G and without reference to improvements contemplated in the Scheme; and thereupon the plot included in the final Scheme shall vest absolutely with the appropriate Authority free from all encumbrances but subject to the provisions of this Act:

Provided that the payment made by the appropriate Authority on account or the value of the original plot shall not be included in the costs of the Scheme.

56-AJ. Payment by adjustment of account.—

All payments due to be made to any person by the appropriate Authority under this Act shall, as far as possible, be made by adjustment in such account with the appropriate Authority in respect of the plot concerned or of any other plot in which he has an interest and failing such adjustment, shall be paid in cash or in such other manner as may be agreed upon by the parties.

56-AK. Payment of net amount due to the Planning Authority.— (1) The net amount payable under the provisions of this Act by the owner of a plot included in the final Scheme may at the option of the contributor be paid in lump-sum or in annual installments not exceeding ten.

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Act No.
Z of
1934.

(2) If the owner elects to pay the amount by installments, interest at such rate as is arrived at by adding two percent to the bank rate published under section 49 of the Reserve Bank of India Act, 1934, from time to time, shall be charged per annum on the net amount payable.

(3) If the owner of a plot fails to exercise the option on or before the date specified in a notice issued to him in that behalf by the appropriate Authority, he shall be deemed to have exercised the option of paying contribution in installments and the interest on the contribution shall be calculated from the date specified in the notice, being the date before which he was required to exercise the option.

(4) Where two or more plots included in the final Scheme are of the same ownership the net amount payable by such owner under the provisions of this Act shall be distributed over his several plots in proportion to the increments which is estimated to accrue in respect of each plot unless the owner and the appropriate Authority agree to a different method of distribution.

56-AL. Power of the Planning Authority to make agreement.— (1) The appropriate Authority shall be of competent to make any agreement with any person in respect of any matter which is to be provided for in a Scheme, subject to the power of the Government to modify or disallow such agreement and unless, it is otherwise expressly provided therein, such agreement shall take effect on and after the day on which the Scheme comes into force.

(2) Such agreement shall not in any way affect the duties of the Designated Officer as described in Section 56-J or the rights of third parties but, it shall be binding on the parties to the agreement notwithstanding any decision that may be passed by the Designated Officer:

Provided that if the agreement is modified by the Government, either party shall have the option of avoiding it, if it so elects.

56-AM. Recovery of arrears.— (1) Any sum due to the Planning Authority under this Act or any rule or regulation made thereunder, shall be the first charge on the final plot on which it is due, subject to payment of land revenue, if any, due to the Government thereon.

(2) Any sum due to the Planning Authority under this Act or any rules or regulations made thereunder, which is not paid on demand, shall be recovered as an arrear of land revenue.

56-AN. Execution of works in the Scheme area.— The appropriate Authority shall complete all the works in the Scheme area within the period stipulated in the Final Scheme :

Provided that the Government may, on a request from the appropriate Authority, grant further period of time not exceeding twice the stipulated period for completion of the works.

56-AO. Cessation of application of the Local Body Act.— (1) The Government may direct that any power or function exercisable by a Local Authority under a Local Body Act within a Scheme area shall stand transferred to, and be performed by, the Planning Authority under the said Act for such period and for such purposes as may be notified, in relation to such Scheme.

Explanation.— For the purpose of this Section,—

(a) “Local Authority” means,—

(i) any Municipality constituted under the Puducherry Municipalities Act, 1973 (No. 9 of 1973);

(ii) any commune Panchayat constituted under the Puducherry Village and Commune Panchayats Act, 1973 (No. 10 of 1973);

(2) After 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 Planning Authority or the Designated Officer in the Scheme area shall stand vested with the Local Authority”.

26. In the principal Act, in section 61, “(1) In sub-sections (1) and (2), for the words “Senior Town Planner”, the words “Chief Town Planner”, shall be substituted; (2) In sub-section (2), for the words “Development Plan”, the words “Master Plan”, shall be substituted;

Amendment of
Section 61.

27. In the principal Act, in section 79, for the words “Senior Town Planner”, the words “Chief Town Planner”, shall be substituted.

Amendment of
Section 79.

28. In the principal Act, in sub-section (2) of section 81,

Amendment and
insertion of
Clause in section
81.

“(1) In clause (e), for the “Senior Town Planner”, the words “Chief Town Planner” shall be substituted;

(2) The existing clause (h) shall be substituted with the following, namely:—

“the form and contents of the development plan and the Scheme and procedure to be followed in connection with the preparation, submission and approval of such plans and the form and the manner of publication of the notices relating to such plans”;

(3) After the clause (i), the following clauses shall be inserted, namely:—

(ia) the 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;

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

(ic) the specification of particulars of works or improvements relating to streets or roads provided for in any development plan that have to be made or carried out at the expense of the Planning Authority, the owners of the property, local body and other authorities;

(id) the procedure to be adopted by the Planning Authority or any other Authority or person, in cases where owners commit default or delay in the carrying out of works or improvements, for carrying out such works or improvements and for recovering the cost from the owners liable therefor;

(ie) the procedure to be adopted for securing cooperation on the part of the Planning Authorities with the owners or persons interested in property proposed to be comprised in any development plan by such means as may be expedient, the summoning, presiding and procedure of such conferences and all such matters.”

29. In the principal Act, after the section 81, the following section shall be inserted, namely :-

Insertion of
section 81 A.

“81 A. Notification.— All the Notifications issued under this Act shall, unless they are expressed to come into force on a particular day, come into force on the day on which they are published.”

30 . (1) In Principal Act, in section 82, the section shall be numbered as sub-section (1);

Amendment of
Section 82.

(2) After the sub-section (1) the following sub-section shall be inserted, namely:—

“(2) The Government may, by notification, rescind any regulation made under this section and there upon, the regulation shall cease to have effect.”

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STATEMENT OF OBJECTS AND REASONS

1. The Town and Country Planning Department has proposed to amend the principal Act, (*i.e.*), The Puducherry Town and Country Planning Act, 1969 in a holistic manner to provide provisions for implementation of new planning tool *viz.*, Land Pooling Area Development Scheme (LPADS), Premium Floor Area Ratio (PFAR), Transferable Developments Rights (TDR), Conservation of Heritage buildings, and levy of Infrastructure and Amenities charges, shelter charges and other charges as detailed below:

(a) Land Pooling Area Development Scheme (LPADS) : It is a Town Planning Scheme, which pools together all the land under different ownerships and redistributes it in a properly reconstituted form after deducting the land required for open spaces, social infrastructures, services, housing for the economically weaker section, and road network. This process enables the Government and the Local Authority to develop land without fully acquiring it and gives it a positive control over the design and the timing of the urban growth. This method is extensively practiced in the state of Gujarat and Maharashtra and is widely spreading throughout the Country. The Government of India also promotes this Scheme.

(b) Transferable Development Rights (TOR) : Transferable Development Rights (TDR) means an award specifying the Built-Up Area (BUA) an owner of a site or plot can either sell or utilize - *in-situ* / elsewhere, *in lieu* of the land foregone on account of surrendering / gifting land free of cost to the Urban Local Bodies (Municipal Body, Planning Authority), required to be set apart for public purpose as per the Master Plan or for road widening, recreational use zone, *etc.* The Award is in the form of a TDR Certificate issued by the Competent Authority (*i.e.*) the Planning Authority. The TDR Certificate *inter-alia* shall mention the area surrendered and the cost of that area as per the Guideline value rate. These Certificates are regulated under the building Bye-Laws or in conjunction with TDR Guidelines framed by the Government from time-to-time.

(c) Premium Floor Area Ratio (PFAR) : This involve levy of premium charges for grant of additional Floor Area Ratio over and above the permissible Floor Area Ratio in the areas identified for this purpose in the Zonal Regulations of the Master Plan and to increase the resources of the Planning Authorities.

(d) Levy of infrastructure and amenities charges : Every Planning Authority / Local Authority, while according building permit under this Act, as the case may be, shall levy charges on the institution of use or change of use of land or building or development of any land or building in the whole area or any part of the Planning area so as to meet the impact of development and for ensuring sustainable development of urban and rural areas by providing adequate infrastructure and basic amenities at the rates as determined in accordance with such procedure as may be prescribed which shall not be less than the minimum and not more than the maximum as may be prescribed, and different rates may be prescribed for different parts of the planning area and for different uses.

(2) Therefore, necessary definitions; posts; sections related to land acquisition, purchase, adjustments; sections related to conservation and protection of environment & heritage; provision for implementation of Land Pooling Area Development Scheme, provision for premium Floor Area Ratio, Transferable Development Rights; provisions for collection of Infrastructure and Amenities charges, shelter charges, other charges, are proposed in a holistic manner to the Principal Act, The Pudukcherry Town and Country Planning Act, 1969.

(3) The Bill seeks to achieve the above objects.

N. RANGASAMY,

Hon'ble Chief Minister-*cum*-Minister
(Town Planning).

FINANCIAL MEMORANDUM

Clause 17 of the Bill provides for permitting Additional Floor Area Ratio over and above the ordinary Floor Area Ratio on payment of premium charges by the proponent / Applicant as may be prescribed and for transfer of development rights to the land owners who surrender land free of cost to the Planning Authority required for public purpose and no expenditure is involved.

2. Clause 24 (56-A) of the Bill provides for Levy of infrastructure and Amenities charges by the Planning Authority while according building permit to the promoters on the institution of use or change of use of land or building or development of any land or building to mobilize additional resources to meet the impact of development for providing adequate basic amenities and infrastructure facilities.

3. Clause 24 (56-B) of the Bill provides for constitution of State Infrastructure and Amenities Fund for crediting the infrastructure and amenities charges collected by the Planning Authorities. This fund shall be utilized for the purpose of providing adequate basic amenities and infrastructure facilities to cope up with the development activities.

4. Clause 24 (56-C) of the Bill provides to levy shelter charges on the institution of use or change of use of land or building or development of any land or building in the whole area or any part of the planning area so as to contribute towards cost of providing affordable housing to the poor in urban areas and also clause 24 (56-D) of the Bill provides for constitution of shelter fond, so as to credit the amount so collected for the purpose and to operate.

5. (i) Clause 25 in Chapter X-A of the Bill provides for implementation of Land Pooling Area Development Scheme, wherein Land pooling or land re-adjustment is a way of consolidating land for development of projects by making land owners as partners in development. Land pooling is a unique assembly strategy that has the advantage of no initial monetary outlay to purchase the land. Whereas, in land acquisition, Government is exercising their right to property for public purposes shall pay the land owners fair market value of the land for acquiring their land.

(ii) Under land pooling, financial risks are pooled and shared between the original property owners and redevelopment agencies in the pooling mechanisms (*i.e.*), the burden is shifted to the land owners to contribute their land in exchange for a participating interest in the value created by the development project. Major benefits under the land pooling Scheme for the land owners is : Increase in Value of land, Non-Displacing Strategy of land assembly, conversion of irregular land parcels into plots of regular sizes and shapes, Better Infrastructure. Similarly, the benefits for the Government,

through this land pooling Scheme is that final plot after reconstituted land is handed over to the original owner(s) after deducting the cost of the provision of infrastructure and public facilities by the sale of some of serviced land under the Scheme. The land owners and development entity share in the risk and return of the project. The cost recovery and land pays for the infrastructure and other public facilities and no expenditure is involved.

6. This proposal shall generate more revenue to the Government of Puducherry which can be utilized for the planned infrastructure development of the Union territory of Puducherry.

MEMORANDUM REGARDING DELEGATED LEGISLATION

The proposal is for effecting amendment to the principal Act (*i.e.*) The Puducherry Town and Country Planning Act, 1969 in a holistic manner to provide provisions for implementation of new planning tool *viz.*, Land Pooling Area Development Scheme (LPADS), Premium Floor Area Ratio (PFAR), Transferable Developments Rights (TDR), Conservation of Heritage buildings, and levy of Infrastructure and Amenities charges, shelter charges and other charges are matters in respect of which Notifications may be issued or rule may be made, in accordance with the aforesaid provisions of the Bill and are matters of procedure and detail.

2. The delegation of the legislative power is, therefore, of a normal character.