

Punjab Water Supply and Sewerage Board Act, 1976

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Act 28 of 1976

- Published on 22 July 1976
- Commenced on 22 July 1976
- [This is the version of this document from 22 July 1976.]
- [Note: The original publication document is not available and this content could not be verified.]

Punjab Water Supply and Sewerage Board Act, 1976(Punjab Act No. 28 of 1976)Statement of Objects and Reasons. - The provision of adequate water supply and sewerage system in towns is a basic amenity and also a necessity to maintain proper sanitation. Such facilities, however, involve heavy expenditure which the Municipal Committees have not been able to bear due to financial constraints and lack of expertise for undertaking such specialised works. The financial institutions prefer to deal with a single centralised agency, appointed by Government, rather than with individual Municipal Committees, for giving loans for the execution of such schemes. It has, therefore, become necessary to establish a statutory Board in the State with powers to investigate, plan, execute and finance the water supply and sewerage schemes in towns on behalf of the Municipal Committees. The expenditure incurred by the Board on the execution of schemes will be recovered from the Municipal Committees concerned in instalments. The maintenance of such works will be undertaken by the Municipal Committees themselves under the advice of the Board.2. The Board will raise its own funds by obtaining loan and grant from the State and the Union Governments and from financial institutions. The Bill vests the Board with powers of facilitate its functioning and provides for penal consequences for obstructing its working.Published vide Punjab Government Gazette (Extraordinary), dated 23.3.76. page 517-518.Statement of Objects and Reasons. - Punjab Act 31 of 1978. - Some difficulties came to the notice of the Punjab Government in the operation in the Punjab Water Supply and Sewerage Board Act, 1976, after its inception on 15th September, 1976. The Punjab Government are, therefore, proposed to bring about amendments in the aforesaid Act to remove the bottlenecks in its functioning. The proposed Bill is to rationalise the function of the Punjab Water Supply and Sewerage Board to make it more effective and to widen its role particularly in the area of operation and maintenance. It will also make possible for the Board to raise institutional finance and sub-lend to the local authorities for implementing their water supply and sewerage schemes.For achieving the above object, an Ordinance was promulgated on 26th July, 1978. This Bill seeks to replace that Ordinance.Punjab Government Gazette (Extraordinary), dated 31.8.1978.Statement of Objects and Reasons - Punjab Act 16 of 2000. - Ever since the retirement of Late Sh. B.S. Dhillon, former Managing Director, Punjab Water Supply and Sewerage Board during the year 1994, the institution has been pockmarked with intense feuds and bickerings. It is almost a battle field amongst rival groups. This has percolated to almost all ranks

and files, resultantly, performance and credibility have suffered deep erosions. One needs right type of leadership and dynamism in the person holding the office of Managing Director, Punjab Water Supply and Sewerage Board, Chandigarh. In public interest, it is absolutely imperative that we induct a suitable IAS, Officer in the Board as Managing Director so that some sort of orderliness and discipline may be there. Such an Officer would be in a better position to inspire and command. He would have the added advantage of seeking and obtaining co-operation and funds from municipalities. Besides, he may explore other avenues of work that may improve the financial position of the Board. It is, therefore, suggested that suitable amendment may be made in the existing provision specifically making room for an IAS Officer to be appointed as Managing Director of the Board. The proposed amendment is only to widen the choice to overcome a situation when a suitable technical man is not available or when there may be exceptional circumstances to warrant the appointment of an IAS Officer. In general, such an appointment will be an exception, rather than a routine, regular practice. Published vide Punjab Government Gazetted (Extraordinary), March 16, 2000 (PHGN, 26, 1921 Saka) page 247. Received the assent of the President of India on the 22nd July, 1976, and was published in the Punjab Gazette, (Extraordinary), Legislative Supplement, Part I, dated July 30, 1976/Sravana 8, 1898. An Act to provide for the establishment of Water Supply and Sewerage Board for the purpose of regulation and development of drinking water supply and sewerage in the State of Punjab. Be it enacted by the Legislature of the State of Punjab in the Twenty-seventh Year of the Republic of India as follows :-

Chapter I

Preliminary

1. Short title, extent and commencement.

(1) This Act may be called the Punjab Water Supply and Sewerage Board Act, 1976. (2) It extends to the whole of the State of Punjab. (3) Chapters I and II shall come into force at once and the remaining provisions of this Act shall come into force on such date as the Government may, by notification, appoint and different dates may be appointed for different provisions of this Act and for different areas of the State.

2. Definitions.

- In this Act, unless the context otherwise requires :- (1) "Board" means the Punjab Water Supply and Sewerage Board established under section 3; (2) "Chairman" means the Chairman of the Board; (3) "Committee" means a Committee appointed under Section 17; (4) "Department of Public Health" means the Department of Public Health of the Government; (5) "Government" means the Government of the State of Punjab; (6) "Local authority" means a Municipal Corporation, Municipal Committee, Notified Area Committee, Town Improvement Trust, Panchayat Samiti or Gram Panchayat or any other authority entrusted with their functions under any law for the time being in force; (7) ["director" means a director of the Board and includes the [Chairman, Senior Vice-Chairman, Vice-Chairman] [Substituted by Punjab Act 31 of 1978.] and the Managing

Director];(8)"prescribed" means prescribed by rules made under this Act;(9)"regulation" means the regulations made under this Act;(10)"rules" mean the rules made under this Act;(11)"scheme" means a scheme relating to the provisions of drinking water and sewerage and matters incidental thereto and includes a preliminary or a draft scheme prepared for the above purpose;(12)"sewerage" means any device for carrying off sewage, offensive matter, polluted water, waste water, rain water or seepage water;(13)"year" means the financial year commencing on the first day of April.

Chapter II

Establishment and Incorporation of Board

3. Establishment and Incorporation of Board.

(1)The State Government may, by notification, establish for the purpose of carrying out the provisions of this Act a Board to be called "the Punjab Water Supply and Sewerage Board" and such Board shall be a body corporate having perpetual succession and a common seal with power to acquire, hold or dispose of property, both movable and immovable and shall, by the said name, sue and be sued.(2)The Board shall have its headquarters at Patiala or at such other place as may be notified by the Government from time to time.

4. Constitution of Board.

- [(1) The Board [may consist of a Chairman, a Senior Vice Chairman, a Vice Chairman, an ex-officio Vice-Chairman] [Substituted by Punjab Act 31 of 1978.] and the following other directors, namely :-(a)Managing Director;(b)Ex-officio directors, namely :-(i)Secretary to Government, Punjab, Local Government Department;(ii)Secretary to Government, Punjab, Public Works Department;(iii)Secretary to Government, Punjab, Finance Department;(iv)Secretary to Government, Punjab, Health Department;(v)Director, Local Government, Punjab;(vi)Chief Engineer, Public Health, Punjab.(2)The Board may co-opt not more than five persons having prescribed experience as Associate Directors and such Directors shall have the right to take part in the discussions in the meetings of the Board and shall also have the right to vote in such meetings :Provided that one of the Associate Directors shall be co-opted from amongst members of the Schedule Castes and one amongst women.](3)Any person may be appointed as [Chairman, Senior Vice-Chairman and Vice-Chairman] [Substituted 'Chairman' by Punjab Act No. 52 of 2016, dated 23.12.2016] and the Managing Director] by the Government.(4)[The Secretary to Government of Punjab, Department of Local Government, shall be the ex-officio Vice-Chairman. Whenever the Chairman is absence or on leave or otherwise, there is a vacancy in his office, the Government may authorize the Senior Vice Chairman or one of the Vice Chairman to exercise the powers of the Chairman.] [Substituted by Punjab Act No. 52 of 2016, dated 23.12.2016](5)[The Managing Director shall be a whole-time Director and shall be appointed by the Government from amongst officers holding posts not below the rank of Chief Engineer preferably with experience of Public Health and [Sanitary Engineering or from amongst Officers belonging to the Indian Administrative Service, who have served as such for a minimum period of nine years in the cadre.] [Substituted by

Punjab Act 31 of 1978.](6)[-] [Omitted by Punjab Act 31 of 1978.](7)If for any reasons an ex officio member is unable to attend a meeting of the Board, he may depute an officer subordinate to him to attend such meeting. The officer so deputed shall have the right to take part in the discussions during such meeting, but shall not have the right to vote.

5. Term of office and conditions of service of Chairman, Managing Member [-] [Words 'Technical Member' omitted by Punjab Act 31 of 1978.] and Associates Members.

(1)The term of office of, and the terms and conditions of service of, the [Chairman, Senior Vice-Chairman, Vice-Chairman] [Substituted 'Chairman' by Punjab Act No. 52 of 2016, dated 23.12.2016] and the Managing Director] the Managing Member, [-] [Words 'Technical Member' omitted by Punjab Act 31 of 1978.] and the Associate Members shall be such as may be prescribed.(2)Any member appointed by the Government may at any time resign his office, but such resignation shall not take effect till accepted by the Government;(3)An Associate Member may at any time resign his office, but such resignation shall not take effect till accepted by the Board.

6. Disqualification for appointment of member or Associate Member.

(1)A person shall be disqualified for being appointed as a Member or co-opted as an Associate Member of the Board, if he -(a)has been convicted by a criminal court at any time after the 26th January, 1950, for an offence involving normal turpitude, unless such conviction has been set aside;(b)is an undischarged insolvent;(c)is of unsound mind;(d)is an officer or employee of the Board;(e)has directly or indirectly by himself or by any partner, employer or employee, any share or interest in any contract or employment with, by or on behalf of, the Board;(f)if a Director or a Secretary, Manager or other officer of any incorporated company which has any share or interest in any contract or employment with, by or on behalf of the Board.(2)If any question, dispute or doubt arises as to whether or not any person is eligible for membership of the Board or has incurred any disqualification, whether before or after becoming a member, it shall be determined by the Government whose decision shall be final.(3)A person shall not be disqualified under clause (e) or clause (f) of sub-section (1) or be deemed to have any share or interest in any contract or employment within the meaning of these clauses, by reasons only of his or the incorporated company of which he is a Director, Secretary, Manager or other officer, having a share or interest in -(i)any sale, purchase, lease or exchange of immovable property or any agreement for the same;(ii)any agreement for the loan of money or any security for the payment of money only;(iii)any newspaper in which any advertisement relating to the affairs of the Board is inserted;(iv)the occasional sale to the Board, if the sum paid as consideration does not exceed two thousand rupees in any one year, of any article in which he or the incorporated company regularly trades.(4)A person shall not only be disqualified under clause (e) or clause (f) of sub-section (1) or be deemed to have any share or interest in any incorporated company which has any share or interest in any contract or employment with, by or on behalf of, the Board, by reason only of his being a share holder of such company :Provided that such person discloses to the Government the nature and extent of the shares held by him.[Explanation. - For the purpose of clause (d) of sub-section (1), the Chairman or

the Managing Director or an Associate Director shall not be deemed to be an officer or employee of the Board.] [Substituted by Punjab Act 31 of 1978.]

7. Circumstances under which a member shall vacate his office.

- If a member appointed by the Government or an Associate Member -(a) ceases to have qualifications or ceases to hold office by virtue of which he became a member; (b) becomes subject to any disqualification referred to in section 6; or (c) absents himself without permission of the Chairman, from three consecutive meetings of the Board; the Government, in the case of a member and the Board in the case of an Associate Member, may, after giving him a reasonable opportunity of showing cause, declare his office to be vacant.

8. Removal of Chairman or Member of Board.

(1) If, in the opinion of the Government, any member appointed by it -(i) has been guilty of misconduct or neglect; or (ii) has so abused his position as to render his continuance as member detrimental to the interest of the Board or of the general public; or (iii) being a legal practitioner acts or appears on behalf of any person other than the Board in any civil, criminal or other legal proceedings in which the Board is interested either as a party or otherwise; or (iv) has become unsuitable or incapable of acting as a member; the Government may make an order removing such member from membership. (2) An Associate Member may be removed from the office by the Board, if in the opinion of the Board, he has been guilty of misconduct or neglect or has so abused his position as to render his continuance as an Associate Member detrimental to the interest of the Board or of the general public : Provided that no member or Associate Member shall be so removed under sub-section (1) or sub-section (2), as the case may be, unless he has been given a reasonable opportunity of showing cause against his removal. (3) Any member or an Associate Member removed by the Government under sub-section (1) or by the Board under sub-section (2), as the case may be, shall not be eligible for appointment or co-option, as the case may be, again, for a period of three years from the date of his removal or until he is declared by the Government to be not ineligible, whichever period is less.

9. Filling of vacancies.

- If a vacancy occurs in the office of a member or an Associate Member of the Board through death, resignation, removal, disqualification or otherwise, the vacancy shall be filled in the manner provided in section 4.

10. Temporary absence of Members.

- If any member or an Associate Member of the Board, other than the Chairman, is by infirmity or otherwise rendered temporarily incapable of carrying out his duties or is absent on leave or otherwise, not involving the vacation of his office, the Government may appoint or the Board may associate, as the case may be, another person to officiate for him and carry out his functions under

this Act or any rule or regulation made thereunder.

Chapter III

Officers and Employees of the Board

11. Appointment of officers and employees of Board.

- The Board may appoint a Secretary, a Chief Engineer, an Accounts Officer and such other officers and employees as it may consider necessary for the efficient performance of its functions :Provided that the Board shall not, without the previous approval of the Government, sanction the creation of a post carrying a monthly salary exceeding one thousand and six hundred rupees or appoint any person to any post the maximum monthly salary of which exceeds five hundred rupees and shall in all such matters abide by the general instructions issued by the Government from time to time :Provided further that in case of emergency -(a)the Managing Member may appoint, temporarily, for a period not exceeding three months, such officers and employees as may in his opinion, be required for the purposes of this Act and the employment of whom for any particular work had not been prohibited by any resolution of the Board; and(b)every appointment made under clause (a) shall be reported by the Managing Member to the Board at its next meeting.

12. Recruitment and conditions of service.

- Subject to the provisions of this Act the recruitment and conditions of service of officers and employees of the Board shall be regulated by the Board in accordance with regulations to be made by the Board :Provided that the remuneration assigned to the posts shall not be in excess of that admissible on the corresponding post under the Government :Provided further that if in the opinion of the Government the number of persons employed by the Board or the remuneration assigned to them is excessive, the Government may require the Board to reduce the number of such persons or remuneration, as the case may be, and the Board shall act accordingly :Provided further that the Punjab Civil Services Rules framed by the Government in respect of persons employed in connection with the affairs of the State of Punjab shall, so far as may be, apply in all matters with respect to which regulations are not made.

13. Provident Fund.

(1)The Government may establish for the employees of the Board a Provident Fund which shall be administered by such officers of the Government or the Board as may be prescribed.(2)The Board shall in respect of each of its employees, who is a subscriber to the said provident fund, pay into such fund, such portion of the contribution in such manner as may be prescribed.

14. Control by Managing Member.

- Subject to the regulations made by the Board, the Managing Member shall exercise supervision and control over the acts and proceedings of all the officers and employees of the Board. He shall discharge such other functions with regard to the officers and employees of the Board as may be specified in the regulations made by the Board.

15. Maintaining schedule of establishment.

(1)The Board shall prepare and maintain a schedule of establishment showing the number, designation and grades of the officers and employees (other than the employees who are paid by day or whose pay is charged to temporary works), whom it considers necessary and proper to employ for the purposes of this Act, and also the amount and the nature of the salary, fees and allowances to be paid to each officer or employee and contributions payable under Section 13 in respect of each officer and employee.(2)The schedule referred to in sub-section (1) shall be revised every year before the first of May of that year and shall contain the particulars mentioned in aforesaid sub-section of the officers and employees of the Board employed on the 31st March immediately preceding.

Chapter IV

Conduct of Business of the Board

16. Meeting of Board.

(1)The Chairman may, at any time, and shall at least once in two months or on receipt of a requisition signed by not less than three members and stating the business to be brought before the Board, call a meeting of the Board in the prescribed manner.(2)The Chairman and in his absence the Vice Chairman shall preside at such meeting of the Board.(3)All questions at a meeting of the Board shall be decided by the votes of the majority of the members present and voting and in case of equality of votes the person presiding shall have a second or casting vote.(4)Three members shall form a quorum at a meeting of the Board :Provided that if a meeting is adjourned for want of quorum, no quorum shall be necessary at the next meeting for transaction the same business :Provided further that a notice of the adjourned meeting shall be sent to all the members of the Board in the manner prescribed.(5)A copy of the proceedings of every meeting of the Board shall be sent by the Managing Member to the Government and to all the members of the Board within three days after the meeting is held.(6)No act done or proceeding taken under this Act by the Board shall be invalid merely on the ground of existence of any vacancy amongst members, or by reasons of defect or irregularity in its constitution or any irregularity in procedure not affecting the merits of the case.Explanation. - The expression "member" used in this section shall include an Associate Member.

17. Appointment and functions of Committees.

(1) Subject to any rules made in this behalf, the Board may from time to time, appoint one or more Committees for the purpose of securing the efficient discharge of its functions and in particular for the purpose of securing that the said functions are discharged with due regard to the requirements of particular local areas. (2) All proceedings of a Committee shall be subject to confirmation by the Board.

Chapter V

Powers and Functions of the Board

18. Functions of Board.

- The Board shall perform all or any of the following functions, namely :-(i) investigating and surveying the requirements of water supply and sewerage; (ii) planning and preparing schemes including schemes covering areas falling within the jurisdiction of more than one local authority for the purpose of providing the supply of drinking water or sewerage facilities; (iii) executing schemes under a phased programme for the provision of drinking water and sewerage facilities within the areas of local authorities to which such schemes relate; (iv) executing such drinking water supply or sewerage facilities schemes as may be transferred by the Government from the Department of Public Health to the Board; (v) working out priorities with the approval of the Government and drawing up a detailed programme of executing the schemes; (vi) laying down the norm of staff to be employed by a local authority for the maintenance of water supply or sewerage works which the local authority concerned shall, notwithstanding anything contained in any other law, take into consideration while employing the additional staff necessitated by such works; (vii) any matter which is supplemental, incidental or consequential to any of the above functions; (viii) such other functions as may be prescribed.

19. General Powers of Board.

(1) The Board shall, for the purpose of carrying out its functions under this Act, have the following powers, namely :-(i) to acquire and hold such movable and immovable property as it deems necessary and to lease, sell or otherwise transfer any such property subject to such conditions as may be prescribed; (ii) to incur expenditure and undertake any work in any area in the State for the preparation and execution of such schemes as it may consider necessary for the purpose of carrying out the provisions of this Act, or as the case may be, the functions entrusted to it by the Government; (iii) to enter into any contract; and (iv) to do all things necessary for the purpose of carrying out the provisions of this Act. (2) Whenever any land or any interest therein which is required by the Board for implementing any scheme cannot be acquired by agreement, the State Government may, at the request of the Board procure acquisition thereof under the provisions of the Land Acquisition Act, 1894, and on payment by the Board of the compensation awarded under that Act and of the charges incurred by the Government in connection with the proceedings, the land

shall vest in the Board.

Chapter VI

Investigation, Preparation and Execution of Schemes by the Board

20. Investigation and preparation.

(1)The Board may investigate the nature and type of a scheme that can be implemented for providing water supply and sewerage facilities in an area, considering the economical and other local conditions of such area in all their aspects, undertake survey of such area and decide upon the feasibility of preparing a scheme.(2)As soon as the investigation undertaken by the Board is completed with respect to any area and the Board considers it feasible to prepare a scheme, it shall prepare a preliminary scheme stating therein an estimate of the expenditure that is likely to be incurred in regard to the scheme and also the other salient features thereof.(3)The Board shall also prepare a detailed phased programme in the manner prescribed for the execution of the scheme and work out priorities with the approval of the Government.(4)After the priorities have been worked out and approved by the Government, the Board shall prepare a draft scheme consistent therewith.(5)The Board shall, in a meeting convened for the purpose, examine the draft scheme in all its aspects. In the case of a Municipal Committee, the President and Executive Officer or the Secretary, and in the case of any other local authority, a representative of such authority, concerned in the scheme, shall be invited to attend such meeting. Each such person may participate in the discussion, express his opinion about any aspect of the scheme, but shall not be entitled to vote.(6)If the Board on a detailed examination is satisfied about the feasibility of the draft scheme, it shall forward the same to the Government for approval.

21. Approval of Scheme by Government.

- As soon as may be, after the submission of the draft scheme under sub-section (6) of Section 20 the Government shall within such time as may be prescribed, either approve the draft scheme or approve it with such modifications as it may consider necessary or return the same to the Board with directions to modify it or to prepare a fresh draft scheme in accordance with such directions and the Board shall accordingly modify or prepare a fresh draft scheme, as the case may be, and resubmit it to the Government for approval.

22. Publication of approval of draft scheme.

(1)The Government shall, by notification in the Official Gazette, publish its approval to the draft scheme.(2)A notification published under sub-section (1) shall be conclusive evidence that the scheme has been duly made and approved. The scheme shall thereupon become final and shall be hereinafter called the "approved scheme".

23. Execution of approved scheme by Board.

- It shall be the duty of the Board to execute the approved scheme in the areas of the local authority or local authorities concerned.

24. Cost of Scheme.

(1)The cost of investigation, preparation and execution of any scheme undertaken by the Board shall be initially incurred by the Board out of its funds but it shall be recoverable from the concerned local authority or local authorities in such manner and in such instalments as may be prescribed.(2)In the event of default of payment of the instalments by the local authority or local authorities concerned, it shall be the liability of the Government to pay the amount to the Board and recover the same from the local authority or local authorities concerned in such manner and in such instalments as may be prescribed.(3)Where a joint scheme for two or more local authorities is investigated, prepared or executed, the costs thereof shall be borne by the local authorities concerned in such proportions and paid in such manner and in such instalments as may be prescribed.(4)[Notwithstanding anything contained in sub-section (1), -(i)where a resolution for depositing such cost in advance is passed by a local authority, or(ii)where the Government, after giving to a local authority an opportunity of showing cause, directs that local authority to deposit such cost in advance,the local authority which passes the resolution or to which a direction is issued, as the case may be, shall deposit such cost of the scheme with the Board in advance in such manner as may be prescribed :Provided that no such direction shall be issued unless it is in public interest to do so and if the scheme is not finally executed by the Board within the period agreed upon between the local authority and the Board before depositing the cost, the Board shall, except where the inability to finally execute is by reason of force majeure, pay to the local authority, from the date of deposit of costs of the scheme with the Board, interest at the bank rate plus two per cent per annum on the unspent balance of the local authority.] [Substituted by Punjab Act 31 of 1978.]Explanation. - The cost relating to the investigation, preparation and execution of any scheme by the Board shall include all incidental expenses incurred by the Board in connection therewith.

25. Local Authority to provide adequate facilities to Board.

- A local authority concerned with an approved scheme shall provide necessary assistance to the Board for the proper execution of the approved scheme within the territorial limits of such local authority.

26. Transfer of finally executed scheme to local authority.

(1)When an approved scheme has been finally executed by the Board, all works completed thereunder and the property appurtenant thereto shall be transferred to the local authority concerned in the manner and subject to such conditions as may be prescribed and it shall thereafter be the responsibility of such local authority to maintain them.(2)The local authority shall levy such rates for water supply and sewerage as may be suggested to it by the Board.(3)If a dispute arises as

to the property which is to pass to a local authority along with the works executed under a scheme, it shall be referred to Government for decision which shall be final.

26A. [Vesting management of water supply and sewerage services in Board. [Inserted by Punjab Act 31 of 1978.]

(1)Notwithstanding anything contained in sub-section (1) of Section 26, where the Government is of opinion that it is in public interest to do so, it may, after giving an opportunity to the local authority and the Board, direct that the water supply and sewerage services of any local authority shall vest in the Board for the purposes of management including administration, maintenance and operation from such date (hereinafter referred to as the appointed day) and for such period, not exceeding three years (hereinafter referred to as the period of management) as may be specified in the direction and where any water supply and sewerage services are executed during the period of management such services shall vest in the Board for the aforesaid purposes for the remaining period of management.(2)The water supply and sewerage service shall be deemed to include -(a)all the water and sewerage services, sewerage works and sewage farms including, as the case may be, all plants, machineries, water works, pumping stations, filter beds, water mains and public sewerage in, along, over or under any public street and all buildings, lands and other works, materials stores and things appertaining thereto, belonging to or vested in that local authority.(b)so much of the sub-soil appertaining to the said water, mains and sewers as may be necessary for the purpose of enlarging, deepening or otherwise repairing or maintaining any such water mains and sewers or any pipes and other appliances and fittings connected with such water supply and sewerage services and sewerage and sewerage works and sewage farms.(3)On and from the appointed day, the right to assess and collect any tax, fee, cost or charges levied by the concerned local authority in relation to the water supply and sewerage services, including the right to recover arrears of such tax, fee, cost or charges shall stand transferred to and vest in the Board and shall remain so vested during the period of management.(4)Where any doubt or dispute arises as to whether any property or asset has vested in the Board under sub-section (1) or any right has become the right of the Board under sub-section (3), such doubt or dispute shall be referred to the Government for decision which shall be final and binding on the Board and the local authority concerned.

26B. Reference to the local authority to be deemed reference to the Board.

- During the period of management, any reference to any local authority in any enactment, for the time being in force, or in any rules, bye-laws or regulations made thereunder, shall in relation to water supply and sewerage services be construed as a reference to the Board and any reference in such enactment, rules, bye-laws or regulations to any officer-holder of the local authority shall be construed as a reference to the corresponding office-holder of the Board and in case there is no such corresponding office holder then to such other office-holder as the Board may notify.

26C. Transfer of employees of the local authority to the Board.

(1)All the officers and employees of the local authority engaged in connection with the water supply

or sewerage immediately before the appointed day shall, on and with effect from the appointed day, stand transferred to the Board for serving under it during the period of management, and if during that period the Board needs additional officers or employees in connection with such services then on receipt of a requisition in that behalf from the Board the local authority shall arrange for the recruitment of such officers or employers for serving under the Board :Provided that, subject to the provisions of sub-section (4), the conditions of service applicable immediately before the appointed day to any such officer or employee shall not be varied to his disadvantage during the period of management.(2)For the purposes of salaries and allowances admissible to the officers and employees referred to in sub-section (1) and allowing them the benefit of gratuity, contributory provident fund and other facilities during the period of management they shall be treated in the same manner as if they were the officers and employees of the local authority concerned.(3)For the removal of doubts it is hereby declared that the burden of payment of salaries, allowances and other benefits to the officers and employees referred to in sub-section (1) shall initially be borne by the Board but the same shall be debitable to the account of the local authority concerned.(4)Other conditions of service for the officers and employees referred to in sub-section (1) shall be such as may be prescribed.

26D. Board to be an agent of local authority.

(1)During the period of management the Board shall be deemed to be an agent of the local authority concerned in so far as the management including administration, maintenance and operation of the water and sewerage services is concerned and on the expiry of the period of management the Board shall give an account to the local authority of the receipt and expenditure in connection with the aforesaid services and any amount found to be due to the Board from the local authority or to the local authority from the Board on the basis of such accounts shall be deemed to be a charge on the funds of the local authority or the Board, as the case may be.(2)In case of dispute between the Board and the local authority in relation to the account maintained by the Board or in relation to any amount due to the Board or the local authority on any account in relation to the aforesaid services, such dispute shall be referred to the Government whose decision shall be final and binding on the Board and the local authority.]

Chapter VII

Transfer of assets and liabilities of the Department of Public Health

27. Transfer of assets and liabilities of the Department of Public Health.

- The assets and liabilities of the Department of Public Health in such proportion as the Government may, by general or special order, specify, taking into consideration the work reduced in the Department of Public Health and made over to the Board, shall pass on to and vest in the Board.

28. Transfer of Property to Board.

- The Government may transfer to the Board any building, land or other property, movable or immovable, for the use of, and management by, the Board on such conditions and subject to such limitations as may be imposed by the Government.

29. Transfer of employees of Government to Board.

- As soon as may be after the notified date, the Government may, after consulting the Board in the manner prescribed, direct by general order that such of the employees serving immediately before the said date in connection with the affairs of the State as are specified in such order shall stand allotted to serve in connection with the affairs of the Board with effect on and from such date as may be specified in such order: Provided that so far as may be possible -(i) no employee shall be transferred to the service of the Board -(a) unless such employee gives his option in writing agreeing to such transfer; and (b) the Board considers him suitable for such transfer to its service; (ii) the number of employees to be transferred to the service of the Board shall be determined keeping in view the schemes transferred from the Department of Public Health to the Board on the notified date : Provided further that the conditions of service of an employee of the Department of Public Health transferred to the service of the Board shall not be varied by the Board to his disadvantage. Explanation. - In this section and in sections 30 and 31 "notified date" in regard to persons transferred to the service of the Board under this section means such date as is notified by the Government in this behalf.

30. Transfer of Provident Fund.

(1) The moneys standing in the provident fund account to the credit of any officer or employee transferred from the service of the Government to the service of the Board, on the notified date together with any other assets belonging to such fund shall stand transferred to, and vest, in the Board with effect on and from the notified date. (2) The Board shall as soon as may be after the notified date constitute in respect of the moneys and other assets which are transferred to and vested in it under sub-section (1) a similar fund and may invest the accumulations under the fund in such securities and subject to such conditions as may be specified by the Board with the approval of the Government.

31. Leave salary and pension contribution.

(1) In the case of officers and employees transferred from service of the Government to that of the Board, the Government shall credit the leave salary and pension contribution of such officers and employees to the Board for each year of their service under the Government on the notified date and they shall be entitled to the benefit of leave at their credit on that date. The pension contribution paid by the Government to the Board shall form the nucleus of the contributory provident fund to which they shall be admitted and they shall have no claim on the Government in respect of leave and pension. (2) [Each officer and employee transferred from the service of the Government to that of

the Board shall, within a period of six months from the date of such transfer or from the date of commencement of the Punjab Water Supply and Sewerage Board (Amendment) Act, 1978, whichever period expires later, exercise his option whether he wishes to retain pension and gratuity benefits admissible in Government service or wishes to be governed by the contributory provident fund rules of the Board and the option once exercised shall be final :Provided that if officer or employee fails to exercise his option within the aforesaid period, he shall be deemed to have exercised option for retaining pension and gratuity benefits to which he was entitled immediately before his service were transferred to the Board.] [Inserted by Punjab Act 31 of 1978.]

Chapter VIII

Finance, Accounts and Audit

32. Board's Funds.

(1)The Board shall have its own fund.[(1-A) The authorised capital of the Board shall be twenty crores of rupees which shall be contributed by the State Government and the local authorities.] [Inserted by Punjab Act 31 of 1978.](2)The Board may accept loans, grants, subventions, donations and gifts from the Central or State Government or a local authority or any individual or body or organisation whether incorporated or not for all or any of the purposes of this Act.(3)All moneys received by or on behalf of the Board by virtue of this Act, all proceeds of land or any other kind of property sold by the Board, all charges, all interests, profits and other moneys accruing to the Board shall constitute the fund of the Board.(4)Except as otherwise directed by the Government, all moneys and receipts specified in the foregoing provision and forming part of the fund of the Board shall be deposited in the State Bank of India or any other Bank included in the Schedule to the Reserve Bank of India Act, 1934 (Central Act II of 1934) or invested in such other form or such other securities as may be approved by the Government.

33. Subventions, loans and grants of Board.

- The Government may, from time to time, make subventions and grants or advance loans to the Board for the purposes of this Act on such terms and conditions as the Government may, in each case determine.

34. Power of Board to borrow and lend.

(1)Subject to the provisions of this Act and the rules made thereunder and subject to such conditions as may be specified by the Government by a general or special order issued in this behalf by it and with its previous approval, the Board may, from time to time, borrow money required for the purposes of this Act in one or more of the manners specified below -(a)raising loans from any Banks or other financing institutions or the Life Insurance Corporation established under Section 3 of the Life Insurance Corporation Act, 1956 (Central Act 31 of 1956); or(b)raising loans from any Corporation owned or controlled by the Central or the State Government; or(c)raising loans from

the public by issue of bonds, debentures or stocks or otherwise in the form and manner approved by the Government.(2)[The Board may, on the request of a local authority, advance loan to it for the purpose of meeting the expenses in connection with the execution of a water supply and sewerage scheme under this Act, on such terms and conditions as it may think necessary or expedient for protecting its interest.] [Inserted by Punjab Act 31 of 1978.]

35. Guarantee by Government of loans.

- The Government may guarantee in such manner as it thinks fit, the payment of the principal and interest of any loans proposed to be raised by the Board in regard to the investigation, preparation or execution of schemes made under this Act.

36. Form, signature, exchange, transfer and effect of debentures.

(1)When money is borrowed by the Board on debentures, the debentures shall be in such form as the Board may, with the previous sanction of the Government, specify.(2)All debentures shall be signed by the Managing Member or Secretary or by one of the ex officio members of the Board.(3)The holder of any debenture in any form specified under sub-section (1) may obtain in exchange therefor a debenture in any other form specified in the manner provided in sub-section (1) and upon such terms as the Board may determine.(4)Every debenture issued by the Board shall be transferable by endorsement, unless some other mode of transfer is specified therein.(5)All coupons attached to debentures issued by the Board shall bear the signature of the Managing Member.

37. Estimates of income and expenditure of Board to be laid annually and considered.

(1)The Chairman shall at a special meeting of the Board to be held in the month of February in each year, lay before the Board an estimate to the income and expenditure of the Board for the next financial year.(2)Every such estimate shall make provision for the due fulfilment of all the liabilities of the Board and for the efficient administration of the Act.(3)Every such estimate shall differentiate capital and revenue funds, and shall be prepared in such form and shall contain such details, as the Board may from time to time, specify.(4)Every such estimate shall be compiled and copy thereof sent by post or otherwise, to each member and Associate Member at least ten clear days before the date of the meeting at which the estimate is to be laid before the Board.(5)A revised estimate, if any, including all the expenditure not covered in the original budget estimate shall be laid before the Board at a special meeting to be held in the month of December in each year.(6)The Board shall consider every estimate so laid before it and shall sanction the same, either without modifications or with such modifications as it may think fit.

38. Approval of Government to estimates.

(1)Every such estimate, as sanctioned by the Board under Section 37, shall be submitted to the Government which may, at any time within three months after receipt of the same -(a)approve the

estimate; or (b) disallow the estimate or any portion thereof, and return the estimate to the Board with directions to amend it. (2) If any estimate is so returned to the Board, it shall forthwith proceed to amend it in accordance with the directions and shall resubmit the estimate as amended to the Government which may then approve it.

39. Supplementary estimates.

(1) The Board may, at any time, during the year for which any estimate has been sanctioned, cause a supplementary estimate to be prepared and laid before it at a special meeting. (2) The provisions of sub-sections (3), (4) and (6) of section 37 and of Section 37 shall apply to every supplementary estimate.

40. Repayment of loans by Board.

- Every loan taken by the Board shall be repaid by the Board within the period agreed upon by the Board by such of the methods as may be prescribed.

41. Establishment and maintenance of sinking and other funds.

- The Board may constitute a sinking fund, a depreciation reserve fund and a development fund in such manner, and in such form as may be prescribed by regulations. Such funds shall be invested in such manner as may be determined by the Board with the approval of the Government.

42. Reports, statements and returns.

(1) The Board shall, before such date and in such form and at such intervals as may be prescribed, submit to the Government, reports on such matters as may be prescribed. (2) The Government shall as soon as may be, cause the report submitted by the Board to be laid before the House of the State Legislature. (3) The Board shall also submit to the Government such statistics, returns, particulars, statements, documents or papers in regard to any proposed or existing scheme or relating to any matter or proceedings connected with the working of the Board at such times and in such form and manner as may be prescribed or as the Government may, from time to time, direct.

43. Accounts and audit.

(1) The accounts of the Board shall be maintained in such manner and in such form as may be prescribed by regulations. The Board shall prepare annual statement of accounts in such form as may be prescribed. (2) The Examiner, Local Fund Accounts, shall be the auditor of the Board. (3) The accounts of the Board shall be audited as far as possible once a year: Provided that the Government may direct that the accounts of the Board be audited from day to day under the pre-audit system. (4) The auditor referred to under sub-section (2) shall, in connection with such audit, have such rights, privileges and authorities as may be prescribed and, in particular, the right to demand the production of books, accounts, connected vouchers and other documents and to inspect any of

the offices of the Board.(5)The Secretary or any other officer authorised by the Board in this behalf shall cause the report of the auditor to be printed and forward a printed copy thereof to each member and Associate Member and shall bring such report before the Board for consideration at its next meeting.(6)The Board shall remedy, forthwith, any defects or irregularities that may be pointed out by the auditor and submit a report thereon to the Government.

44. Remuneration of auditor.

- The Board shall pay to the auditor the cost of conducting the audit of its account which shall be determined by the Government in consultation with the auditor from time to time.

45. Accounts and audit report to be forwarded to Government and laid before State Legislature.

(1)The accounts of the Board, as certified by the auditor, together with the audit report thereon, shall be forwarded annually to the Government and the Government may issue such instructions to the Board in respect thereof as it deems fit and the Board shall comply with such instructions.(2)The Government shall -(a)cause the accounts of the Board together with the audit report thereon forwarded to them under sub-section (1) to be laid annually before the House of the State Legislature; and(b)cause the accounts of the Board to be published in the prescribed manner and make available copies thereof on sale at a reasonable price.

46. Power to write off irrecoverable amount.

- The Board may write off any amount whatsoever due to it, whether under a contract or otherwise or any sum payable in connection therewith, if, in its opinion, such amount or sum is irrecoverable:Provided that the Board shall before writing off any such amount or sum exceeding twenty-five thousand rupees, obtain the sanction of the Government.

Chapter IX

Penalties and Procedure

47. Penalty for obstructing contractor or removing marks.

- If any person-(a)obstructs or molests any person with whom the Board has entered into a contract in the performance or execution by such person of his duty or of anything which he is empowered or required to do by virtue of, or in consequence of this Act or any rule or regulation made thereunder; or(b)removes any mark set up for the purpose of indicating any level or direction necessary to the execution of works authorised by this Act or any rule or regulation made or scheme sanctioned thereunder.

48. Penalty for breach of provision of Act, etc.

- Whoever contravenes any of the provisions of this Act or of any rule or regulation or scheme sanctioned thereunder, shall, if no other penalty is provided for such contravention, be punishable - (a) with fine which may extend to one hundred rupees; and (b) in case of a continuing contravention, with fine which may extend to fifty rupees for each day after the first during which the contravention continues.

49. Prosecution and trial of offences.

(1) No court shall take cognizance of any offence punishable under this Act unless complaint of such offence is made by the Board or any officer authorised by it in this behalf within six months next after the commission thereof. (2) No court inferior to that of a judicial magistrate of the first class shall try any offence punishable under this Act.

50. Arrest of offenders.

(1) Any police officer not below the rank of a head constable, may arrest any person who commits in his presence, any offence under this Act, if the name or address of such person be unknown to him and if such person on demand declines to give his name or address, or gives a name or address which such officer has reasons to believe to be false. (2) No person so arrested shall be detained in custody after his true name and address are ascertained or for any longer time than is necessary for bringing him before a judicial magistrate and in no case shall such detention exceed twenty-four hours from the time of arrest without the orders of a judicial magistrate.

51. Offences by companies.

(1) If the person committing an offence under this Act is a company, every person who, at the time the offence was committed, was in charge of, and was responsible to the company for the conduct of the business of the company as well as the company, shall be deemed to be guilty of the offence, and shall be liable to be proceeded against and punished accordingly: Provided that nothing contained in this sub-section shall render any such person liable to any punishment provided in this Act, if he proves that the offence was committed without his knowledge, or that he exercised all due diligence to prevent the commission of the offence. (2) Notwithstanding anything contained in sub-section (1), where an offence under this Act has been committed by a company and it is proved that the offence has been committed with the consent or connivance of or is attributable to any neglect on the part of any director, manager, secretary or other officer of the company, such director, manager, secretary or other officer shall also be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly. Explanation. - For the purposes of this section - (a) 'company' means a body corporate and includes a firm or other association of individuals; and (b) 'director in relation to a firm' means a partner in the firm.

Chapter X

Miscellaneous

52. Emergency powers of Managing Member.

- The Managing Member may, in cases of emergency, direct the execution of any work or the doing of any act which requires the sanction of the Board if the immediate execution or the doing of which is, in his opinion, necessary for the service or safety of the public and may also direct that the expenses of executing the work or of doing the act shall be paid from the funds of the Board :Provided that :-(a)he shall not act under this section in contravention of any direction of the Board or the Government prohibiting the execution of any particular work or the doing of any particular act;(b)he shall report the action taken by him under this section and the reasons therefor to the Board at its next meeting and shall also submit a copy of his report to the Government and the Board or the Government may issue such directions as it or they may deem fit on such report.

53. Power of Managing Member as to institution, composition, etc. of legal proceedings and obtaining legal advice.

- The Managing Member may, subject to the control of the Board :-(a)institute, defend or withdraw from legal proceedings instituted under this Act or any rules or regulations made thereunder;(b)compound any offence against this Act or any rules or regulations made thereunder which under any law for the time being in force or the rule prescribed by the Government may lawfully be compounded;(c)admit, compromise or withdraw any claim made under this Act or any rules or regulations or schemes made thereunder; and(d)obtain such legal advice and assistance as he may, from time to time, think it necessary or expedient to obtain or as may be desired by the Board to obtain, for any of the purposes referred to in the foregoing clauses of this section, or for securing the lawful exercise or discharge of any power or duty vested in or imposed upon the Board or any officer or employee of the Board.

54. Delegation of Powers.

(1)The Government may, by notification in the Official Gazette, authorise any authority or officer to exercise any of the powers vested in it by this Act except the power to make rules under Section 71 and may in like manner withdraw such authority.(2)The Board may by general or special order in writing, delegate to the Chairman, or Managing Member or any other member or Associate Member of the Board or the Secretary or any other officer of the Board such of its powers and functions under this Act except the power to acquire land under Section 19 and to make regulations under Section 72 as it may deem necessary and it may in the like manner withdraw such authority.(3)The exercise of any power delegated under sub-section (1) or sub-section (2), shall be subject to such restrictions and conditions as may be specified in the order and also to control and revision by the Government or by such officer as may be empowered by the Government in this behalf or by the Board or such officer as may be empowered by the Board in this behalf as the case may be.(4)The

Government or the Board, as the case may be, shall also have the power to control and revise the acts or proceedings of any officer so empowered.

55. Power of Government to issue directions to Board or local authorities.

- The Government may issue to the Board or to the local authority concerned such orders and directions as in its opinion are necessary or expedient for carrying out the purposes of this Act and the Board or such local authority, as the case may be, shall give effect to all such orders and directions.

56. Duties of police officers.

- It shall be the duty of every police officer -(a)to co-operate with the Board for carrying into effect and enforcing the provisions of this Act or any rule or regulation or scheme made thereunder;(b)to communicate without delay to the proper officer or employee of the Board any information which such police officer receives of a design to commit, or of the commission of any offence, under this Act or any rule or regulation or scheme made thereunder; and(c)to assist the Board or any officer or employee of the Board reasonably demanding the aid of such police officer for the lawful exercise of any power vesting in the Board or any such officer or employee under this Act or any rule or regulation or scheme made thereunder.

57. Adjudication of disputes between Board and local authorities.

- When a dispute arises between the Board and another local authority or among authorities in regard to any matter arising under the provisions of this Act, and the Government is of opinion that the parties are unable to settle it amicably among themselves, the Government may take cognizance of the dispute and decide the same itself and the decision of the Government thereon shall be final and binding on the Board and the local authorities concerned and shall not be liable to be questioned in any court of law.

58. Notice of and limitation for suit against Board.

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

59. General power of Board to pay compensation.

- In any case not otherwise expressly provided for in this Act, the Board may pay reasonable compensation to any person who sustains damage by reason of the exercise of any of the powers vested by or under this Act in the Board or the Chairman or the Managing Member or any officer or

employee of the Board.

60. Compensation to be paid by offenders for damage caused by them.

(1)When any person is convicted of any offence under this Act, the judicial magistrate convicting such person may, on application made in this behalf by the Board or by its officer or employee authorised by it in this behalf, call upon such person forthwith to show cause as to why he should not pay compensation to the Board for the damage caused by his act or omission in respect of which he is convicted.(2)The Magistrate shall record and consider any cause which such person may show and if the magistrate, after making such inquiries as he may think fit, is satisfied that such person is liable to pay compensation, may direct that such compensation not exceeding one thousand rupees as he may determine, be paid by such person to the Board.(3)The amount of compensation directed to be paid under sub-section (2), shall if it be not paid forthwith, be recovered as if it were a fine imposed by the Magistrate on such person.

61. Authentication of orders and other instruments of Board.

(1)All orders and decisions of the Board shall be authenticated by the signature of the Secretary or any other officer of the Board authorised in writing by the Board in this behalf.(2)The Managing Member or any officer of the Board authorised in writing in this behalf may sign on behalf of the Board any agreement or other instrument to be executed on behalf of the Board.

62. Stamping signature on notices of bills.

- Every notice or bill which is required by this Act or by any rule or regulation made thereunder to bear the signature of the Managing Member or any other member or of any officer or employee of the Board, shall be deemed to be properly signed if it bears the facsimile of the signatures of the Managing Member or of such officer or employee, as the case may be, stamped thereupon.

63. Power of entry.

(1)The Managing Member or any person either generally or specially authorised by the Managing Member in this behalf may with or without assistants or workmen, enter into or upon any land in order -(a)to make any inspection, survey, measurement, valuation or inquiry;(b)to take levels;(c)to dig or bore into the sub-soil;(d)to set out boundaries and intended lines of work;(e)to mark such levels, boundaries and lines by placing marks and cutting trenches;(f)to place and maintain pipes, drains and other installations upon, along, across or under any land; or(g)to do any other thing whenever it is necessary to do so for any of the purposes of this Act or any rule or regulation made or scheme sanctioned thereunder or any scheme which the Board intends to frame thereunder:Provided that -(a)no such entry shall be made between sunset and sunrise;(b)no dwelling house, and no public building or hut which is used as a dwelling place, shall be so entered, except with the consent of the occupier thereof, without giving the said occupier at least twenty-four hours previous written notice of the intention to make such entry;(c)sufficient notice shall, in every

instance, be given even when any premises may otherwise be entered without notice, to enable the inmates of any apartment appropriated to women to remove themselves to some part of the premises where their privacy will not be disturbed;(d)due regard shall always be had so far as may be compatible with the exigencies of the purpose for which the entry is made, to the social and religious usages of the occupants of the premises entered.(2)Whenever the Managing Member or a person authorised under sub-section (1) enters into or upon any land in pursuance of that sub-section, he shall, at the time of such entry, pay or tender payment for all necessary damage to be done as aforesaid; and in case of dispute as to the sufficiency of the amount so paid or tendered, he shall at once refer the dispute to the Board, whose decision shall be final.

64. Protection of action taken in good faith.

(1)No suit, prosecution or other legal proceeding shall lie against any person for anything which is in good faith done, or intended to be done in pursuance of this Act or any rule or order or scheme made thereunder.(2)No suit or other legal proceeding shall lie against the Government, the Board or any committee thereof, for any damage caused or likely to be caused by anything which is in good faith done or intended to be done in pursuance of this Act or any rule or order or scheme made thereunder.

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

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

66. Board to be local authority under Central Act I of 1894 and Central Act IX of 1914.

- For the purposes of the Local Authorities Loans Act, 1914, the Land Acquisition Act, 1894 and the Punjab Public Premises and Land (Eviction and Rent Recovery) Act, 1973, the Board shall be deemed to be a local authority controlled by the Government.

67. Bar of jurisdiction of civil Court.

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

68. Ultimate dissolution of Board and transfer of its assets and liabilities to Government.

(1)When all schemes approved by Government under this Act have been executed or have been so far executed as to render the continued existence of the Board, in the opinion of the Government, unnecessary, or when in the opinion of the Government it is expedient that the Board shall cease to exist, the Government may, by notification, declare that the Board shall be dissolved from such date as may be specified in this behalf in such notification; and the Board shall be deemed to be dissolved accordingly.(2)From the said date -(a)all properties, funds and dues which are vested in or realisable by the Board shall vest in and by realisable by the Government;(b)all liabilities which are enforceable against the Board shall be enforceable only against the Government;(c)for the purpose of completing the execution of any scheme approved by Government under this Act, which has not been fully executed by the Board and of realising properties, funds and dues referred to in clause (a) the functions of the Board under this Act shall be discharged by the Government; and(d)the Government shall keep separate accounts of all moneys respectively received and expended by it under this Act, until all loans raised hereunder have been repaid, and until all other liabilities referred to in clause (b) have been duly met.

69. Power to remove difficulties.

- If any difficulty arises in giving effect to the provisions of this Act, or by reasons of anything contained in this Act to any other enactment for the time being in force, the Government may, as occasion requires by order, direct that this Act shall during such period, as may be specified in the order but not extending beyond the expiry of two years from the date of coming into operation of this section, have effect subject to such adaptations whether by way of modification, addition or omission as it may deem to be necessary and expedient.

70. Over-riding effect.

(1)Notwithstanding anything contained in any other law for the time being in force, no local authority or agency shall be empowered to deal with matters which are within the functions of the Board under this Act with respect to any area to which this Act is applied :Provided that the Government may, by notification, in the manner prescribed, exclude any scheme or a part thereof, framed or to be framed or under execution from the functions of the Board and allow any local authority or agency to execute or carry on the execution or to complete the same.(2)If any dispute arises as to whether the Board or a local authority is to deal with a certain matter, the same shall be referred to the decision of the Government which shall be final.

Chapter XI

Rules and Regulations

71. Power to make rules.

(1)The Government may by notification and subject to the condition of previous publication make rules for carrying out the purposes of this Act.(2)In particular and without prejudice to the

generality of the foregoing power, such rules may be made for all or any of the following purposes, namely :-(a)all matters expressly required or allowed by this Act to be prescribed;(b)[the qualifications for appointment of, and the grant of leave of absence to, the Chairman and the Managing Director and Associate Director; [Substituted by Punjab Act 31 of 1978.](c)the term of office and the terms and conditions of service of the Chairman, Managing Director and Associate Director including the payment of honorarium, fees or allowances to them and the manner of filling casual vacancies in their respective offices;(cc)other terms and conditions of service of the employee of local authority transferred to the Board during the period of management;](d)the functions of the Board;(e)the conditions of acquisition, transfer, etc., of any property by the Board;(f)the time-limit within which the approval of the Government to the draft schemes prepared and forwarded by the Board will be given;(g)the manner in which and the number of instalments and the time or times at which, the cost of the schemes will be recovered;(h)the manner of operation of funds by the Board;(i)the mutual relationship of the Board and other local authorities in any matter in which they are jointly interested;(j)the borrowing of money by the Board;(k)the forms in which the reports of the Board will be prepared and the form and manner and the time-limit for submission of statistics and returns by the Board to the Government;(l)the rights, privileges and authority of auditor appointed under this Act;(m)the manner in which the accounts of the Board will be published.(3)Every rule made under this section shall be laid as soon as may be after it is made, before the House of the State Legislature while it is in session for a total period of ten days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session in which it is so laid or the successive sessions aforesaid, the House agrees in making any modification in the rule or the House agrees that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so however, that any such modification or annulment shall be without prejudice to the validity of anything previously done or omitted to be done under the rule.

72. Power to make regulations.

(1)The Board may, from time to time, with the previous sanction of the Government, make regulations not inconsistent with this Act and the rules made thereunder for the purposes of giving effect to the provisions of this Act.(2)In particular and without prejudice to the generality of the foregoing power, such regulations may provide for -(a)all matters expressly required or allowed by this Act to be prescribed by regulations;(b)the terms and conditions of appointment and service and the scales of pay of officers and employees of the Board including the payment of travelling and daily allowances in respect of journeys undertaken by such officers and employees of the Board;(c)the supervision and control over the acts and proceedings of officers and employees of the Board and the maintenance of discipline and conduct among the officers and employees of the Board;(d)the procedure in regard to the transaction of business at the meetings of the Board including the quorum;(e)[the duties, functions and powers of the Chairman and the Managing Director and Officers of the Board.] [Substituted by Punjab Act No. 31 of 1978.](f)the manner and the form in which a sinking fund, a depreciation reserve fund and the development fund are to be constituted;(g)the manner and form relating to the maintenance of accounts of the Board.(3)No regulation or its cancellation or modification shall have effect until the same is approved by the Government.(4)The Government may, by notification in the Official Gazette, rescind any regulation

made under this Section and thereupon the regulation shall cease to have effect.