

# **The Punjab New Mandi Townships (Development and Regulation) Act, 1960**

PUNJAB

India

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### **Act 2 of 1960**

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The Punjab New Mandi Townships (Development and Regulation) Act, 1960 Punjab Act No. 2 of 1960 Statement of Objects and Reasons. - As a result of increased agricultural facilities from the newly constructed Bhakra Canals and expectation of additional production of agricultural commodities, it is proposed to establish several market towns at convenient centres for the sales of surplus agricultural produce and for the establishment of ancillary industries. It is further proposed to design and develop these Mandis as Model Towns where people can live and carry on their business in pleasant and healthy surroundings free from congestion and squalor. To some extent the development of these towns will be on the lines of market towns of Colony District of West Pakistan, e.g. Arifwala, Burewala, Vihari, Khanewal (Multan), Mandi Bahaud-Din (Gujarat), Phullarwan, Bhalwal and Sillanwali (Sargodha), but profiting by the experience of these towns it is proposed to avoid their defects and drawbacks. The Bhakhra Dam and its canals have already come to be regarded as a model of Engineering skill. It is hoped that the Mandis based on them will also become outstanding examples of a better way of life among the people. This Bill is designed to provide the requisite power for the proper planning, regulation and development of these towns as model habitations. Published vide Punjab Government Gazette, 1958, Page 1472-73. Statement of Objects and Reasons - Punjab Act 11 of 2001 - The Colonization Department has been merged in the Punjab Mandi Board with all its assets and liabilities. The Administrators have been appointed under Section 2(a) of the Punjab New Mandi Townships (Development and Regulation) Act, 1960 for performing functions under this Act. before the merger the State Government could sell properties of the State Government only but after the merger all the properties have vested in the Punjab Mandi Board. Therefore, consequential amendment in this regard has been made in Section 3 of Act ibid enabling the State Government to sell the properties belonging to Punjab Mandi Board also and to recover the consideration money together with interest accrued thereon. Hence this Bill. Published vide Punjab Government Gazetted (Extra.) dated August 21, 2001 Page 1351. Statement of Objects and Reasons - Punjab Act 16 of 1981 - The Punjab and Haryana High

Court, Chandigarh, have, - vide their judgment, dated the 9th November, 1978, struck down the provisions of Section 13 of the Punjab New Mandi Townships (Development and Regulation) Act, 1960, declaring it ultra vires to the provisions of the Articles 14 and 19(1)(f) of the Constitution of India, because the purchasers of the plots were deemed to have become absolute owners thereof on the payment of 25% of the total price. Consequently the powers of Government for resumption of the plots said in the mandis have been completely taken away. This has necessitated not only the amendment of section 13, but some other consequential amendments of the Act *ibid*, as well. It is, therefore, proposed to amend the Act and thereby restrict the transfer of ownership of the plots till such time full price of the plots is paid. It is also proposed to re-vest the powers of resumption of plots in the Government, as per the Bill. Published vide Punjab Government Gazetted (Extra.) dated 22.1.1981 page 94. Received the assent of the Governor of Punjab on the 5th January, 1960 and was first published for general information in the Punjab Government Gazette (Extraordinary) dated the 8th January, 1960. An Act to provide for the development and regulation of New Mandi Townships in Punjab. Be it enacted by the Legislature of the State of Punjab in the Tenth year of the Republic of India as follows :-

## **1. Short title, extent and commencement.**

(1) This Act may be called the Punjab New Mandi Townships (Development and Regulation) Act, 1960. (2) It extends to the whole of the State of Punjab. (3) It shall come into force at once.

## **2. Definitions.**

- In this Act, unless the context otherwise requires, -(a) "Administrator" means any person designated by the State Government by notification in the official gazette for performing the functions of an Administrator under this Act; (b) "amenity" includes roads, water-supply, street lighting, drainage, sewerage, cattle-sheds, warehouses, public lavatories, bath rooms, Public buildings, horticulture, landscaping and any other public utility as may be prescribed; (c) "building" means any construction or part of a construction which is intended to be used for residential, commercial, industrial or other purposes, whether in actual use or not and includes any out-house, structure, stable, cattle shed, garage, hut, platform and plinth; (d) "Commissioner" will have the meaning assigned to him in the Colonization of Government Lands (Punjab) Act, 1912; (e) "erect or re-erect any building" includes -(i) any material alteration or enlargement of any building, (ii) the conversion by structural alteration into a place for human habitation of any building not originally constructed for human habitation, (iii) the conversion into more than one place for human habitation of a building originally constructed as one such place, (iv) the conversion of two or more places of human habitation into a greater number of such places, (v) such alterations of a building as affect an alteration of its drainage or sanitary arrangements, or materially affect its security, (vi) the addition of any rooms, buildings, out-houses or other structures to any building, (vii) the construction in a wall adjoining any street or land not belonging to the owner of the wall, of a door opening on to such street or land, and (viii) the construction of any overhanging structure over any street or Public place or the enclosing of any space intended to be kept open; (f) "new mandi township" means any area declared to be new mandi township by the State Government under sub-section (1) of section 3; (g) "occupier" means a person, including a firm or other body of individuals, whether incorporated

or not, who occupies a site or building transferred under this Act, and includes his successors and assigns;(h)"prescribed" means prescribed by rules made under this Act;(i)"site" means any land which is transferred by the State Government under section 3;(j)"transferee" means a person (including a firm or other body of individuals, whether incorporated or not) to whom a site or building is sold, leased or transferred in any manner whatsoever under this Act, and includes his successors and assigns.

### **3. Power of State Government to declare New Mandi Township and to transfer land and building therein.**

(1)The State Government may, from time to time, by notification in the official gazette, declare any area to be a new mandi township for the purposes of this Act to be known by such name as may be specified in the notification.(2)[Subject to the provisions of this section, the State Government may sell, lease or otherwise transfer, by auction, allotment or otherwise, any land or building belonging to or [vested in the State Government, Punjab Agricultural Marketing Board or Market Committee as the case may be] [Substituted vide Punjab Act 16 of 1981.] in any new mandi township on such terms and conditions as it may, subject to any rules that may be made under this Act, deem fit to impose.] [Substituted for the words 'vested in the State Government' by Punjab Act 11 of 2001.](3)The consideration money for any transfer under sub-section (2) shall be paid to the [State Government, Punjab State Agricultural Marketing Board or Market Committee as the case may be] [Substituted for the words State Government vide Punjab Act 11 of 2001.] in such manner, in such instalments and at such rate of interest as may be prescribed.(4)Notwithstanding anything contained in any other law for the time being in force, until the entire consideration money together with interest or any other amount, if any, due to the [State Government, Punjab State Agricultural Marketing Board or Market Committee as the case may be] [Substituted for the words State Government vide Punjab Act 11 of 2001.] on account of the transfer of any site or building, or both, under sub-section (2) is paid, such site or building, or both, as the case may be, shall continue to belong to the [State Government, Punjab State Agricultural Marketing Board or Market Committee as the case may be] [Substituted for the words State Government vide Punjab Act 11 of 2001.].

### **4. Bar to erection or alteration of buildings in contravention of building rules.**

(1)No person shall erect or re-erect or occupy wholly or partly any building or use or develop any site or building in contravention of any rules made under sub-section (2) and without the previous permission in writing of the Administrator.(2)The State Government shall, by notification in the official gazette, make rules to regulate the erection or re-erection of buildings and use of sites, and such rules may provide for all or any of the following matters :-(a)notice to build and procedure for submission of building applications with building and site plans;(b)use of site and the type and character of building and the number of self-contained units that may be erected on any site;(c)extent of site coverage and space about buildings and the prescription of a building line;(d)the minimum dimensions and superficial area required for various parts of the building designed for different purposes and the minimum provision of doors and windows for securing ventilation and circulation of air;(e)the maximum height of any building and the total number and height of storeys in a building;(f)the means to be provided for ingress and egress to any building for

prevention of fire;(g)the extent of architectural control on the various units of the building and the portions of such architectural units; including compulsory building line along which, and compulsory height up to which, building shall be completed within a specified and reasonable time;(h)the specification of materials and dimensions for any building to ensure structural stability;(i)the materials and methods of construction for drains and sewers and for the provision and use of connection between private and public drains and sewers and the procedure for submission of plans;(j)Supervisors and Architects for design and erection of any buildings and the qualifications which such persons shall possess;(k)notice and certificate of completion of buildings or parts thereof;(l)any other matters for the proper use and development of sites and the use, alteration and erection of buildings thereon.

## **5. Administrator's powers to sanction or refuse erection of buildings and presumption of sanction.**

(1)The Administrator shall refuse to sanction the erection of any building in contravention of any rules made under sub- section (2) of section 4.(2)The Administrator shall in every case, communicate the sanction or rejection of a building application within sixty days of its receipt.(3)Where no communication is received by the applicant from the Administrator within the period specified in sub-section (2), the application shall be deemed to have been sanctioned and the applicant may, after giving fifteen days' notice to the Administrator, erect or re-erect the building in accordance with the building application submitted by him to the Administrator for sanction notwithstanding that such erection or re-erection contravenes the rules made under section 4 :Provided that when the Administrator modifies the building application within such fifteen days and communicates the modification to the applicant the applicant shall erect or re-erect the building in accordance with such modification.

## **6. Power of Administrator to stop unauthorised building operations and penalty for breach and disobedience.**

- Where the erection or re-erection of a building has been commenced without sanction or is being carried on as such or in contravention of the terms of any sanction, the Administrator may, by a notice to be served on the owner, or by affixing it at the site or on the building, direct that the building operations be discontinued.

## **7. Power of Administrator to direct modification of sanctioned plan of a building before its completion.**

- If at any time before the completion of a building of which the erection or re-erection has been sanctioned under section 5, the Administrator finds that any modification of the sanctioned plan is necessary, he may direct that the building be modified accordingly, subject to payment of compensation by the State Government for any loss incurred by owner on account of such modification.

## **8. Lapse of sanction after one year from the date of such sanction.**

- Every sanction for erection or re-erection of any building given or deemed to have been given shall be valid for one year from the date of such sanction or for such longer period as the Administrator may allow :Provided that the erection or re-erection of the building not commenced within one year, and completed within two years or such longer period as may have been allowed, the sanction shall be deemed to have lapsed, but such lapse shall not bar any subsequent application for fresh sanction.

## **9. Power to require proper maintenance of site or building.**

- If it appears to the Administrator that the condition or use of any site or building is prejudicially affecting the proper planning of any part of the new mandi township, or its amenities, or the health or interests of the general public, he may serve on the transferee or occupier of the site or building notice requiring him to take such steps and within such period as may be specified in the notice and thereafter to maintain it in such a manner as may be specified therein.

## **10. Levy of fees for amenities.**

- For the purpose of providing, maintaining or continuing any amenity in the new mandi township, the State Government may levy such fees as it may consider necessary in respect of any site or building on the transferee or occupier thereof.

**11. [ Imposition of penalty and mode of recovery of arrears. - (1) Where any transferee makes any default in the payment of any rent due in respect of any lease of any site or building, or both, as the case may be, under section 3, or where any transferee or occupier makes any default in the payment of any fee levied under section 10, the Administrator may direct that in addition to the amount of arrears, a sum not exceeding that amount shall be recovered from the transferee or occupier, as the case may be, by way of penalty :**

Provided that no such direction shall be made unless the person affected thereby has been given a reasonable opportunity of being heard in the matter.(2)Where any person makes any default in the payment of any amount, being the arrears and penalty directed to be paid under sub-section (1), such amount may be recovered from the transferee or occupier, as the case may be, in the same manner as an arrear of land revenue.] [Substituted vide Punjab Act 16 of 1981.]

## **12. Mode of recovery of arrears.**

- Omitted vide Punjab Act 16 of 1981.

**13. [ Imposition of penalty for failure to pay consideration money and resumption and forfeiture in certain cases. - (1) If any transferee fails to pay the consideration money or any instalment thereof on account of sale of any site or building, or both, under section 3, the Administrator may, by notice in writing, call upon the transferee to show cause within a period of thirty days, why a penalty (which shall not exceed ten per centum of the amount due from the transferee) be not imposed upon him.**

(2)After considering the cause, if any, shown by the transferee and after giving him a reasonable opportunity of being heard in the matter, the Administrator may, for reasons to be recorded in writing, make an order imposing the penalty and direct that the amount due along with the penalty shall be paid by the transferee within such period as may be specified in the order.(3)If the transferee fails to pay the amount due along with the penalty, in accordance with the order made under sub-section (2), or commits a breach of any other condition of sale, the Administrator may, by notice in writing, call upon the transferee to show cause within a period of thirty days, why an order of resumption of the site or building, or both, as the case may be, and forfeiture of the whole or any part of the money, if any, paid in respect thereof (which in no case shall exceed ten per centum of the total amount of the consideration money, interest and other dues payable in respect of the sale of the site or building, or both) should not be made.(4)After considering the cause, if any, shown by the transferee in pursuance of a notice under sub-section (3) and any evidence that he may produce in support of the same and after giving him a reasonable opportunity of being heard in the matter, the Administrator may, for reasons to be recorded in writing, make an order resuming the site or building or both, as the case may be, so sold and directing the forfeiture as provided in sub- section (3) of the whole or any part of the money paid in respect of such sale.] [Substituted vide Punjab Act 16 of 1981.]

#### **14. Penalty for breach of the provisions of the Act or rules thereunder.**

(1)Except as otherwise provided in this Act, any contravention of the provisions of this Act or the rules made thereunder shall be punishable with fine which may extend to five hundred rupees and, in the case of continuing contravention, with an additional fine which may extend to fifty rupees for each day during which such contravention continues after the first conviction.(2)If a building is begun, erected or re-erected in contravention of any of the rules made under sub-section (2) of section 4, the Administrator shall be competent to order the building to be altered or demolished by a written notice served on the owner thereof within six months of such commencement, erection or re-erection. Such notice shall also specify the period not being less than fifteen days during which such alteration or demolition must be made and, if the notice is not complied with, the Administrator shall be competent to demolish the said building at the expense of the owner :Provided that the Administrator may, instead of requiring the alteration or demolition of any such building, accept by way of composition such sum as he may deem reasonable.

## **15. Appeal and revision.**

(1) Any person aggrieved by an order of the Administrator under [sections 5, 8, 9, 11, 13] [Substituted vide Punjab Act 16 of 1981.] or sub-section (2) of section 14 may, within thirty days from the date of communication to him of such order, prefer an appeal to the Commissioner of the Division in which the new mandi township is situated : Provided that the Commissioner may entertain an appeal after the expiry of the said period of thirty days if he is satisfied that the appellant was prevented by sufficient cause from filing the appeal in time : Provided further that the provisions relating to the deduction of period spent in obtaining copies of orders contained in the Indian Limitation Act, 1908, shall apply in computing the period of limitation. (2) The Commissioner may, after hearing the appeal, confirm, vary or reverse the order appealed against and may pass such orders, as he may deem fit. (3) The Financial Commissioner may, either on his own motion or on an application received in this behalf at any time, within a period of [six months] [Substituted vide Punjab Act 16 of 1981.] from the date of the order, call for the records of any proceedings in which the Administrator or Commissioner has passed an order for the purpose of satisfying himself as to the legality or propriety of such order and may pass such orders in relation thereto as he thinks fit : Provided that the Financial Commissioner shall not pass an order under this sub-section prejudicial to any person without giving him a reasonable opportunity of being heard.

## **16. Powers of entry on buildings or land.**

(1) The Administrator may, after giving four days' notice to the occupier, or if there be no occupier, to the owner of the building or land authorise any person - (a) to enter on and to survey and to take levels or measurements of any building or land, (b) to enter into any building or on any land to ascertain whether any building is being or has been erected without sanction or in contravention of any sanction or the rules made under this Act and to take such measurements as may be necessary for this purpose. (2) The entry contemplated in clauses (a) and (b) of sub-section (1) shall be between sunrise and sunset.

## **17. Partial exclusion of jurisdiction of Municipal Committees, Panchayats and Town Improvement Trusts in new mandi townships.**

(1) If any new mandi township or a part thereof lies within the limits of a municipality, notified area, Gram Panchayat area or local area, under the Punjab Town Improvement Act, 1922, the State Government may, by notification in the official gazette, direct that any or all the powers under the Punjab Municipal Act, 1911, the Punjab Gram Panchayat Act, 1952, or the Punjab Town Improvement Act, 1922, as are relevant to the purposes of this Act, shall, subject to such conditions and restrictions as may be specified in the notification, cease to operate in such new mandi township or a part thereof, and the Municipal Committee, the President or any officer of the Committee, the Gram Panchayat or the Town Improvement Trust, as the case may be, shall thereafter cease to have jurisdiction over that new mandi township or a part thereof, as the case may be, in respect of such powers. (2) The provisions of the Punjab Municipal Act, 1911, the Punjab Gram Panchayat Act, 1952, and the Punjab Town Improvement Act, 1922, in so far as they are inconsistent with the provisions

of this Act shall not apply to a new mandi township or a part thereof.

## **18. Procedure for prosecution.**

- No court shall take cognizance of any offence under section 14 except on the complaint of, or upon information received by the Administrator or any other person authorised by him in this behalf.

**19. [ Bar of jurisdiction of Court. - No court shall have jurisdiction to entertain any suit or proceeding in respect of the recovery of any arrears or penalty under section 11 or in respect of the resumption of any site or building, or both, as the case may be, under section 13, or the forfeiture of any money under that section, or in respect of any order made by the State Government or any other authority in the exercise of any power conferred by or under this Act.] [Substituted vide Punjab Act 16 of 1981.]**

## **20. Protection of action taken in good faith.**

- No suit, prosecution or other legal proceeding shall lie against the Administrator or any other officer or authority for any thing done or intended to be done in good faith in pursuance of this Act or rules or orders made thereunder.

## **21. Delegation.**

(1)The State Government may, by order direct that any power exercisable by it or by the Administrator under this Act shall also be exercisable by such officer not below the rank of a Naib-Tahsildar and subject to such conditions, if any, as may be specified in the order.(2)The Administrator may delegate all or any of his powers under this Act to any officer not below the rank of a Naib-Tehsildar of the State Government or any other authority subject to such conditions as may be specified by the Administrator.

## **22. Power to exclude application of Act to certain new mandi townships.**

- If the State Government is of the opinion that it is not in public interest to develop a new mandi township it may, by notification, declare that the provisions of this Act shall cease to apply to such new mandi township from such date as may be specified in such notification.

## **23. Power to include fully developed new mandi townships within limits of local authorities.**

- If the State Government is of the opinion that any new mandi township has been fully developed in accordance with the provisions of this Act and the rules made thereunder, it may, by notification in the official gazette, include such new mandi township within the local limits of any local authority



from such date as may be specified in the notification, and thereupon the provisions of this Act shall cease to apply to such new mandi township, and the provisions of the law for the time being in force relating to such local authority shall apply in relation thereto.

## **24. Certain Sales to be deemed to be sales under this Act.**

(1) Every sale of land made to any person in a new mandi township in pursuance of the Punjab Government, Agriculture Department Notification No. 359-D(M)-57/884, dated the 5th March, 1957, shall be deemed to have been made to such person under the provisions of this Act, and as from the commencement of this Act in such new mandi township, the provisions of the Colonisation of Government Lands (Punjab) Act, 1912, shall cease to apply to such sale of land and all the provisions of this Act and the rules or orders made thereunder shall apply accordingly in respect thereof : Provided that such rules or orders shall not be inconsistent with the terms and conditions on which such sale has already been made. (2) The sales of land made for establishing the new mandi township of Bhatinda in the month of June, 1956, and in the new mandi township of Shutrana in the months of July and August, 1956, shall be deemed to have been made under this Act and all the provisions of this Act and the rules or orders made thereunder shall apply accordingly to such sales : Provided that such rules or orders shall not be inconsistent with the terms and conditions on which such sales have already been made.

## **25. Power to make rules.**

- The State Government may, by notification in the official Gazette, make rules prescribing all matters which by this Act are required or permitted to be prescribed, or which are necessary or convenient to be prescribed for carrying out or giving effect to this Act and in particular prescribing - (a) the terms and conditions on which any land or building may be transferred by the State Government under this Act; (b) the manner in which consideration money for transfer may be paid; (c) the rate of interest payable and the procedure for payment of instalments, interest, fees, rents or others dues payable under this Act; (d) the terms and conditions under which the transfer of any right in any site or building may be permitted; (e) the levy of fees under section 10; (f) the terms and conditions for the breach of which any site or building may be resumed; (g) the form of notice and the manner in which notices may be served; (h) the form and manner in which appeals and applications under this Act may be filed and the Court-fees leviable on such appeals and applications; (i) any other matter which has to be or may be prescribed. Validation Section 8 of Act of 1981 which validates certain Act reads as under.

**8. [ Validation. - Notwithstanding any judgment, decree or order of any court, anything done or any action taken (including any notice issued, any order made for resumption of any site or building, or both, as the case may be, or any such resumption effected, or any order made for the forfeiture of any money or money forfeited, or any order made for the recovery of any arrears or any arrears recovered, or any penalty imposed or recovered) or purported**

**to have been done or taken under the principal Act shall, in so far as it is consistent with the provisions of the principal Act, as amended by this Act, be deemed to be as valid and effective as if such thing or action was done or taken under the principal Act, as amended by this Act and accordingly no suit or other legal proceeding shall be maintained or continued in any court -**

(i)for the recovery of any site or building, or both, as the case may be, which has or have been resumed; or(ii)for the cancellation of any order made for the resumption of any site or building, or both, as the case may be; or(iii)for the recovery of any money forfeited; or(iv)for the cancellation of any order made for the forfeiture of any money; or(v)for the refund of any arrears recovered; or(vi)for the cancellation of any order made for the recovery of any arrears; or(vii)for the refund of any penalty recovered; or(viii)for the cancellation of any order imposing any penalty.

**9. Saving. - The provisions of sub-section (3) of section 15 of the principal Act as amended by section 6 of this Act shall not apply to any proceedings in which the Administrator or Commissioner, as the case may be, has passed an order before the commencement of the said section 6 and any such proceedings shall be dealt with as if the said section 6 had not come into force.] [Added vide Punjab Act 16 of 1981.]**