

**GOVERNMENT OF TAMIL NADU
LAW DEPARTMENT**

**THE MADRAS STATE
HOUSING BOARD ACT, 1961**

(Madras Act 17 of 1961)

(As modified up to the 31st March 1966)

(Office Use only) (Not to be sold)

REFERENCES TO PAPERS CONNECTED WITH PRINCIPAL ACT.

The Madras State Housing Board Act, 1961 (Madras Act 17 of 1961)

(For Statement of Objects and Reasons, see Part IV. - Section 3 of the Fort St. George Gazette Extraordinary, dated the 22nd August 1960. Pages 92 and 93 for/act see Part IV - Section 4 of the Fort St. George Gazette, dated the 12th April 1961, Pages 129 to 191):

ARRANGEMENT OF SECTIONS

Preamble

CHAPTER I

Sections

- 1. Short title and commencement**
- 2. Definitions.**

CHAPTER II

Constitution of the Board.

- 3. Creation and incorporation of the Board.**
- 4. Constitution of the Board.**
- 5. Appointment of the Chairman and the members to be notified.**
- 6. Term of office of the Chairman and non-official members.**
- 7. Disqualification for appointment as a member of the Board.**

8. **Chairman to be whole - time officer.**
Leave of absence for the Chairman and appointment of an acting chairman.
10. **Removal of the chairman and other non-official members.**
11. **Filling of causal vacancies.**

CHAPTER III

Transfer of the assets and liabilities of the city improvement Trust to the Board.

12. **Transfer of assets and liabilities of the City Improvement Trust to the Board.**
13. **Transfer of provident, superannuation and other like funds to the Board.**
14. **Effect of vesting of assets and liabilities of the City Improvement Trust.**
15. **Transfer of service of existing employees of the City Improvement Trust to the Board.**

CHAPTER IV

Officers and Members of the Staff of the Board.

16. **Appointment of Secretary, Housing Board Engineer and other officers and servants of the Board.**
17. **Conditions of service of officer and servants of the Board.**
18. **Promotions and punishment of the officers and servants of the Board.**
19. **Service regulations.**
20. **Maintaining schedule of establishment.**
21. **Housing units.**
22. **Control and delegation by chairman**

CHAPTER V

Conduct of business of the Board and its committees.

- 23. Meetings of the Board.**
- 24. Temporary association of persons with the Board for particular purposes.**
- 25. Appointment and functions of committees.**
- 26. Members of Board or committee or persons associated with the Board not to take part in proceedings in which they are personally interested.**
- 27. Acts of the Board or committee not to be invalidated by informality vacancy, etc.**

CHAPTER VI

Powers of Board and chairman to incur expenditure on schemes and enter into contracts.

- 28. Powers of Board and Chairman to incur expenditure.**
- 29. Powers of Board and Chairman to approve estimate.**
- 30. Emergency powers of Chairman**
- 31. Power to make and perform contracts.**
- 32. Agreements and security deposits.**
- 33. Further provisions as to execution of contracts and agreements.**
- 34. Signing of instruments and the registration of such instruments.**

CHAPTER VII

Housing or Improvement scheme.

- 35. Power of the Board to undertake housing or improvement scheme and incur expenditure.**
- 36. Power of Government to transfer any land belonging to or vested in them or acquired under Madras Act X1 of 1954 to the Board.**
- 37. Housing or improvement scheme when to be framed by the Board.**

38. Board may agree or refuse to frame and execute a housing or improvement scheme.
39. Matters to be provided by housing or improvement schemes.
40. Types of housing or improvement schemes.
41. House accommodation scheme.
42. Rebuilding scheme
43. Rehousing or rehabilitation scheme.
44. City or town or village expansion scheme.
45. Street scheme
46. Deferred street scheme
47. Land development scheme
48. General improvement scheme.
49. Preparation, publication and transmission of notice as to housing or improvement schemes and supply of documents to applicants.
50. Transmission to the Board of representation by the concerned local authority as to housing or improvement scheme.
51. Notice regarding proposal to recover betterment fee.
52. Furnishing of copies or extracts from the assessment book of the local authority.
53. Abandonment, modification or sanction of a housing or improvement scheme.
54. Publication of sanction of housing or improvement scheme.
55. The Board to execute housing or improvement schemes soon after sanction.
56. Alteration of a housing or improvement scheme after sanction.
57. Transfer to Board for purposes of improvement scheme of building or land vested in local authority.

- 58. **Transfer of private street or square to Board for purpose of housing or improvement scheme.**
- 59. **Bar to application to certain laws of a local authority regarding closure**
- 60. **Repairs of street vested in the Board.**
- 61. **Transferring streets laid out or altered and open spaces provided by the Board under a housing or an improvement scheme.**
- 62. **Prevention or restriction of traffic in street vested in the Board, during progress of work.**
- 63. **Provision of facilities when work is executed by the Board in public streets vested in it.**
- 64. **Power of the Board to turn or close public street or square vested in it..**
- 65. **Power of the Board to retain lanes not meant for vehicular traffic**
- 66. **Other duties of the Board.**
- 67. **Supervision and centage charges**
- 68. **Power of Government to call for the records of the Board and to modify, annual, etc., of housing or improvement scheme.**
- 69. **Power to exempt.**

CHAPTER VIII.

Acquisition and disposal of land

- 70. **Power to acquire land under the land Acquisition Act.**
- 71. **Power to purchase or lease by agreement.**
- 72. **Power to dispose of land.**

CHAPTER IX

- 73. **Payment of betterment fees.**
- 74. **Assessment to betterment fee by the Board and notice to persons liable to such fee.**

- 75. Board to give notice to persons liable to payment of betterment fee.
- 76. Agreement to make betterment fee a charge on land.
- 77. Recovery of moneys payable in pursuance of section 73, 75 and 76.
- 78. Agreement or payment of betterment fee not to bar acquisition under fresh declaration,

CHAPTER X

Constitution of Tribunal and its function.

- 79. Constitution of a Tribunal for certain purposes.
- 80. Officers and servants of the Tribunal
- 81. Payments by Board on Account of Tribunal.
- 82. Appeals from awards of Tribunal.
- 83. Awards and orders of Tribunal to be executed by civil courts.

CHAPTER XI

Power to evict persons from Board Premises.

- 84. Power to evict certain persons from Board Premise
- 85. Power to recover rent or damage as arrears of land revenue
- 86. Appeal
- 87. Rent to be recovered from deductions from salary or wages in certain cases.

Bar of Jurisdiction of courts.

CHAPTER XII

Finance

- 89. Board's fund.
- 90. Subventions and loans to the Board.

91. Power of the Board to borrow and lend.
92. Guarantee by the Government of loans.
93. Form, signature, transfer and effect of debentures.
94. Payments to survivors of joint Payees. •■•
95. Receipt by joint holder for interest or ...
dividend. ••
96. Priority of payments for interest and repayment of loans.
97. Repayment of loans taken under section 91.
98. Establishment and maintenance of sinking funds.
99. Power to discontinue payments into sinking fund.
100. Investment of sinking fund.
101. Application of sinking fund.
102. Annual statement by trustees.
103. Annual examination of sinking funds.
104. Estimate of income and expenditure to be laid annually before the Board.
105. Sanction of the Board to estimates.
106. Approval of Government to estimates.
107. Supplementary estimate.
108. Adherence to estimate and maintenance of closing balance.
109. Definition of "Cost of management"
110. Keeping of capital account and revenue account.
111. Credits to capital account.
112. Application of capital account.
113. Credits to revenue account.

- 114. Application of revenue account.
- 115. Power to direct sale of securities in which any surplus of the revenue accounts is invested.
- 116. Advances from revenue account to capital account.
- 117. Advance from capital account to revenue account.
- 118. Submission of abstract of accounts to Government.
- 119. Annual audit of accounts.
- 120. Powers of the auditor.
- 121. Remuneration of auditor.
- 122. Reports and information to be furnished by auditor to the Board.
- 123. Auditor's report to be sent to each member and considered by Board.
- 124. Board to remedy defects pointed out by auditor and to submit a report to Government.
- 125. Account and audit report to be forwarded to Government and their placing before the State Legislature.

CHAPTER XIII

Penalties and procedure

- 126. Penalty for removing fence, etc., in street.
- 127. Penalty for building within street, alignment or building line without permission.
- 128. Penalty for failure to comply with requisition made by auditor.
- 129. Penalty for obstructing contractor or removing work.
- 130. Penalty for in each of the provision of the Act, etc.
- 131. Compensation to be paid by offenders for damage caused by them.

132. Punishment for requiring share or interest in contract, etc., with the Board.
133. Procedure.
134. Duty of police officers.
135. Arrest of offenders.
136. Powers of chairman as to institution, compensation etc., of legal proceedings and obtaining legal advice.
137. Protection of action taken in good faith.
138. Notice of suit against Board, etc.
139. Proof of consent, etc., of Board or chairman or officer or servant of the Board.
140. Power of chairman to direct removal of unauthorised erections, etc., within street alignment, etc.
141. General power of the Board to pay compensation.
142. Public notices how to be made known.
143. Newspapers in which advertisements or notices are to be published.
144. Stamping signature on notices or bills.
145. Service how to be effected_
146. Power to make surveys or contribute towards their cost.
147. Power of entry.

CHAPTER XIV

Miscellaneous.

148. Powers of the Board for facilitating movement of the population.
149. Members, officers and servants of the Board, committed and Tribunal deemed to be public servants.
150. Contributions by Board towards leave allowances pensions of servants of the Central or State Government employed under this Act.

- 151. Board and chairman to exercise power and function under Madras Act VII of 1920.**
- 152. Board and chairman to exercise powers and functions local authority and executive authority.**
- 153. Supply of documents and information to the Government.**
- 154. Submission of administration reports to Government.**
- 155. Power of Government to give direction to the Board local authorities.**
- 156. Superseding of the Board.**
- 157. Dissolution of the Board.**
- 158. The Board to be a local authority under Central Act of 1894 and Central Act IX of 1914.**
- 159. Power to remove difficulties.**

CHAPTER XV

Rules and Regulations

- 160. Power to make rules.**
- 161. Power to make regulations.**

CHAPTER XVI

- 162. Repeal and saving.**

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GOVERNMENT OF MADRAS

LAW DEPARTMENT

MADRAS ACT No. 17 OF 1961

[Received the assent of the 1st resident on the 6th April first 1961,
published in the "Fort St. George Gazette" on the 12th April 1961
(Chaitra 22,1883)]

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

WHEREAS it is expedient to provide *for the execution of housing and improvement schemes*, for establishment of a State Housing Board and for certain other matters hereinafter appearing:

BE it enacted in the Twelfth. Year of the Republic of India as follows:

CHAPTER I

PRELIMINARY.

1. Short title, extent and commencement : 0) This Act may be called the Madras State Housing Board Act, 1961.

2. It extends to the whole of the State of Madras.

3. It shall come into force on such date as the Government may, by notification, appoint; and different dates may be appointed for different areas.

2. Definitions : In this Act, unless the context otherwise requires;

(I) "betterment fee" means the fee declared to be payable under section 73 in respect of an increase in the value of land resulting from the execution of a housing or improvement scheme;

(2) "Board" means the Madras State Housing Board constituted under section 3;

(3) "Board Premises" means any premises belonging to, or vesting in, the Board or taken on lease by the Board or any premises which is entrusted to, or in the possession or control of, the Board for the purposes of this Act;

(4) "Chairman: Means the Chairman of the Board;

(5) "Committee" Means any committee appointed under section 25;

(6) "Competent authority" Means any person or authority authorized by the Government, by notification, to perform the functions of the competent authority under Chapter XI for such area as may be specified in the notifications;

(7) "Government" Means the State Government;

(8) "Housing Board Engineer" mean the Housing Board Engineer appointed under Section 16:

(9) "Housing or improvement scheme" means a scheme framed under this Act and includes any one other types of schemes referred to in Section 40:

(10) "land" includes benefits to arise out of land, and things attached to the earth or permanently fastened to anything attached to the earth;

(10-A) Managing Director means the Managing Director appointed by the Government under section 4A

(11) "member" means the member of the Board; and includes the Chairman and the Managing Director
Amended in ACT No.2 of 1988

(12) "Premises" means any land or building or part of a building and includes.

- (i) the garden, grounds and out - house, if any, appertaining to such building or part of a building; and
- (ii) any fittings affixed to such buildings or part of a building for the more beneficial enjoyment thereof;

- (13) "regulations" means the regulations made under this Act;
- (14) "rules" means the rules made under this Act;
- (15) "Secretary" means the Secretary appointed under section 16;
- (16) "Tribunal" means the Tribunal constituted under section 79;
- (17) "year" means the financial year.

CHAPTER II

CONSTITUTION OF THE BOARD.

3. *Creation and incorporation of the Board:* The duty of carrying out the provisions of this Act shall, subject to the restrictions, conditions and limitations therein contained, be vested in a Board to be called - "The Madras State Housing Board" ; and such Board shall be a body corporate and have perpetual succession and a common seal, and shall by the said name use and be used.

4. *Constitution of the Board :* (I) The Board shall consist of a Chairman, appointed by the Government, who possesses such qualifications as may be prescribed, and of the following members, namely :-

- (a) for non - official members, appointed by the Government, one whom shall be an engineer or architect, who possesses experience in housing and who is not employed by the Government, or a local authority or a corporation owned or controlled by the Government;
- (aa) a Managing Director
- (b) the Secretary, Board of Revenue, ex - officio;
 - i) Official members not exceeding other than the Managing Director ; and
the Chief Engineer, Public Works Department, in charge of Buildings, ex - Officio;
- (d) the joint Director of Town - Planning , ex • officio;
- (e) the Inspector of Municipal Councils and Local Boards, ex - Officio;
- (t) the Commissioner of Labour, ex - officio;

- (g) the Commissioner, Corporation of Madras, ex - officio;
- (h) the Registrar of Co - operative Societies, ex - officio;
- (1) the Director of Harijan Welfare, ex - officio;
- (j) the Director of Public Health, ex - officio;
- (k) the Secretary to Government in the Finance Department, ex - officio;
- (1) the Superintending Engineer, Rural Housing Cell, ex - officio;
- (m) an officer, nominated by the Development Commissioner, who is in charge of Rural Development and having jurisdiction throughout the State, ex - officio;

2 Amended in ACT No.2 of 1988

- (2) If for any reason the officer referred to in clause (c), (e) or (k) of sub - section (1) is unable to attend any meeting of the Board, he may depute any officer subordinate to him to attend such meeting. The officer so deputed shall have the right to take part in the discussions of the Board, but shall not have the right to vote.

(4-A) Appointment and terms and conditions of service, of Managing Director :- (1) The Government may appoint an officer of the Government not below the rank of :

- (i) Deputy Secretary to Government; or
- (ii) Collector of a district,

Managing Director for the purpose of this Act

- (2) The term of Officer and the term and condition of service of the Managing Director shall be such as may be prescribed

Amended in ACT No.2 of 1988

5. Appointment of the Chairman and the members to be notified :

The appointment of the Chairman and the non - official members shall be notified in the Fort St. George Gazette.

6. Term of office of the Chairman and non - official members : (1)

The Chairman and the non - official members shall hold office for period of three years from the date of their appointment.

2. The Chairman and the non - official members shall be eligible for re - appointment.

(3) Any non - official member may resign his office by giving notice in writing to the Government but he shall continue in office until his resignation is accepted by the Government.

7. Disqualification for appointment as a member of the Board :

(1) A person shall be disqualified for being appointed as, and for being a member of the Board, ie he -

- (a) has been convicted by a criminal court for an offence involving moral turpitude, unless such conviction has set aside;
- (b) is an undischarged insolvent;
- (c) is of unsound mind;
- (d) is an officer or servant under 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 or;
- (f) is 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) A person shall not, however, be disqualified under clause (e) or clause (f) sub - section (1) or be deemed to have any share or interest in any contract or employment within the meaning of those clauses, by reason 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 of the Board, to a value not exceeding two thousand rupees in any one year, of any article in which he or the incorporated company regularly trades.

(3) A person shall not also 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 shareholder of such company.

Provided that such person discloses to the Government the nature and extent of the shares held by him.

Explanation : For the purposes of clause (d) of sub-section (1) the Chairman shall not be deemed to be an officer or servant under the Board.

(8) *Chairman to be whole-time officer :* (1) The Chairman shall be a whole-time officer of the Board, and shall not, undertake any work unconnected with his office without the sanction of the Government.

(2) He shall be paid such salary and allowances as may be fixed by the Government.

9. Leave of absence for the Chairman and appointment of an acting Chairman : (1) The Government may, from time to time grant to the Chairman such leave as may be admissible under the rules.

(2) Whenever there is temporary vacancy in the office of the Chair-man, the Government may appoint a person to act as Chairman during the period of such vacancy and shall pay to such person such salary and allowances as may be fixed by them. The person so appointed shall be deemed for all purposes of this Act to be the Chairman.

10. Removal of the Chairman and other non - official members:

(1) If at any time it appears to the Government that the Chairman has shown himself to be unsuitable for his office, or has been guilty of any misconduct or neglect which renders his removal expedient, that may, by notification, remove the Chairman from office.

(2) The Government may, by notification, remove any non-official members. .

- (a) if he has, without the permission of the Board, been absent from the meetings of the Board for any period exceeding three consecutive months;
- (b) if he has been absent from the meetings of the Board for any period exceeding that permitted under sub-section (1) II; or
- (c) if he, 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

- (d) if he has, in the opinion of the Government, contravened, the provisions of section 26; or
- (e) if he, in the opinion of the Government, is unsuitable or has become incapable of acting as a member or has abused his position as a member as to render his continuance as such detrimental to the public interest.

(3) A non-official member removed under any of the provisions of clauses (a to c) of sub-section (2) shall be disqualified for appointment as a member for a period of three year's from the date of his removal unless otherwise ordered by the Government.

(4) A non-official member removed under clause (e) of sub-section (2) shall not be eligible for re-appointment until he is declared by an order of the Government to be no longer ineligible.

H. *Filling of casual vacancies:* (1) The Board may permit any non-official member to absent himself from its meetings for a period not exceeding six months.

(2) The casual vacancy in the office of a member who is permitted to be absent under sub-section (1) may be filled by the Government and any person appointed to fill such vacancy shall enter upon office forthwith but shall hold office only so long as the vacancy lasts;

Provided that the person so appointed is eligible for being appointed as a member to the office of the absent member in accordance with the provisions of section 4 and is not disqualified under Section 7.

CHAPTER III.

TRANSFER OF THE ASSETS AND LIABILITIES OF THE CITY IMPROVEMENT TRUST TO THE BOARD.

12. *Transfer of assets and liabilities of the City Improvement Trust to the Board:* (I) On the appointed day the Board of Trustees for the Improvement of the City of Madras (hereinafter referred to as the City Improvement Trust) shall stand dissolved and all its assets and liabilities shall stand transferred to and vested in the Board.

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

Explanations: In this section and in section 13, 14 and 15, "appointed day" means the date on which this Act comes into force in the City of Madras.

13. Transfer of provident, superannuation and other like funds to the Board: (1) Where the City Improvement Trust has established a provident fund or superannuation fund or any other like fund for the benefit of its employees and constituted a trust in respect thereof (hereinafter referred to as the existing trust), the moneys standing to the credit of any such fund on the appointed day, together with any other assets belonging to such fund, shall subject to the provisions of sub-section (2) stand transferred to and vested in the Board on the appointed day free from any such trust;

(2) the Board shall as soon as may be after the appointed day constitute in respect of the moneys and other assets which are transferred to and vested in it under sub-section (1) one or more trusts having objects as similar to the objects of the existing trusts as may be practicable.

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

14. Effect of vesting of assets and liabilities of the City Improvement Trust: (1) Unless otherwise expressly provided by or under this Act, all contracts agreements and other instruments of whatever nature subsisting or having effect immediately before the appointed day and to which the City Improvement Trust is a party or which are in favour of the City Improvement Trust shall be of as full-force and effect against or in

favour of the Board, as the case may be, and may be enforced or acted upon as fully and effectually as if, instead of the City Improvement Trust, the Board had been a party thereto or as if they had been entered into or issued in favour of the Board.

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

Explanation: For the purposes of this sub-section legal proceedings; includes any proceeding under the Land Acquisition Act, 1894 (Central Act 1 of 1984).

15. Transfer of service of existing employees of the City Improvement Trust to the Board: (1) every whole-time employee of the City Improvement Trust shall, on and from the appointed day, become an employee of the Board and shall hold his office therein by the same tenure, at the same remuneration and upon the same terms and conditions and with the same rights and privileges as to gratuity, if any, and other matters as he would have held the same on the appointed day if this Act had not been passed, and shall continue to do so unless and until his remuneration, terms and condition are duly altered by the Board.

(2) If any question arises as to whether any person was a whole-time employee of City Improvement Trust immediately before the appointed day, the question shall be referred to the Government, whose decision shall be final.

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

CHAPTER IV

OFFICERS AND MEMBERS OF THE STATE OF THE BOARD

16. *Appointment of Secretary, Housing Board Engineer and other officers and servants of the Board:* (1) The Board may appoint a Secretary, a Housing Board Engineer and such other officers and servants as it considers necessary for the efficient performance of its functions;

Provided that the appointment of the Secretary and the Housing Board Engineer shall be subject to the previous approval of the Government.

(2) Subject to the provisions of sub-section (1):

- .(i) the Board may, with the previous approval of the Government, sanction the creation of or appoint any person to any post, the maximum monthly salary of which exceeds one thousand rupees;**
- (ii) the Board shall have power to create posts in the establishment, the maximum monthly salary of which does not exceed one thousand rupees and to appoint persons to such posts;**
- (iii) the Managing Director may appoint any, officer or servant whose maximum monthly salary does not exceed three hundred rupees;**

Provided that in cases of emergency:

- (a) the Managing Director may appoint temporarily for a period not exceeding three months, such officers or servants 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 Director to the Board at its next meeting.**

Amended in ACT No.2 of 1988

17. Conditions of service of officers and servants of the Board: The remuneration and other conditions of service of the Secretary, Housing Board Engineer and other officers and servants of *the Board* shall be such as may be prescribed by regulations.

18. Promotions and punishment of the officers and servants of the Board: (1) Subject to any regulations made under section 19, the power of making promotions to posts in the service of the Board, of granting leave to officers and servants holding such posts, of censuring, fining, withholding, promotions from, reducing, suspending, removing

or dismissing such officers and servant for any breach of department rules or discipline or for carelessness, unfitness, neglect of duty or miscount, and of discharging such officers and servants from the service of the Board for any other sufficient reason, shall be exercised by the following authorities namely:-

- (a) by the Managing Director in the case of posts, the maximum monthly salary of which does not exceed three hundred rupees and the servants holding such posts;
- (b) by the Board, in the case of posts, the maximum monthly salary of which exceeds three hundred rupees but does not exceed one thousand rupees and officers and servants holding such posts;
- (c) by the Board, subject to the previous approval of the Government, in the case of posts, the maximum monthly salary of which exceeds one thousand rupees and officers and servants holding such posts;

Provided that a servant of the Central or State Government or of a local authority whose services have been lent to the Board, shall not be so punished except by an authority which would have been competent to do so if his services had not been so lent, but the Managing Director or the Board, as the case may be, shall be entitled to make an inquiry and to report against such servant to such authority.

Amended in ACT No.2 of 1988

(2) Any officer or servant of the Board who is aggrieved by an order passed under sub-section (1) may, within two months from the date of receipt by him of such order, appeal -

- (a) to the Board, if the order was passed by the Chairman; and
- (b) to the Government, if the order was passed by the Board.

19. Service regulations : Subject to the provisions of this Act, the Board shall, with the previous approval of the Government, make regulations.

- (a) fixing the salary and allowances of the Secretary, Housing Board Engineer and other officers and servants of the Board;
- (b) fixing the amount and nature of security to be furnished by any other or servant from whom it may be deemed expedient to require security;
- (c) for regulating the grant of leave of absence, leave allowances and acting allowances to the officers and servants of the Board;

Provided that a servant of the Central or State Government employed as an officer or servant of the Board shall not be entitled to leave or leave allowances, otherwise than as laid down in the conditions of his service under the Central or State Government relating to transfer to foreign service;

- (d) for establishing and maintaining a provident fund, for compelling all or any of the officers or servants other than servants of the Central or State Government in respect of whom a contribution is paid under section 150 to subscribe to the fund at such rates and subject to such conditions as may be prescribed, and for supplementing such subscriptions are of the funds of the Board;
- (e) for determining the conditions under which the officers and servants or any of them shall on retirement receive gratuities or compassionate allowances and the amount of such gratuities and com-passionate allowances.

20. Maintaining schedule of establishment : The Board shall prepare and maintain a schedule of establishment before the 1st May of every year, showing the number, designations and grades of the officers and servants (other than the employees who are paid by the day or whose pay is charged to temporary work), 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 such officer or servant, contributions payable section 150 in respect of each officer and servant, as on the 1st of April of the same year.

21. Housing Units: (1) The Board shall establish a Housing Unit for the area comprising (i) the City of Madras and (ii) Places situated within twenty five miles of the limits of the city of Madras by the name "The Madras Housing Unit" and the Board may, with the approval of the Government, establish by resolution a Housing Unit for any other area for the efficient performance of its functions in that area.

(2) Every housing unit shall *form* part of the establishment of the Board and shall consist of such officers and servants as may be considered necessary by the Board:-

(3) Every housing unit shall be in charge of an officer who shall be under the administrative control of the Managing Director and shall also exercise such powers, and perform such duties and functions, as may be delegated to him by the Managing Director under section 22.

Amended in ACT No.2 of 1988

22. Control and delegation by Managing Director: (1) The Managing Director shall exercise supervision and control over the acts and proceedings of all officers and servants of the Board, and subject to the foregoing sections and subject also to such control and revision as may be prescribed, shall decide all questions relating to the service of the said officers and servants and their salaries allowances, benefits and privileges.

(2) The Managing Director may, by general or special order in writing, delegate to any officer of the Board, any of his powers, duties or functions under this Act or any rules or regulations made thereunder, except those under sections 93,104, 136 and 139.

Provided that -

- (a) the Managing Director shall not delegate his powers under section 28 and 29 to incur expenditure and to approve estimates for any single work or scheme, the value of which exceeds twenty thousand rupees;
- (b) the Managing Director shall not delegate his powers under Section 16 to make appointment to posts the maximum monthly salary of which exceeds one hundred rupees; and
- (c) the Managing Director shall not delegate any of his powers under section 18 to any officer in respect of any

employee of the Board unless such employee was appointed by such officer or any subordinate of such officer, by virtue of a delegation of Chairman's power of appointment under section 16.

(3) The exercise or discharge by any officer of any powers duties, or functions delegated to him under sub-section (2) shall be subject to such restrictions and limitations as may be imposed by the Chairman, and shall also be subject to his control and revision.

(4) Against any order of the nature referred to in sub-section 92) of section 18 passed by an officer to whom the Managing Director's power in that behalf has been delegated, an appeal shall lie to the Board, and if the Managing Director has himself revised the order of such officer, an appeal shall lie to the Board against the order of the Managing Director.

Amended in ACT No.2 of 1988

CHAPTER V

CONDUCT OF BUSINESS OF THE BOARD AND ITS COMMITTEES

23. Meetings of the Board: (1) The Board shall meet at such times and places and shall, subject to the provisions of sub-sections (2) and (3) observe such rules of procedure in regard to transaction of business at its meetings (including the quorum at meetings) as may be prescribed by regulations:

Provided that the Board shall meet at least once in every month.

(2) The Chairman or in his absence, the Managing Director shall provide at a meeting of the Board.

Amended in ACT No.2 of 1988

(3) All questions at any meeting of the Board shall be decided by a majority of the votes of the members present and voting and in the case of an equality of votes, the Chairman, or in his absence the Managing Director, shall have a second or casting vote.

Amended in ACT No.2 of 1988

(4) The proceedings of the meeting of the Board shall be forwarded to the Government in the department in charge of housing within seven days of every meeting.

24. Temporary association of persons with the Board for particular purposes: (1) The Board may associate with itself in such manner and

for such purpose as may be prescribed by regulations, any person whose assistance or advice it may desire for the purpose of carrying into effect any of the provisions of this Act.

Provided that the number of persons to be associated shall not be more than five.

(2) A person associated with the Board under sub-section (1) for any purpose shall have the right to take part in the discussion of the Board relevant to that purpose, but shall not have the right to vote and shall not be named as a member for any other purpose.

(3) The Government may, by order, depute one or more officers of the Government to attend any meeting of the Board and to take part in the discussions of the Board, but such officers or officers shall not have the right to vote.

25. Appointment and functions of Committees : (I) The Board may, from time to time appoint committees consisting of such number of persons as it may think fit for the purpose of discharging such duties or performing such functions, and on such terms and conditions as may be prescribed by regulations.

(2) The chairman or such other person as he may nominate in this behalf shall be the president of the Committee and the Committee shall observe such rules of procedure in regard to transactions of business at its meetings as may be prescribed by regulations.

(3) All proceedings of the Committee shall be subject to confirmation by the Board.

26. Members of Board or Committee or persons associated with the Board not to take part in proceedings in which they are personally interested:

(1) A member or a person associated with the Board or a member of any Committee who-

- (a) has directly or indirectly, by himself or by any partner, employer or employee, any such share or interest as it described in sub-section (1) of section 7 in respect of any matter, or

- (b) has acted professionally, in relation to any matter, on behalf of any person having therein any such share or interest as aforesaid, shall not vote or take part in any proceeding of the Board or any Committee relating to such matter.

(2) If any member or any person associated with the Board under section 24 or any member of a Committee appointed under section 25, has directly or indirectly, any beneficial interest in any land situated in an area comprised in any housing or improvement scheme framed under this Act, or in an area in which it is proposed to acquire land for any of the purposes of this Act -

- (i) he shall at a meeting relating to such area of the Board or any Committee inform the person presiding of the nature of such interest, and
- (ii) he shall not take part in any proceeding relating to such area at a meeting of the Board or any Committee.

(3) Nothing in sub-section (2) shall prevent any member or any person associated with the Board under section 24 or any member of a Committee appointed under section 25, from voting on, or taking part in the discussion of any resolution or question relating to any subject other than a subject referred to in that sub-sections.

27. Acts of the Board or Committee not to be invalidated by informality, vacancy, etc: No act done or proceeding taken under this Act by the Board or any Committee shall be invalidated merely on the ground.

- (a) of any vacancy or defect in the Constitution of the Board or the Committee; or
- (b) of any defect or irregularity in the appointment of a person acting as a member thereof; or
- (c) of any defect or irregularity in such act or proceeding not affecting the merits of the case.

CHAPTER VI

**POWERS OF BOARD AND MANAGING DIRECTOR TO
INCUR EXPENDITURE ON SCHEMES AND ENTER INTO
CONTRACTS.**

28. Powers of Board and Managing Director to incur expenditure:
Subject to budget provision and availability of funds, expenditure may be incurred on any single work or scheme for carrying out any of the purposes of this Act-

(I) by the Managing Director, in case such expenditure does not exceed fifty thousand rupees; and

(2) by the Board, in other cases;

Provided that the Board shall not, without the previous approval of the Government, incur any such expenditure exceeding ten lakhs of rupees;

Provided further that the Managing Director shall report the expenditure incurred by him under this section to the Board at its next meeting for ratification.

Amended in ACT No.2 of 1988

29. Powers of Board and Managing Director to approve estimates:
The Board or the Managing Director may accord approval to estimates for incurring expenditure on any work or scheme for carrying out any of the purposes of this Act subject to the like restrictions and conditions imposed on the Board or the Managing Director, as the case may be, under section 28.

Amended in ACT No.2 of 1988

30. Emergency powers of Managing Director: The Managing Director may, in cases of emergency direct the execution of any work or the doing of any act which requires the sanction of the Board and the immediate execution or 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;

Amended in ACT No.2 of 1988

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 there for 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.

31. Power to make and perform contracts: The Board may enter into and perform all such contracts as it may consider necessary or expedient for carrying out the purposes of this Act.

“31-A, Power of Board to undertake housing or improvement Schemes through Joint Project or Public Partnership Scheme. The Board may execute any housing or improvement scheme through Joint Venture Project of Public Private Partnership, as the case, as the case may be, with the approval of the Government for each such scheme. Amended in ACT No.2 of 1988

32. Agreements and security deposits: (1) Every contract shall be made on behalf of the Board by the Managing Director.

(2) The Managing Director shall take sufficient security deposit for the due performance of the contract.

(3) Written agreements shall be executed for all contracts, the value of which exceeds five hundred rupees.

(4) Every contract made by the Managing Director, the value of which exceeds ten thousand rupees, shall be reported to the Board at its next meeting. Amended in ACT No.2 of 1988

33. Further provisions as to execution of contracts and agreements: (1) Subject to the provisions of sections 31 and 32, the contracts or agreements shall be made or executed in accordance with such rules as may be prescribed

(2) A contract or agreement made or executed in contravention of the provision of this Act or the rules or regulations made there under shall not be binding on the Board.

34. Signing of instruments and the registration of such instruments:

(1) The Managing Director, or any officer of the Board authorised in writing by the Board in this behalf, may sign on behalf of the Board any agreement or other instrument to be executed on behalf of the Board.

(2) Notwithstanding anything contained in the Indian Registration Act, 1908 (Central Act XIV of 1908), it shall not be necessary for the Managing Director or an officer of the Board referred to sub-section (1) to appear in person or by agent at any registration office in any proceeding connected with the registration of any instrument executed by him in his official capacity or to sign as provided in section 58 of that Act.

(3) Where any *instrument is so executed, the registering officer W* whom such instrument is presented for registration may, if he thinks fit, refer to the Chairman or an officer of the Board referred to in sub-section (1) for information respecting the same and shall, on being satisfied of the execution thereof, register the instrument. Amendment of Sec.34 Tamil Nadu Act 17 of 1961 In Section 34 of the principal Act for the word "Chairman" wherever it occurs, the words "Managing Director" shall be substituted. (Gazettee dated: 19.1.88)

Amended in ACT No.2 of 1988

CHAPTER VII

HOUSING OR IMPROVEMENT SCHEMES.

35. Power of Board to undertake housing or improvement schemes and incur ,expenditure: (1) subject to the provisions of the Act, the Board may, from time to time, incur expenditure and undertake works for the training and execution of such housing or improvement schemes as it may consider necessary.

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

(3) The Board may, on such terms and conditions as may be agreed upon, take over for execution any housing or improvement scheme undertaken by a local authority and the Board shall execute such scheme as if it has been provided for by this Act.

36. Power of Government to transfer any land belonging to or vested in them or acquired under Madras Act XI 1954- to the Board: Whenever the Government consider it expedient or necessary, for the purpose of clearance or improvement of any slum area, to transfer any land in such area belonging to or vested in them or acquired under the provision of the Madras Slum Improvement Acquisition of Land Act 1954 (Madras Act XI of 1954) they may do so on such terms and conditions as they may think fit to impose; and direct the Board to under-take the clearance or improvement of that area and to frame and execute such housing or improvement scheme under this Act as the Government may specify and the Board shall thereupon undertake the same for execution as if it had been *provided* for by this Act.

37. *Housing or improvement scheme when to be framed by the Board:* A housing or improvement scheme may be framed by the Board on its own motion or at the instance of the Government or a local authority.

38. *Board may agree or refuse to frame and execute a housing or improvement scheme:* (1) The Board may agree to frame and execute a housing or improvement scheme at the instance of a Local authority if the Board is satisfied that such scheme is necessary and the funds at its disposal permit the framing and the execution of such scheme or may refuse to frame and execute such scheme if it is satisfied that it is either unnecessary or not feasible or that it is otherwise unexecutable.

(2) Any Local authority deeming itself aggrieved by the refusal of the Board under sub-section (1) may, within two months from the date of receipt of the order of such refusal appeal to the Government who may pass such orders there on as they think fit and it shall be the duty of the Board to give effects to such orders accordingly.

39. *Matters to be provided by housing or improvement schemes:*

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

- (a) the acquisition by purchase, exchange, or otherwise of any property necessary for or affected by the execution of the scheme;
- (b) the laying or re-laying out of any land comprised in the scheme;
- (c) the distribution or re-distribution of sites belonging to owners of the property comprised in the scheme
- (d) the closure or demolition of dwellings or portions of dwellings unfit for human habitation.
- (e) the demolition of obstructive buildings or portions or buildings;
- (f) the construction and reconstruction of buildings;

- (g) the sale, lease or exchange of any property comprised in the scheme;
- (h) the construction and alteration of road, streets, back lanes, bridges, culverts and causeways;
- (i) the draining, water-supply and lighting of the streets included in the scheme;
- (j) the provision of open parks, playing fields and open spaces for the benefit of any area comprised in the scheme or any adjoining area, and the enlargement of existing parks, playing field, open spaces and approaches;
- (k) the provision of sanitary arrangements required for area comprised in the scheme, including the conservation and prevention of injury or contamination to rivers or other sources and means of water-supply;
- (l) the provision of recommodation for any class of inhabitants;
- (m) the advance of money for the purposes of the scheme;
- (n) the provision of facilities for communication and transport;
- (o) the collection of such information and statistics as may be necessary for the purposes of this Act;
- (p) the reclamation or reservation of lands for markets, gardens, playing fields and afforestation;
- (q) the provision of schools, parks, swimming pools, restaurants, shops markets, fuel depots, laundries, hair dressing saloons and other amenities in the scheme; and
- (r) any other matter for, which, in the opinion of the Government, it is expedient to make provision with a view to provide house accommodation and to the improvement of any area comprised in the scheme, or of any adjoining area or the general efficiency of the scheme.

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

40. *Types of housing or improvement schemes :* Any housing or improvement scheme shall be of one of the following types, or combination of any two or more such types cir of any special features thereof, that is to say -

- (a) a house a accommodation scheme;
- (b) a rebuilding scheme;
- (c) a rehousing or rehabilitation scheme;
- (d) a city or town or village expansion scheme;
- (e) a street scheme;
- (f) a deferred street scheme;
- (g) a land development scheme; and
- (Ii) a general improvement scheme.

41. *House accommodation scheme :* (1) Whenever the Board is of opinion that it is expedient or necessary to meet the need for house accommodation in any area, the Board may frame a house accommodations scheme.

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

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

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

42. *Rebuilding scheme:* (1) Whenever it appears to the Board that any area is an insanitary area, within the meaning of section and that having regard to the comparative value of the buildings in such area and of the sites on which they are erected the most satisfactory method of

dealing with the area or any part thereof is a rebuilding scheme, the Board may frame a rebuilding scheme for the whole area or any part of it in accordance with the provisions of this section.

(2) A rebuilding scheme may provide for:

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

the acquisition by the Board of any site or building comprised on the area included in the scheme.

43. *Rehousing or Rehabilitation scheme* : Whenever the Board is of opinion that it is necessary for persons who

- (a) are displaced by the execution of any housing or improvements scheme sanctioned under this Act, or

- (b) are likely to be displaced by the execution of any housing or improvement scheme which it is intended to frame under this Act, or
- (c) are surplus in any scheme area, the Board may frame a rehousing scheme for the construction maintenance and management of such number of dwelling house, and shops as may be required, or may frame a rehabilitation scheme for providing such number of open plots with roads, streets and open spaces as may be necessary.

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

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

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

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

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

45. *Street scheme*: (1) Whenever the Board is of opinion that for the purpose of -

- (a) providing building sites, or

- (b) remedying defective ventilation, or
- (c) creating new or improving existing means of communication and facilities for traffic, or
- (d) affording better facilities for conservancy, it is expedient to layout new street or alter existing streets (including bridges, causeways and culverts) in any area, the Board may frame a street scheme for such area.
- (e) a street scheme may within the limit of the area comprised in the scheme provide for the following matter namely.

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

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

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

(2) A deferred street scheme shall provide for the following matter,

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

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

- (b) the re-laying out of all or any such property including the construction of buildings by the Board or by any other person, and the formation and alignment of the street;
- (c) the draining, water - supply and lighting of the *streets so formed or altered*.

(3) After a deferred street scheme has been sanctioned by the *Board:*

- (a) no person shall, except with the written permission of the Board erect, add to or alter any building or wall so as to make the same project into the prescribed alignment of the street;
- (b) if the Board fails to acquire or to institute proceedings for the acquisition of any property within the prescribed alignment of any street within the time limit specified in the scheme or extended

by it, the owner of such property may, at any time thereafter, after, give the Board notice requiring it to acquire or to institute proceedings for the acquisition of such property before the expiry of six months from the date of such notice, and thereupon the Board shall acquire - or institute such proceedings and acquire the property accordingly, and if the Board fails to do so, it shall pay reasonable compensation to the owner for any damage sustained by him in consequence of such failure;

- (c) before proceeding to acquire any property lying within the prescribed alignment of the street other than property regarding which it has received a notice under clause (b), the Board shall give six months' notice to the owner of its intention to acquire such property;
- (d) notwithstanding anything contained in the Madras City Municipal Act, 1919 (Madras Act IV of 1919) or the Madras District Municipalities Act, 1920 (Madras Act V of 1920) or in any notification issued under section 206 of the Madras District Boards Act, 1920 (Madras Act XVI of 1920) or under section 125 of the Madras Village Panchayat Act 1950 (Madras Act X of 1950) or under Section 6 of the Madras Panchayat Act 1958 (Madras Act XXXV of 1958), the council of the Corporation, the Municipal Council, the District Board, the Village Panchayat, the Panchayat or the Panchayat Union Council shall not have power to prescribe any alignment of the street within the limits of the scheme and any such alignment previously prescribed within such limits shall cease to be the alignment of the street.

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

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

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

48. General improvement scheme: Whenever it appears to the Board:

- (a) that in any area, any buildings used or intended or likely to be used as dwelling houses are unfit for human habitation, or
- (b) that danger to the health of the inhabitants of buildings in any area, or to buildings in the neighbourhood of such area is likely to be caused by
 - (i) the narrowness, closeness, or bad arrangement or condition of streets or building or groups of buildings in such area, or
 - (ii) the want of light, air, ventilation or proper convenience in such area, or
 - (iii) any other sanitary defects in such area, the Board may frame a General Improvement Scheme in respect of such area.

49. Preparation, publication and transmission of notice as to housing or improvement schemes and supply of documents to applicants: (1) When any housing or improvements scheme has been framed, the Board shall prepare a notice to that effect and specify-

- (a) the boundaries of the area comprised in the scheme; and
- (b) the place or places at which particulars of the
 - scheme, a map of the *area*, and details of the land which it is proposed to acquire and of the land in regard to which it is proposed to recover a betterment fee, may be seen at reasonable hours.

(2) The Board shall :

- (a) cause the said notice to be published weekly for three consecutive weeks in the Fort. St. George Gazette, and in two leading daily newspapers in the State, specifying the period up to which the objections will be received and
- (b) send a copy of the notice to the local authority concerned.

(3) The Managing Director shall cause copies of all documents referred to in clause (b) of sub-section (1) to be delivered to any applicant on payment of the fee fixed by the Board.

Amended in ACT No.2 of 1988

50. *Transmission to the Board of representation by the concerned local authority as to housing or improvement scheme:* The local authority to whom a copy of a notice has been sent under clause (b) of section (2) of section 49 shall, within a period of sixty days from the receipt of the said copy, forward to the Board any representation which the local authority may wish to make regarding the scheme.

51. *Notice regarding proposal to recover betterment fee:*

(1) Within three weeks following the day on which any notice is first published under section 49 in respect of any housing or improvement scheme, the Board shall serve a notice in such form as may be prescribed on every person whose name appears in the assessment list of the local authority concerned as being primarily liable to pay property tax on any building or land in regard to which the Board proposes to recover betterment fee.

(2) A copy of the notice shall also be affixed in every such premises.

(3) Every such notice shall be signed by the Managing Director or by a person duly authorized by him in that behalf.

(4) Any person on whom a notice under sub-section (1) has been served may, within thirty days from the service of the any notice, make a representation in writing to the Board stating his objections to the scheme.

Amended in ACT No.2 of 1988

52. *Furnishing of copies or extracts form the assessment book of the local authority:* The executive officer of any local authority shall, at

the request of the Managing Director, furnish him with a copy of, or an extract for, the assessment list of the local authority.

Amended in ACT No.2 of 1988

53. Abandonment modification or sanction of a housing or improvement scheme: (1) After considering the objection and representations, if any, received in pursuance of sub-section (2) of section 49, section 50 and sub-section (4) of section 51 and after hearing the persons who having raised any such objections or *made any such* representations, desire to be heard, the Board may either abandon or modify or sanction the scheme, or apply to the Government for sanction with such modification, if any, as the Board may consider necessary if the cost of the scheme exceeds ten lakhs rupees.

(2) The Government may sanction with or without modification, or may refuse to sanction or may return for reconsideration any housing or improvement scheme, costing over ten lakhs of rupees submitted to them under sub-section (1)

(3) If a scheme returned for consideration under sub-section (2) is modified by the Board, it shall be republished in accordance with section 49.

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

54. Publication of sanction or housing or improvement scheme:

(1) Whenever the Board or the Government sanction a housing or improvement scheme, it shall be announced by notification;

Provided that whenever the Board sanctions a scheme with modifications, if any, it shall cause notice to that effect to be published weekly in the Fort St. George Gazette and in two leading daily newspapers in the State.

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

(3) Any person aggrieved by the decision of the Board sanctioning a housing or improvement scheme may, within thirty days from the date of last publication in the Fort St. George Gazette of the said scheme, appeal to the Government and the decision of the Government to such appeal shall be final and shall not be liable to be questioned in any court of law.

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

- (a) Where no appeal is preferred under sub-section (3) on and from the expiry of the thirty days referred to in that sub-section; and
- (b) Where such appeal is preferred, on and from the date of the decision of the Government on such appeal.

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

56. Alteration of housing or improvement scheme after sanction:

Any time after a housing or improvement scheme has been sanctioned by the Board or the Government, as the case may be, and before it has been carried into execution, the Board may alter or cancel it;

Provided that -

- (a) if any alteration is likely to increase the estimated net cost of executing a scheme by more than ten per cent of the total cost, or if any altered scheme is likely to cost more than ten lakhs of rupees, the alteration shall not be made without the previous sanction of the Government;
- (b) if any alteration involves the acquisition, other-wise than by agreement of any land not previously proposed to be acquired in the original scheme, the procedure prescribed in the foregoing sections of this Chapter shall, so far as it may be applicable, be followed as if the alteration were a separate scheme;

- (c) if, owing to any alteration, any land not previously liable under the scheme to the payment of a betterment fee, becomes liable to such payment, the procedure prescribed in sections 49,50 and 51 shall so far as it may be applicable, be followed in regard to such land;

Provided further that no scheme, costing over ten lakhs of rupees, shall be cancelled under this section without the previous sanction of the Government.

Explanation : For the purpose of this section, the word "alteration" shall be deemed to include a combination of two or more schemes framed or proposed to be framed and the expression "altered" shall be deemed to include any scheme so combined.

57. Transfer to Board for purposes of improvement scheme of building or land vested in local authority : (1) Whenever any building or land or any street or any part thereof, which is situated 'within the jurisdiction of a local authority, and is vested in such local authority, is within the area of any housing or improvement scheme, the Board shall give notice accordingly to that local authority and such building, land or street or any part thereof shall thereupon vest in the Board.

(2) Where any land situated within the jurisdiction of a local authority vests in the Board under the provisions of sub-section (1) and the Board makes a declaration that such land will be retained by the Board only until it reverts in the local authority as part of a street or an open space under section 61, no compensation shall be payable by the Board to the local authority in respect of that land.

(3) Where any land or building vests in the Board under the provisions of sub-section (1) and no declaration is made under sub-section (2) in respect of the land, the Board shall pay to the local authority as compensation, a sum equal to the market value of such land or building as on the date on which the scheme comes into force under section 54 and where any building situated on the land in respect of which a declaration has been made by the Board under sub-section 2 is vested in Board under sub-section (1) like compensation shall be payable in respect of such buildings by the Board.

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

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

58. Transfer of private street or square to Board for purpose of housing or improvement scheme: (1) Whenever any private street or square or part thereof which is not vested in the Board or in many local authority is required for executing any housing or improvement scheme, the Board shall cause to be affixed in a conspicuous place in or near such street or square or part, a notice signed by the Managing Director and -

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

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

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

(4) If the alteration or closing of any such street or square or part causes damage or substantial inconvenience to owners of property adjacent thereto, or to residents in the neighbourhood, the Board shall forth-

with provide some other reasonable means of access for the use of persons who were entitled to use such street or square or part as a means of access to any property, or place and if the provision of such means of access does not sufficiently compensate any such owner or resident for such damage or inconvenience, the Board shall also pay him reasonable compensation.

Amended in ACT No.2 of 1988

59. Bar to application of certain laws of a local authority regarding closure: (1) Such the provision of the Madras City Municipal Act 1919 (Madras Act IV of 1919), the Madras District Municipalities Act 1920 (Madras Act V of 1920), the Madras District Board Act 1920 (Madras Act IXV of 1920), The Madras Village Panchayats Act, 1950 (Madras Act X of 1950) and the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958) as relate to maintenance or repairs of public streets closure of Public Street or parts thereof diverting or turning public street or parts thereof and to disposal of the land which is so longer required when any public street is permanently closed, shall not apply to any street which is vested in the Board.

(2) Such of the provisions of the enactments specified in subsection (1) as relate to temporary closure of streets, precautions during repairs of streets and prosecution against removal of bars and lights

shall not apply to the Board when any drain or premises vested in the local authority is opened or broken up by the Board or any public street is under construction by the Board.

60. Repairs of streets vested in the Board: Whenever the Board allows any street vested in it to be used for public traffic, it shall keep the street in good repair and do all things necessary for the safety convenience of persons using it.

61. Transferring streets laid out or altered and open spaces provided by the Board under a housing or an improvement scheme: (1) The Board may hand over any road or street to the local authority concerned after giving a month's notice, when -

- (a) any such road or street laid out or altered by the Board has been duly levelled metalled, flagged, channelled, sewered and drained in the manner provided in the scheme sanctioned by the Board or the Government under section 53:

- (b) **lamp posts necessary for the lighting of such streets have been provided by the Board; and**
- (c) **Water and other sanitary convenience have been duly provided in such streets.**

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

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

The Madras Village Panchayats Act, 1950 (Madras Act X of 1950) and the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958). As relate to maintenance or repairs of public streets closure of Public street or parts thereof, diverting or turning public street or parts thereof and to disposal of the land which is so longer required when any public street is permanently closed, shall not apply to any street which is vested in the Board. Provided that the local authority may requite the Board before any such open space if so transferred to enclose, level, turf, drain and layout such space and provide foot-path therein, and if necessary to provide lamps and other apparatus for lighting it.

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

62(1) *Prevention or restriction of traffic in street vested in the Board, during Progress of work:* When any work which may lawfully be done, is being executed by the Board in any street vested in it, Board may direct that such work be either wholly or partially closed to traffic generally or to traffic of any specified description

(2) When any such direction has been given, the Board shall set up in a conspicuous position on or near the street an order prohibiting

bars, chains, or posts across or in the street as it may think proper for preventing or restricting traffic therein.

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

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

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

64. Power of the Board to turn or close public street or square vested in it: The Board may -

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

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

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

(4) to set up a research section for the purpose of expediting the construction, of and cheapening the cost of buildings; and

(5) to organise and run workshops and stores for manufacture, sale, stockpiling and supply of building materials. required for housing or improvements schemes.

67. Supervision and centage charges : The Board may include in the cost of any housing or improvement scheme framed by it or any other work undertaken by it, supervision and centage charges at such rates as may be fixed by it ;

Provided that the rate so fixed shall not be more than twelve and a half per cent of the scheme or work.

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

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

(3) Any housing or improvement scheme which has already come into force but has been modified by the Government under sub-section (1) shall have effect as if it had been duly sanctioned by the Board under section 53. The scheme as modified shall be published in accordance with the provisions of section 54 and on such publication the scheme so modified shall come into force and shall have effect.

69. Power to exempt : The Government may, by notification, exempt, subject to such conditions and restrictions as may be specified in such modification. any housing or improvement scheme, or class of housing or improvement scheme from all or any of the provisions of this Chapter.

CHAPTER VIII

ACQUISITION AND DISPOSAL OF LAND.

70. Power to acquire land under the Land Acquisition Act: Any land or any interest therein required by the Board for any of the purposes of this Act may be acquired under the provisions of the land Acquisition Act 1894 (Central Act of 1894)

71. Power to purchases or lease by agreement: The Board may enter into agreement with any person for the acquisition from him by purchase, lease or exchange, of any land or any interest therein which may be acquired under section 70. Provided that if the value of such land or interest exceeds fifty thousand rupees; the Board shall not enter into such agreement without the previous approval of the Government.

72 Power to dispose of land: (I) The Board may retain or may lease, sell exchange or otherwise dispose of any land vested in or acquired by it under this Act

(2) Whenever the Board decides to lease or sell any land acquired by it under this Act from any person, it.

- (a) shall give notice advertisement in one of the leading local newspaper in the State, and
- (b) shall offer to the said person, or his heirs, executors or administrators. a prior right to take on lease or to purchase such land for an amount or at a rate to be fixed by the Board. if *the* Board considers that such an offer can be made without detriment to the carrying out of the purposes of this Act.

(3) If in any case two or more persons claim to have the prior right referred to in clause (b) of sub-section (2) preference shall be given to the person who agrees to pay the highest amount or rate for the land, not being less than the amount or rate fixed by the Board under that clause.

CHAPTER IX

LEVY ASSESSMENT AND RECOVERY OF BETTERMENT FEE.

73. Payment of betterment fee: (I) "When by the execution of a housing or improvement scheme, any land in the area comprised in the scheme which is not required for the execution thereof will, in the opinion of the Board, be increased in value, the Board, in framing the scheme,

may declare that betterment fee shall be payable by the owner of the land or any person having an interest therein in respect of the increase in value of the land resulting from the execution of the scheme.

(2) Such increase in value shall be the amount by which the value (the land on the completion of the execution of the scheme estimated as if the land were clear of buildings, exceeds the value of the land prior to the execution of the scheme estimated- in the like manner; and the betterment fee shall be one-third of such increase in value.

(3) The Board may, with the previous approval of the Government declare that such betterment fee shall also be payable in respect of any land not comprised in the scheme but is adjacent to the area comprised in the scheme if such land will be increased in value consequent on the execution of a housing or improvement scheme in the area comprised in the scheme.

Provided that the Board shall, before declaring that any betterment fee shall be payable under this subsection, serve a notice in such form as may be prescribed on every person whose name appears in the assessment list of the local authority concerned as being primarily liable to pay property tax on any building or land in regard to which the Board proposes to declare that such betterment fee shall be payable and there-upon the provisions of subsections (2). (3) and (4) of section 51 shall apply to every notice served under this provision.

74. Assessment of betterment fee by the Board and notice to persons liable to such fee : when it appears to the Board that 'a housing or improvement scheme is sufficiently advanced to enable the amount of the betterment fee to be determined, the Board shall by a resolution passed in this behalf declare that for the purpose of determining such fee the execution of the scheme shall be deemed to have been completed and shall thereupon give notice in writing to every person on whom a notice in respect of land to be assessed has been served under clause (a) of subsection (1) of section 51. or to the successor. in interest of such person. as the case may be. that the Board proposes to assess the amount of the betterment fee payable in respect of such land under section 73.

(2) The Board shall then assess the amount of betterment fee payable by each person concerned, after giving such person an opportunity to be heard and such person shall, within one month from the date of receipt of notice in writing of such assessment from the Board, inform the Board in writing whether or not he accepts the assessments.

(3) When the assessment proposed by the Board is accepted by the person *concerned within* the period specified in *sub section 21*, such assessment shall be final.

(4) If the person concerned does not accept the assessment made by the Board or fails to inform the Board as required under subsection (2) within the period specified herein, the matter shall be referred to the Tribunal.

(5) The Tribunal shall, after holding an inquiry, and after hearing the person concerned, assess amount of betterment fee payable by the person.

75. Board to give notice to persons liable to payment of betterment fee: When the amount of all betterment fees payable in respect of land in the area comprised in the scheme and in respect of land not comprised in the scheme area but is adjacent to the area comprised in scheme referred to in subsection (3) of section 73 has been determined under section 74, the Board shall, by a notice in writing to be served on all persons liable to such payment fix a date by which such payments shall be made. and interest at the rate of four and a half per cent per annum upon any amount outstanding shall be payable from that date.

Provided that any person liable as aforesaid may make payment, if he so choose, in such number of annual instalments not exceeding ten as the Board may determine.

76 Agreement to make betterment fee a charge on Land: (I) Any person liable to pay a betterment fee in respect of any land may, at his option. instead of paying the same to the Board execute an agreement with the Board to leave the payment outstanding as a charge on his interest in the land, subject to the annual payment in perpetuity of interest at the rate of six per cent per annum, the first annual payment of such interest to be made one year from the date referred to in section 75.

(2) Every payment due from any person in respect of a betterment fee and every charge referred to in sub-section (I) shall. notwithstanding anything contained in any other enactment and notwithstanding the extension of any mortgage. or other charge. whether legal or equitable. created either before or after the commencement of this Act. be the first charge upon the interest of such person in each land subject to the prior payment of land revenue, if any, due to the Government. on such land.

(3) If any instalment of interest due under an agreement executed in pursuance of subsection (1) be not paid on the date on which it is due, the betterment fee shall become payable on that date in addition to the said instalment.

(4) At any time after an agreement has been executed in pursuance of sub-section (1) any person may pay off the charge created thereby, with the interest due up to the date of such payment.

(5) When an agreement in respect of any land has been executed by any person in pursuance of sub-section (1), no suit with respect to such agreement shall be brought against the Board by any other person except a heir, executor or administrator of the person first aforesaid) claiming to have an interest in the land.

77. Recovery of moneys payable in pursuance of sections 73, 75 and 76: All moneys payable in respect of any land by any person in respect of a betterment fee under section 73 or section 75 or by any person under an agreement executed in pursuance of subsection (1) of section 76 shall, together with interest due up to the date of realisation, be recoverable by, the Board from the said person or his successor in interest in such land, as an arrear of land revenue.

78. Agreement or payment of betterment fee, not to bar acquisition under fresh declaration : If any land in respect of which the payment of a betterment fee has been accepted in pursuance of subsection (3) of section 74 or in respect of which an agreement regarding the betterment fee has been executed under section 76 be subsequently required for any of the purposes of this Act, the payment or agreement shall not be deemed to prevent the acquisition of land under the Land Acquisition Act, 1894 (Central Act br 1894).

CHAPTER X

CONSTITUTION OF TRIBUNAL AND ITS FUNCTIONS

79. Constitution of a Tribunal for certain purposes: (1) Notwithstanding anything contained in the Land Acquisition Act 1894 (Central Act of 1894) the Government may constitute a Tribunal for the purpose of performing the functions of the court with reference to the acquisition of land for the Board under the said Act, for deciding disputes relating to levy or assessment of betterment fee and for deciding such other matters as may be prescribed.

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

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

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

81. *Payment by Board on account of Tribunal* : The amount necessary for the payment of remuneration, salaries allowances and other contributions payable to the judicial officer appointed as the Tribunal and of the officers and servants of the Tribunal shall be paid out of the funds of the Board.

82. *Appeals from awards of Tribunal*: (I) Notwithstanding anything to the contrary in the land Acquisition Act 1894 (Central Act 1 of 1894), the award of the Tribunal in relation to the acquisition of land shall be deemed to be the award of the court under the said Act.

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

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

(3) Any award of the Tribunal referred to in sub - section (1). subject to sub - section (2), and any decision of the Tribunal on any matter referred to it under this Act shall be final and shall not be liable to be questioned in any court of law.

83. *Awards and orders of Tribunal to be executed by civil courts* : Every award of the Tribunal and every order made by the Tribunal for the payment of money, or the delivery of possession or removal of any

structure shall be enforced in the Presidency Town. by the Madras City Civil Court, and elsewhere by the Subordinate Judge's Court having jurisdiction over the area in which the land concerned in the proceeding of the Tribunal is situated as if it were the decree of the said court.

CHAPTER XI

POWER TO EVICT PERSONS FROM BOARD PREMISES

84. *Power to evict certain persons from Board premises : (1)* If the competent authority is satisfied -

- (a) that the person authorized to occupy any Boards premises has -
 - (i) not paid rent lawfully due from him in respect of such premises for a period of more than two months; or
 - (ii) sub - let without the permission of the Board, the whole or any Part of such premises; or
 - (iii) otherwise acted in contravention of any of the terms express or implied, under which he is authorised to occupy such premises; or
- (b) that any person is in unauthorized occupation of any Board premises, the competent authority may, notwithstanding anything contained in any law for the time being in force, by notice served
 - (1) by registered post or (ii) by affixing a copy of it on the outer door or some other conspicuous part of such premises or (iii) in such other manner as may be prescribed, order that the person authorized to occupy as well as any other person who may be in occupation of the whole or any part of the premises shall vacate them within one month of the date of service of the notice.

(2) Before an order under sub - section (1) is made against any person. the competent authority shall inform the person, by notice in writing and served in the manner provided for service of notice under sub - section(1). of the grounds for which the proposed order is to be

made and give him a reasonable opportunity for tendering an explanation and producing evidence, if any, and to show cause why such order should not be made within a period to be specified in such notice.

(3) The competent authority may, on application, grant extension of the period specified in such notice on such terms as to payment and recovery of the amount claimed in the notice as he deems fit.

•(4) Any written statement put in by such person and document produced in pursuance of such notice shall be filed with the records of the case, and such person shall be entitled to appear in the proceedings either in person or by pleader.

(5) If any person refuses or fails to comply with an order made under sub section (1), the competent authority may evict that person from and take possession of the premises and may for that purpose use such force as may be necessary.

(6) If a person, who has been ordered to vacate any premises under sub - section (1) or (iii) of clause (a) of sub - section (1) within one month of the date of service of the notice or such longer time as the competent authority may allow, pays to the Board the rent in arrears or carries out or otherwise complies with the terms contravened by him to the satisfaction of the competent authority, as the case may be, the competent authority, shall, in lieu of evicting such person under sub - section(1), cancel its order made under sub - section (I) and thereupon such person shall hold the premises on the same terms and on which he held them immediately before such notice was served on him.

Explanation : For the purpose of this section and section 85, the expression "unauthorised occupation" in relation to any person authorised to occupy any Board premises includes the continuance in occupation on by him or by any other person claiming through or under him of the premises after the authority under which he was allowed to occupy the premises has been duly determined.

85. Power to recover rent or damage as arrears of land revenue:

(I) Subject to any rules made by the Government in this behalf and without prejudice to the provisions of section 84, where any person is in arrears of rent payable in respect of any Board premises. the competent authority may by notice served (I) by registered post or (ii) by affixing a copy of it on the outer door or some other conspicuous of such premises.

or (iii) in such other manner as may be prescribed order that person to pay the same within such time not being less than ten days as may be specified in the notice. If such person refuses or fails to pay the arrears of rent within the time specified in the notice, such arrears may be recovered as arrears of land revenue.

(2) Where any person is in unauthorized occupation of any Board premises, the competent authority may, in the prescribed manner, assess such damages on account of the use and occupation of the premises as it may deem fit, and may by notice served in the manner provided for service of notice under sub-section (1). order that person to pay the damages within such time as may be specified in the notice. If any person refuses or fails to pay the damages within the time specified in the notice, the damages may be recovered from him as arrears of land revenue.

(3) No order shall be made under sub-section (2) until after the issue of a notice in writing to the person calling on him to show cause, within such period as may be specified such notice, why such order should not be made, and until his objections, if any, and any evidence he may produce in support of the same have been considered by the competent authority.

86. Appeal: (1) Any person aggrieved by an order of the competent authority under section 84 or 85 may, within one month from the date of service of the notice of such order, prefer an appeal to the Government;

Provided that the Government may entertain the appeal after the expiry of the said period of one month, if they are satisfied that the appellant was prevented by sufficient cause from filing the appeal in time.

(2) On receipt of an appeal under sub-section (i) the Government may, after calling for a report from the competent authority and after making such further inquiry, if any, as may be necessary, pass such orders as they think fit and the order of the Government shall be final.

(3) On such appeal being preferred the Government may stay the execution of the order of the competent authority for such period and on such conditions as they think fit

87. *Rent to be recovered from deductions from salary or wages in certain cases:* (1) Subject to the provisions of section 84, any person requisition in Writing, make the deduction of the amount specified requisition from the salary or wages of the employee specified in the requisition in accordance with the agreement and pay the amount so deducted to the Board.

88. *Bar of jurisdiction of courts:* No order made by the Government or the competent authority in exercise of any power conferred by or under this Chapter shall be called in question in any 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 Chapter.

CHAPTER XII

FINANCE

89. *Board's funds:* (1) The Board shall have its own fund.

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

(3) All moneys received by or on behalf of the Board by virtue of this Act, all proceeds of land or any other kind of property sold by the Board, all rents and all interest, profits, and other moneys accruing to the Board shall constitute the fund of the Board.

(4) Subject to the provisions of sub-section(5) all moneys and receipts specified in the foregoing provisions and forming part of the fund of the Board shall be deposited into the public account of the

Government under such detailed head of account as may be prescribed and the said account shall be operated upon by such officers of the Boards may be authorized by the Board and in such manner as may be prescribed.

Provided that the Board may invest any sums not required for immediate use in such securities or debentures as may be approved by the Government.

(5) Not with standing anything contained in sub-section (4), the . Board may deposit in the Reserve Bank of India in any scheduled bank any amount not exceeding such sum as may be prescribed for the operation of an account with such bank and such amount shall be operated upon by such officers of the Board as may be authorised by the Board and in such manner as may be prescribed.

Explanation: For the purposes of this section, the Reserve Bank of India shall mean the Reserve Bank of India constituted under the Reserve Bank of India Act, 1934 (Central Act II of 1954) and a scheduled bank shall mean a bank included in the Second Schedule to the said Act.

90. Subventions and loans to the Board: The Government may, form time to. time make subvention or advance as to the Board for the purposes of this Act on such terms and conditions as the Government may determine.

91. Powerof the Board to borrow and lend: (1) Subject to the provisions of this Act, the Board may, from time to time, advance any sum standing at the credit of the money required for the purposes of this Act from the public or from any corporation owned or controlled by the Central or State Government.

(2) Whenever the borrowing of any sum of money has been approved by the Government, the Board may, instead of borrowing such sum or any part thereof from the public, take credit from any bank or any corporation owned or controlled by the Central or State Government on a cash account to be kept *in the* name of the Board to the extent of such sum or part thereof, and may, with the previous sanction of the Govern-ment grant mortgages of all or any of the properties vested in the Board by way of security for such credit.

(3) Subject to such conditions and limitations as may be prescribed and with the previous approval of the Government, the Board may for the

promotion and execution of any housing or improvement scheme under this Act, enter, into financial arrangements with any bank or other financial institutions approved by the Government or with the Life Insurance Corporation of India established under section 3 of the Life Insurance Corporation Act, 1956 (Central Act 3 I of 1956)

(4) Subject to the provisions of this Act, and to such conditions and limitations as may be prescribed, the Board may out of its funds grant loans and advances on such terms and conditions as it may determine, to any cooperative society registered or deemed to be registered under the law relating to cooperative societies for the time being in force in the State of Madras or to any other person for the construction of houses.

92. Guarantee by Government of loans: The Government may guarantee in such manner as they think fit, the payment of the principal and interest of any loan proposed to be raised by the Board on debentures or of either the principal or the interest:

Provided that the Government shall, so long as any such guarantees are in force, lay before both houses of the legislature in every year during the budget session, a statement of the guarantee, if any given during the current year and an up to date account of the total sums, if any, which have been paid out of the Consolidated Fund of the State by reason of any such guarantees or paid into the said Fund towards repayment of any money so paid out.

93. Form, signature, exchange, transfer and effect of debentures:

(I) Whenever 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 Director and either by the Secretary or by any one of the ex-officio members of the Board

(3) The holder of any debenture in any form specified under sub-section (I) may obtain in exchange there for 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 under this Act shall bear the signature of the Managing Director; and such signature may be engraved, lithographed, or impressed by any mechanical Process.

Amended in ACT No.2 of 1988

94. *Payment to Survivors of joint payees:* When any debenture or security issued or granted under his Act is payable to two or more persons jointly, and either or any of them dies, then notwithstanding anything contained in section 45 of the Indian Contract Act, 1872 (Central Act (IX of 1872), the debenture or Security shall be payable to the survivor or survivors of such persons;

Provided that nothing in this section shall affect any claim by the representative of the deceased person against such survivor or survivors.

95. *Receipt by joint holder for interest or dividend:* Where two or more persons are joint holders of any debenture or security issued or granted under this Act, any payment made to the first mentioned person therein of any dividend or interest payable in respect of such debenture or security shall be a full discharge of the liability of the Board in respect of such dividend or interest.

96. *Priority of payments for interest and repayment of loans :* All payments due from the Board for interest on, or the repayment of loans, shall be made in priority to all any other payments due from the Board.

97. *Repayment of loans taken under Section 91:* Every loan taken by the Board shall be repaid by the Board within the period agreed upon by the Board and subject to the provisions of sub-section (2) of section 114 by such of the following methods as may be approved by the Government, namely:

- (a) from a sinking fund established under section 98 in respect of the loan: or
- (b) by paying in equal yearly or half-yearly instalments of principal or of principal and interest, throughout the said period; or

- (c) if the Board has, before borrowing money on debentures, reserved by public notice, a power to pay off the loan by periodical instalments and to select by lot the particular debentures to be discharged at particular periods then, by paying such instalments at such period; or
- (d) from money borrowed for the purpose; or
- (e) partly from the sinking fund established under section 98 in respect of the loan, and partly from money borrowed for the purpose.

98. Establishment and maintenance of sinking funds: (1) Whenever a loan has to be repaid from a sinking fund, the Board shall establish such a fund and shall pay, into it every year until the loan is repaid, a sum so calculated that if regularly paid, throughout the period agreed upon by the Board, it would, with accumulations, in the way of compound interest, be sufficient, after payment of all expenses, to pay off the loan at the end of that period.

(2) The rate of interest on the basis of which the sum referred to in sub-section (1) shall be calculated shall be as may be prescribed.

99. Power to discontinue payments into sinking fund:

Notwithstanding anything contained in section 9.8, if at anytime the sum standing at credit of the sinking fund established for repayment of any loan is of such amount that if allowed to accumulate at the rate of interest prescribed under sub-section (2) of the section, it will be sufficient to repay the loan at the end of the period agreed upon by the Board, then the Board may discontinue further annual payment into such fund.

100. Investment of sinking fund: (1) All moneys paid into any fund shall, as soon as possible, be invested by the Board in

- (a) The Government securities; or
- (h) Securities guaranteed by the Central or State Government;
- (c) debentures issued by any local authority; or

- (d) debentures issued by the trustees of the port of Madras; or
- (e) debentures issued by the Board in the joint names of the Examiner of Local Fund Accountant - General, Madras to be held by them in trust for the repayment of the loan for which the sinking fund was established.

(2) All dividends and other sums received in respect of any such investment shall, as soon as possible after receipt, be paid into the sinking fund and invested in the manner laid down in sub-section (1)

(3) Any investment made this section may, from time to time, subject to the provisions of sub-section (1) be varied or transposed.

101. Application of sinking fund: The two trustees referred to in sub-section (1) of section 100 in whose names any sinking fund is invested may, from time to time, apply the same, or any part thereof, in or towards the discharge of the loan or any part of the loan for which such sinking fund was established; and until such loan is wholly discharged, shall not apply the same for any other purpose.

102. Annual statement by trustees: (1) The two trustees referred to in sub-section (1) of section 100 shall, at the end of every year, transmit to the Managing Director a statement showing.

- (a) the amount which has been invested during the year under section 100;
- (b) the date of the last investment made previous to the transmission of the statement;
- (c) The aggregate amount of the securities held by them
- (d) the aggregate amount which has up to the date of the statement, been applied under section 101 in or toward repaying loss; and
- (e) the aggregate amount already paid into each sinking fund.

(2) Every such statement shall be laid before the Board and published in the Fort. St. George Gazette.

103. Annual examination of sinking funds: (1) The Accountant-General, Madras, shall examine the said sinking funds every year and ascertain whether the cash and current value of the securities at credit of such funds are actually equal to the amount which would have accumulated, had investments been regularly made and had the rate of interest as originally estimated been obtained there from.

(5) The Board shall forthwith pay into any sinking fund any amount which the Accountant General may certify to be the deficiency therein after examination as aforesaid, unless the Government by special sanction a gradual readjustment.

104. Estimates of income and expenditure to be laid annually before the Board : (1) The Managing Director shall, at a special meeting to be held in the month of February in each year, lay before the Board an estimate of the income and expenditure of the Board for the next ensuing 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 this 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 Government may, from time to time, prescribe.

Amended in ACT No.2 of 1988

105. Sanction of the Board to estimate : The Board shall Consider every estimate so laid before it and shall sanction the same either without modification or with such modification as you may think fit.

(4) Every such estimate shall be completed and printed and a copy thereof sent, by post or otherwise, to each 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 budget, if any, including all the expenditure not covered in the original budget estimate, shall be laid before the Board at the special meeting to be held in the month of December in each year.

106. Approval of Government to estimates : (1) Every such estimate, as sanctioned by the Board, shall be submitted to the Government who 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 for amendment.

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

107. Supplemeritary estimate: (1) The Board may, anytime 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) and (4) of section 104 and of sections 105 and 106 shall apply to every supplementary estimate.

108. Adherence to estimate and maintenance of closing balance: (1) No sum shall be expended by or on behalf of the Board unless the expenditure of the same is covered by a current budget grant or can be met by a reappropriation or by drawing on the closing balance.

(2) The closing balance shall not be reduced below such limit as may be fixed in this behalf by the Government, from time to time.

(3) The following items shall be exempted from the provisions of sub-sections (1) and (2) namely;

- (a) refund of moneys belonging to contractors or persons held in deposit, and of moneys collected by, or credited to, the Board by mistake;
- (b) payments due under a decree or order of a court or under an award of the Tribunal;
- (c) sums payable under a Compromise of any suit or other legal proceeding or claim effected under this Act.
- (d) sums payable under this Act by way of compensation: and
- (e) payments required to meet any pressing emergency.

(4) Whenever any sum exceeding ten thousand rupees is expended under clause (e) of sub-section (3) the Managing Director shall forthwith report the circumstances to the Board explaining bow it is proposed to cover the expenditure.

Amended in ACT No.2 of 1988

Tamil Nadu Act 17 of 1961 In section 108 of the Principal Act, in Sub-Section (4) for the word "Chairman", the words "Managing Director" shall be substituted.

109. Definition of 'cost management' : (1) The expression "Cost of management" as used in the following sections in this Chapter means -

- (a) the salary and house-rent and conveyance allowance, if any, of the Chairman, the Managing Director, Secretary, the Housing Board Engineer, and any other allowances and any contributions payable to or in respect of them;
- (b) the salaries, fees and allowances and contributions paid in respect of officers and servants of the Board referred to in section 8,9,16,18 and 21;
- (c) the remunerations of other employees of the Board except employees who are paid by the day or whose pay is charged to temporary work;
- (d) all payments made under section 81 on account of the Tribunal; and
- (e) all office expenses incurred by the Board of the Tribunal.

(2) The expression "office expenses" in clause (e) of sub-section (1) means expenses incurred for carrying on office work, and includes the rent of office buildings, the provision of furniture there for, charges for printing and stationery, catering charges incurred in connection with meetings and conferences held by or on behalf of the Board and contributions towards welfare and recreation of the Board's staff.

Amended in ACT No.2 of 1988

110. Keeping of capital account and revenue account: (1) The Board shall keep a capital account and a revenue account.

(2) The capital account shall show separately all expenditure incurred by the Board on each housing or improvement scheme.

111. Credits to capital account : There shall be credited to the capital account-

- (a) all sums (except interest) received by way of betterment fees under this Act:
- (b) all moneys received on account of loans taken by the Board in pursuance of this Act:

- (c) all moneys received as grants by *the* Board for purposes of this Act from the Central or State Government.
- (d) all moneys received by the Board on account of repayment of loans and advances granted under section 91.
- (e) the proceeds of the sale of any and belonging to the Board which was purchased out of any such loans of grants.

where any land was purchased out of an advance from the revenue account, the portion of the proceeds of the sale of such land which remains after crediting to the revenue account the amount of such advance.

- (g) the proceeds of the sale of any movable property (including securities for money invested from the capital account belonging to the Board;
- (h) all lump sums received from any Government in aid of the capital account.
- (i) all moneys received by the Board in connection with houses for any term exceeding forty years;
- (j) all sums, if any, which the Government direct, under sub-section (2) of section 114, to be credited to the capital account; and
- (k) all moneys realised from the sale of securities by direction of the Government under section 115.

112. Application of capital account : The moneys credited to the capital account shall be held by the Board in trust and shall be applied to

- (a) meeting all costs of framing and executing housing or improvement schemes;
- (b) meeting the cost of acquiring lands for carrying out any of the purposes of this Act;

- (c) meeting the cost of constructing buildings required for carrying out any of the purposes of this Act;
- (d) the repayment of loans from money borrowed in pursuance of this Act.
- (e) granting of loans and advance; under section 91;
- (t) making Payments in pursuance of section 148 otherwise than for interests for expenses of maintenance of working;
- (g) making or contributing towards the cost of surveys in pursuance of section 146:
- (h) meeting such proportion of the cost of management as may be prescribed by the Board; and
- (i) temporarily making good the deficit, if any, in the revenue account at the end of any year.

113. Credits to revenue account : There shall be credited to the revenue account -

- (a) all interest received in pursuance of section 76 or section 77;
- (b) all annually recurring sums received from the Central or State Government in aid of the funds of the Board;
- (c) all compensations received by the Board under section 131;
- (d) all moneys received by the Board in connection with leases of any term not exceeding forty years;
- (e) all rents of lands vested in the Board;
- (f) all rents of buildings vested in the Board;
- (g) the supervision and centrage charges obtained by the Board under section 67;

- (h) all interest on loan and advances granted by the Board under section 91; and

all other receipts by the Board which are not required by section 111 to be credited to the capital account.

114. Application of revenue account : (1) The moneys credited to the revenue account shall be held by the Board in trust, and shall be applied to

- (a) payment of all charges or payments towards interest or sinking fund due on account of any loan taken in pursuance of this Act and all other charges incurred in connection with such loans;
- (b) payment of all sums due from the Board in respect of rates and taxes imposed by the local authority concerned, upon the land vested in the Board;
- (c) payment of cost, if any, of maintaining a separate establishment for the collection of rents and other proceeds of land vested in the Board;
- (d) payment of all sums towards the cost of establishment of the, Tribunal under section 81.
- (e) payment of all sums which the Government may direct to be paid to any auditor under section 121;
- (f) payment of the cost of the management excluding such proportion thereof as may be debited to the capital account under clause of section 112; and
- (g) payment of all other sums due from the Board, other than those which are required by section 112 to be disbursed from the capital account.

(2) The surplus, if any, remaining after making the payments referred to in sub-section (1) shall, subject to the maintenance of a closing balance as required by sub-section (21) of section 108, be invested in the manner laid down in section 109 towards the service of any loans outstanding after the expiry of sixty years from the commencement of this Act, unless the Government otherwise direct.

115. Power to direct sale of securities in which any surplus of the revenue accounts is invested: If at any time after any surplus referred to in sub section (2) of section 114 has been invested, the Board is satisfied that the investment is not needed for the service of any loan referred to in that sub-section, the Board may, with the approval of the Government, sell the securities held under the investment.

116. Advances from revenue account to capital account (1) Notwithstanding anything contained in section 114, the Board may advance any sum standing at the credit of the revenue account for the purpose of meeting capital.

(2) Every such advance shall be refunded to the revenue accounts as soon as may be practicable.

117. Advance from capital account to revenue account : (1) Any deficit in the revenue accounts at the end of any year may be made good by an advance from the Capital account after obtaining the approval of the Government.

(2) Every such advance shall be refunded to the capital account in the following year.

118. Submission of abstracts of accounts to Government : At the end of every year, the Board shall submit to the government an abstract of the accounts of its receipts and expenditure for such year.

119. Annual audit of accounts: The accounts of the Board shall be examined and audited once in every year by such auditor as the Government may appoint in this behalf.

120. Powers of auditor: The said auditor may -

- (a) by summons in writing require production of any document, the perusal or examination of which he believes necessary for the elucidation of the accounts:
- (h) by summons in writing require any person who has the custody or control of any such document or who is accountable to appear in person before him; and

- (c) require any person so appearing to make and sign a declaration with respect to such document or to answer any question or to prepare and furnish any statement relating thereto.

121. Remuneration of auditor : The Board shall pay to the said auditor such remunerations as the Government may direct.

122. Reports and information to be furnished by auditor to the Board: (1) The said auditor shall -

- (a) report to the Board and to the Government any material impropriety or irregularity which he may observe in the expenditure, or in the recovery of moneys due to the Board, or in the accounts;
- (b) furnish to the Board such information as it may from time to time, require concerning the progress of his audit;
- (c) report to the Managing Director any loss or waste of money or other property owned by or vested in the Board caused by neglect or misconduct, with the names of persons directly or indirectly responsible for such loss or waste; and
- (d) submit to the Managing Director a final statement of audited accounts, together with a report on the result of the audit, and duplicate copies thereof to the Government, within a period of three months from the end of the year or within such other period as the Government may allow in that behalf.

2(a) The said auditor may disallow every item contrary to law and surcharge the same on the person making or the authorising the making of the illegal payment; and may charge against any person responsible therefore the amount of any deficiency or loss incurred by the negligence or misconduct of that person or of any sum which ought to have been, but is not brought into account by that person shall, in every such case, certify, the amount due from such person.

Explanation: It shall not be open to any person whose negligence or misconduct has caused or contributed to any such deficiency or loss to contend that notwithstanding his negligence or misconduct the deficiency or loss would not have occurred but for the negligence or misconduct of some other person. Amended in ACT No.2 of 1988.

- (b) The said auditor shall state in writing the reasons for his decision in respect of every disallowance, surcharge or charge and furnish a copy thereof by registered post to the person against whom it is made.
- (c) if the person to whom a copy of the decision is so furnished refuses to receive it, he shall never theless be deemed to have been duly furnished with the copy, within the meaning of clause (b); and the period of fourteen days fixed in subsections (3) and (4) shall be calculated from the date of such refusal.

(3) Any person aggrieved by a disallowance, surcharge or charge made under sub-section (2) may, within fourteen days after he has been furnished with a copy of *the* decision of the auditor either (a) apply, in *the* Presidency town, to the Madras City Civil court and elsewhere, to the Court of the Subordinate judge to set aside such disallowance, surcharge or charge, in which case the Court may, after taking such evidence as it thinks necessary, confirm, modify, or remit such disallowance, surcharge or charge, with such orders as to costs as it may think proper in the circumstances; or (b) in lieu of such application appeal to the government who shall pass such orders as they think fit.

(4) Every sum certified to be due from any person by the auditor under this Act shall be paid by such person to the Board within fourteen days after he has been furnished with a copy of the decision of the auditor unless within that time such person has applied to the Court or appealed to the Government against the decision under sub-section (3); and such sum if not paid, or such sum as the Court or the Government shall declare to be due, shall be recoverable on an application made by the Board to the Court in the same way as an amount decreed by it.

(5) Notwithstanding anything contained in this section, the Government may at any time direct that the recovery of the whole or any part of the amount certified to be due from any person by the auditor under this Act shall be waived if in their opinion, such a course is necessary, considering all the circumstances of the case.

Amended in ACT No.2 of 1988

Tamil Nadu Act 17 of 1961 In Section 122 of the Principal Act, in sub-section (1) in clause (c) and (d), for the word "Chairman" the words "Managing Director" shall be substituted.

123. Auditor's report so be sent to each member and considered by Board: The Managing Director shall cause the report mentioned in clause (d) of sub-section (1) of section 122 to be printed and shall forward a printed copy thereof to each member and shall bring such report before the Board for consideration at its next meeting.

Amended in ACT No.2 of 1988

Tamil Nadu Act 17 of 1961 In Section 123 of the Principal Act for the word, "Chairman" the words "Managing Director" shall be substituted.

124. Board to remedy defects pointed out by auditor and to submit a report to Government: It shall be the duty of the Board to remedy forthwith any defects or irregularities that maybe pointed out by the auditor and to submit a report thereon to the Government.

125. Account and audit report to be forwarded to Government and their placing before the 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 they deem 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 forward to them under sub-section (1) to be laid annually before 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.
- (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.

CHAPTER XIII

PENALTIES AND PROCEDURES

126. Penalty for removing fence, etc, in street: If any person, without lawful authority infringes any order given, or removes any bar, chain or post fixed under sub-section (2) of section 62, he shall be punishable with fine which may extend to fifty rupees.

127. Penalty for building within street alignment or building line without permission: If any person, without the permission of the Board, erects, re-erects, adds to or alters any wall or building so as to make the same project into the street alignment or beyond the building line prescribed by any deferred street scheme, development scheme or town expansion scheme, he shall be punishable -

- (a) with fine which may extend, in the case of a wall or masonry building to five hundred rupees and in any other case, to fifty rupees; and
- (b) with further fine which may extend, in the case of a wall or masonry building, to one hundred rupees and in any other case, to ten rupees for each day after the first during which the projection continues.

128. Penalty for failure to comply with requisition made by auditor: If any person fails to comply with any requisition made by the auditor under section 120, he shall be punishable..

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

129 Penalty for obstructing contractor or removing mark : If
 .
 any person

- (a) obstructs or molests any person with whom the Managing Director has entered into a contract on behalf of the Board, in the performance or execution by such person of his duty or of anything which he is empowered or required to do by virtue or in consequence of this Act or any rule or regulation made there under: or
- (b) removes any mark set up for the purpose of indicating any level or direction necessary to the execution of works authorized by this Act or any rule or regulation made or scheme sanctioned there under, he shall be punishable with fine which may extend to two hundred rupees.

Amended in ACT No.2 of 1988

130. *Penalty for breach of the provisions of the Act, etc.:* Who-ever contravenes any of the provision of this Act or of any rule or regulation made or scheme sanctioned there under 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 continue.

131. *Compensation to be paid by offenders for damage caused by them :* (1) When any person is convicted of any offence under this Act or any rule or regulation made there under, the magistrate convicting such person may, on application made in this behalf by the Board or by its officer or servant 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 inquiry as he may think fit, satisfied that such person is liable to pay compensation, may direct the compensation to such amount 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 forth with, be recovered as if it were a fine imposed by the magistrate on such person.

132. *Punishments for acquiring share or interest in contract. etc., with the Board:* If any member, or any officer or servant of the Board acquires directly or indirectly by himself or by any partner, employer or employee, otherwise than such member, officer or servant, any share of interest in any contract or employment with, by or on behalf of, the Board (not being a share) or interest which, under section 7, it is permissible for a member to have without being thereby disqualified for being appointed a member) he shall be deemed to have committed the offence made punishable by section 168 of the Indian Penal Code (Central Act XIV of 1860)

133 Procedure : (1) No court shall take cognizance of any offence punishable under, this Act or any rule or regulation made there under unless complaint of such offence is made within six months next after the commission thereof.

(2) No court inferior to that of a Presidency Magistrate or a Magistrate of the First-Class shall try any offence punishable under this Act.

134. Duty of police officers : It shall be the duty of every police officer

- (a) to co-operate with the Chairman, Managing Director for carrying into effect in enforcing the provisions of this Act or any rule made there under
- (b) to communicate without delay to the proper officer or servant of the Board any information which he receives of a design to commit or of the commission of any offence against this Act or any rule made there under; and
- (c) to assist the Chairman or the Managing Director or any officer or servant of the Board reasonably demanding his aid for the lawful exercise of any power vesting in the Chairman or the Managing Director or such officer or servant under this Act or any rule made there under.

Tamil Nadu Act 17 of 1961 In Section 134 of the principal Act.

(i) in clause (a), after the word "Chairman, the words and the "Managing Director" shall be inserted.

(ii) in clause (c), after the word "Chairman, in two places where it occurs, the words" or the "Managing Director" shall be inserted.

Amended in ACT No.2 of 1988

135. Arrest of offenders : (1) Any police officer not below rank of a head constable, may arrest any person who commits in his presence, any offence against this Act or any rule or regulation made there under, if 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 reason 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 Magistrate. In no case shall such detention exceed twenty four hours from the time of arrest without the orders of a Magistrate.

136. Powers of Managing Director as to institution, composition, etc., of legal proceedings and obtaining legal advice: The Managing Director may, subject to the control of the Board.

- (a) institute, defend or withdraw from legal proceedings under this Act of any rules or regulations made there under;
- (b) compound any offence against this Act or any rules or regulations made there under 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 made there under; 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 servant of the Board.

Amended in ACT No.2 of 1988

137. Protection of action taken in good faith : No suit, prosecution or other legal proceeding shall lie against the Government or the Board or any committee thereof any officer or servant of the Government or the Board for anything which is in good faith done or intended to be done *in* pursuance of this Act or any rule or regulation made there under.

138. Notice of suit against Board etc. : No suit shall be instituted against the Board, or any member, or any officer or servant of the Board, or any person acting under the direction of the Board, or of the Chairman or Managing Director of any officer or servant of the Board, in respect of

any act done or intended to be done under this Act or any rule or regulation made there under until the expiration of sixty days next after written notice has been delivered or left at the Board's office or the place of abode of such officer, servant or person, stating the causes of action, the name and place of abode of the intending plaintiff, and the relief which he claims, and the plaint must contain a statement that such notice has been so delivered or left.

Tamil Nadu Act 17 of 1961 In Section 138 of the Principal Act, after the words "Chairman" the words "Managing Director" shall be inserted.

Amended in ACT No.2 of 1988

139. Proof of consent, etc., of Board or Chairman or Managing Director or officer or servant of the Board: Whenever, under this Act or any rule or regulation made there under, the doing or the omission to do anything or the validity of anything depends upon the approval, sanction, consent concurrence, declaration, opinion, or satisfaction of -

- (a) the Board or the Managing Director or
- (b) The Chairman or
- (c) any officer or servant of the Board, a written document signed in case (a) by the Managing Director case by the Chairman (c) by the said officer or servant, conveying or setting forth such approval, sanction, consent concurrence, declaration, opinion or satisfaction, shall be sufficient evidence of such approval, sanction, consent, concurrence, declaration, opinion or satisfaction.

Tamil Nadu Act 17 of 1961 In Section 138 of the Principal Act,

- (i) In the heading , after the word "Chairman", or the Managing the word "Managing Director" shall be inserted
- (ii) for the expression "(a) the Board or the Chairman, or (b) any officer of servant of the Board, a written document signed in case (a) by the Chairman, and in case (b) by the said officer or servant", the following expression shall be substitute, namely :

- (a) the Board of the Managing Director or
- (b) the Chairman or
- (c) any officer or servant of the Board, written document signed in case (a) by the Managing Director, in case (a) by the Managing Director, in case (b) by the Chairman, and in case (c) the said officer or servant.

Amended in ACT No.2 of 1988

140. Power of Managing Director to direct removal of unauthorized erections, etc, within street, alignment, etc: (1) The Managing Director may, by a written notice, require the owner for the time being of the wall or building referred to in section 127 to stop further work on such wall or building and to alter or demolish the same in such manner and within such time as may be specified in the notice.

(2) Where the alteration or demolition directed by any such notice is not carried out as directed therein, the Managing Director may cause the wall or building or portion thereof to be altered or demolished as the case may be, and he may recover the expense incurred in so doing from the owner for the time being in such manner as may be prescribed.

Amended in ACT No.2 of 1988

141. General power of the 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 Managing Director or any officer or servant of the Board

Tamil Nadu Act 17 of 1961. In Section 141 of the Principal Act, after the word "Chairman", the words of the "Managing Director" shall be inserted.

Amended in ACT No.2 of 1988

142. Public notices how to be made known : Every public notice given under this Act or any rule or regulation made there under shall be in writing over the signature of the Managing Director and shall be widely made known in the locality to be affected thereby, by affixing copies thereof in conspicuous public places within the said locality, or by publishing the same by beat of drum or by advertisement in leading daily newspapers, or by any two or more of these means, and by any other means that the Managing Director may think fit. Every such notice shall also be published by affixture in the notice board of the Board's office or sub-office.

Amended in ACT No.2 of 1988

143. *News papers in which advertisements or notices are to be published :* Whenever it is provided by this Act or any rule or regulation made there under that notice shall be given by advertisement in leading daily newspapers, or that a notification or any information shall be published in leading daily newspapers, such notice, notification or information shall be inserted, if practicable, in at least one English daily newspaper and two daily newspapers published in Tamil.

144. *Stamping signature or notices or bills :* Every notice or bill, which is required by this Act or by any rule or regulation made there under to bear the signature of the Chairman or the Managing Director any other member or of any officer or servant of the Board, shall be deemed to properly signed if it bears a facsimile of the signature of the Chairman or the Managing Director or of such other member or of such officer or servant, as the case may be, stamped thereupon.

Amended in ACT No.2 of 1988

145. *Service how to be effected :* When any notice, bill or other documents is required by this Act or any rule of regulation made there-under to be served upon or issued or presented to any person, such service, issue or presentation shall be effected-

- (a) by giving or tendering such document to such person; or
- (b) if such person is not found, by leaving such document at his Last known place of abode, or by giving or tendering the same to some adult member or servant of his family, or
- (c) if his address elsewhere is known, by forwarding such document to him by registered post under cover bearing the said address; or
- (d) if none of the means aforesaid be available, by causing a copy of such document to be affixed on some conspicuous part of the building or land, if any, to which the document relates.

146. *Power to make surveys or contribute towards their cost :*
The Board may-

- (a) cause the Survey of *any* land to be made, whenever it considers that a survey is necessary or expedient for carrying out any of the purposes of this Act, or

- (b) contribute towards the cost of any such survey made by any other local authority.

147. Power of entry : (1) The Managing Director or any person either generally or specially authorised by Managing Director in this behalf may, with or without assistants or workman, enter into or upon any land, in order

- (a) to make any inspection, survey, measurement, 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: or
- (1) 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 hereunder or any scheme which the Board intends to frame there under:

Provided as follows;

- (a) no such entry shall be made between sunset and sunrise.
- (b) no dwelling house, and no public building or but which is used as a dwelling place, shall be so entered except with the consent of the occupant thereof, without giving the said occupant 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 appropriate to women 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 usage's of the premises entered.

(2) Whenever the Managing Director or a person authorized under subsection (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.

Amended in ACT No.2 of 1988

CHAPTER XIV

MISCELLANEOUS

148. Powers of Board for facilitating movement of the population :
With a view to facilitating the movement of the population in and around any city, town or village the Board may from time to time.

(1) subject to any condition it may think fit to impose -

- (a) guarantee the payment, from the funds at it of such sums as it may think fit, by way of interest on expenditure on the construction, maintenance or working of locomotion; or
- (b) make such payments as it may think fit from the, by way of subsidy to persons undertaking to provide, and work means of locomotion; or
- (c) either single or in combination with any other person, maintain and work and means of locomotion, under provisions of any law applicable thereto; or

(3) construct or widen, strengthen or otherwise improve

Provided that no guarantee or subsidy shall be made clause (1), and no means of locomotion shall be connected, maintained or worked under clause (2), without the sanction of the Government.

149. Members, officers and servants of the Board, and Tribunal deemed to be public servants: All officers and servants of the Board, the

members of the Tribunal and all other persons entrusted with function of any functions under this Act, shall be deemed or purporting to act in pursuance of any of the Sections of this act, to be public servants within the meaning of Section 21 of the. Indian Penal Code (Central Act XLV)

150. Contributions by Board towards leave allowances and of servants of the Central or state government under this Act: The Board shall be liable to pay contributions for the leave salary, pension or provident Fund any officer or servant of the Central or State Government employed as chairman or as Managing Director as an officer or servant, or as the Tribunal or as an officer or the servant of tribunal, as the case may be, as may be required by the rules of his service under the Central or State Government by him or on his behalf.

Amended in ACT No.2 of 1988

151. Board and Managing Director to exercise powers and functions under Madras Act VII of 1920: In any area in respect of which a housing or improvement scheme is in force, the Government may, by notification, declare that from such date as may be specified therein, the powers and functions exercisable by a local authority or its executive authority under the Madras Town Planning Act,1920 (Madras Act VII of 1920), shall not be exercised by it and that subject to such restrictions and modifications, if any, as may be specified in the notification, such powers and functions shall be exercised by the Board or the Managing Director, as the case may be.

Amended in ACT No.2 of 1988

152. Board and Managing Director to exercise powers and functions of local authority and executive authority: In any area in respect of which a housing or improvement scheme is in force, the Government may, by notification, declare that for the period during which such scheme remains in force and subject to such restrictions, and modifications, if any, as may be specified in the notification, the powers and functions exercisable by a local authority or its executive authority under the enactment constituting such local authority shall be exercised by the Board or the Managing Director as the case may be.

Amended in ACT No.2 of 1988

153. Supply of documents and information to the Government : The Managing Director shall, if so directed by the Government, forward to them a copy of all the papers which were laid before the Board for consideration at any meeting and furnish any return, statement, estimate, statistics, or other information regarding any matter under the control of the Board, a report of any such matter and a copy of any documents in charge of the Managing Director.

Amended in ACT No.2 of 1988

154. Submission of administration report to Government : (1) As soon as may be after the first day of April in every year and not later than such date as may be fixed by the Government, the Board shall submit to the Government a detailed report of the administration during the preceding year in such form as the Government may direct.

(2) The Managing Director shall prepare such report and the Board shall consider the report and forward the same to the Government with its resolution thereon, if any,

Amended in ACT No.2 of 1988

155. Power of Government to give the Board such directions as in their opinion are necessary or expedient for carrying out the purposes of this Act, after giving an opportunity to the Board to state its objections; if any, to such directions and after considering the said objections; and it shall thereupon be the duty of the Board to comply with such directions.

(2) The Government may give any local authority such directions as in their opinion are necessary or expedient for enabling the Board to carry out the purpose of this Act, after giving an opportunity to the local authority concerned to state its objections, if any, to such directions and after considering the said objections; and it shall thereupon be the duty of the local authority to comply with such directions.

156. Suppression of the Board : (1) If the Government are of opinion that the Board is unable to perform, or has persistently made default in the performance of, the duty imposed on it by or under this Act or has exceeded or abused its powers, they may, by notification, supersede the Board for such period as may be specified in the notification;

Provided that before issuing a notification; under this sub-section, the Government shall by notice require the Board to show cause within such period as may be specified in the notice why it should not be superseded and shall consider the explanations and objections, if any, of the Board.

(2) Upon the publication of a notification under sub-section (1) superseding the Board -

- (a) the Chairman and Managing Director and all the members of the Board shall, as from the date of suppression, vacate their offices as such:

- (b) all the powers and duties which may, by or under the provisions of this Act, be exercised or performed by such authority or person as the Government may direct;
- (c) all funds and other property vested in the Board shall, during the period of suppression vest in the authority or person referred to in clause (b); and
- (d) all liabilities, legally subsisting and enforceable against the Board shall be enforceable against the authority or person referred to in clause (b) to the extent the funds and properties vested in it or him.

(3) On the expiration of the period of supersession specified in the notification issued under sub-section (1), the Government may,

- (a) extend the period of supersession for such further period as they may consider necessary: or
- (b) reconstitute the Board in the manner provided in the section 4.

Tamil Nadu Act 17 of 1961. In Section 156 of the Principal Act, in sub-section (2).

- (1) in clause (a) for the expression "the Chairman" and all the members of the Board" the expression "all the members of the Board including the Chairman and the Managing Director" shall be substituted.
- (ii) In clause (b) for the words "and the Chairman" the words the Chairman and Managing Director" shall be substituted.

Amended in ACT No.2 of 1988

157. Dissolution of the Board : (1) If the Government of opinion that the Board has failed to carry out its functions under this Act for any other reason it is not necessary to continue the Board, they may, by notification, dissolve the Board from such date as may be specified in the notification.

(2) Upon the publication of a notification under sub-section (1) dissolving the Board -

- (a) all the members of the Board including the Chairman and the Managing Director shall, as from the date of dissolution, vacate their offices as such;
- (b) all the powers and duties which may, by or under the provisions of this Act, be exercised and performed by or on behalf of the Board and the Chairman and Managing Director shall, as from the date of dissolution, be exercised and performed by the Government or such authority or person as they may appoint in this behalf;
- (c) all funds and other property vested in the Board shall vest in the Government; and
- (d) all liabilities, legally subsisting and enforceable against the Board shall be enforceable against the Government to the extent of the funds and properties vested in them.

(3) Nothing in this section shall affect the liability of the Government in respect of debentures guaranteed under section 92.
Amended in ACT No.2 of 1988

158. The Board to be a local authority under Central Act of 1894 and Central Act IX of 1914 : (The Board shall be deemed to be a local authority for the purposes of the Land Acquisition Act, 1894 (Central Act 1 of 1894), and the Local Authorities Loans Act, 1914 (Central Act IX of 1914).

159. Power to remove difficulties : (1) If any difficulty arises in giving effect to the provisions of this Act, the Government may, as occasion may require, by order, do anything which appears to them necessary or proper for the purpose of removing the difficulty.

(2) *Every order issued under sub -section:* (1) shall as soon as possible after it is issued, be placed on the table of both Houses of the Legislature, and if, before the expiry of the session in which it is so placed or the next session, both Houses agree that the order should not be issued, the order shall thereafter have effect only in such modified form or be of no effect, as the case may be, so however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that order.

75
CHAPTER XV

RULES AND REGULATIONS

160. *Power to make rules:* (1) The Government may make rules whether prospectively or retrospectively for the purpose of carrying into effect the provisions of this Act.

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

- (a) all matters expressly required or allowed by this Act to be prescribed;
- (b) the accounts to be maintained by the Board;
- (c) the allowances of non-official members of the Board or of any Committee;
- (d) the returns, statements, reports and accounts to be submitted to the Government by the Board;
- (e) the mutual relationship of the Board and other local authorities in any matter in which they are jointly interested;
- (f) the fees payable for copies of, or extracts from, the assessment books of the local authorities concerned furnished to the Managing Director;
- (g) the guidance of the Board and public officers in carrying out the purposes of this Act.

(3) All rules made under this Act shall be published in the Fort St. George Gazette and, unless they are expressed to come into force on a particular day, shall come into force on the day on which they are so published.

(4) Every rule made under this Act shall, as soon as possible after it is made, be placed on the table of Legislative Assembly, and if, before the expiry of the session in which it is so placed or the next session, the assembly unless make any modification in any such rule on the Assembly 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 to the validity of anything previously done under that rule.

Amended in ACT No.2 of 1988

161. Power to make regulations : (1) The Board may, by notification, make regulations not inconsistent with this Act and the rules made there under, for the purpose of giving effect to the provision 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 association of persons with the Board under the Section 24;
- (c) the appointment of persons to be members of committees under section 25;
- (d) the delegation of powers or duties of the Board to committees or to the Managing Director -
- (e) the duties and conduct of officers and servants of the Board and of other persons employed by the Board under this Act for carrying out of the purposes of this Act;
- (f) the welfare and recreation of the staff of the Board and the contributions to be made there for;
the fees payable for the copies of documents, estimates under this Act;
- (h) the management, use and regulation of dwellings constructed under any housing or improvement scheme;
- (1) the efficient conduct of the affairs of the Board.

(3) No regulation or its cancellation or modification shall have effect until the same shall have been approved and confirmed by the Government.

Amended in ACT No.2 of 1988

CHAPTER. XVI

REPEAL AND SAVING

162. *Repeal and saving* : (1) The Madras City Improvement Trust Act, 1950 (Madras Act)(XXVII of 1950) hereinafter referred to as the said Act is hereby repealed.

(2) Notwithstanding such repeal -

- (a) anything done or any action taken including any appointment or delegation made, notification, order, Instruction or direction issued, rule, regulation or scheme framed, certificate, permit or licence granted or registration effected, under the said Act, shall be deemed to have been done or taken under the corresponding provision of this Act and shall continue in force accordingly, unless and until superseded by anything done or any action taken under this Act ; and
- (b) the betterment fee in respect of any land which the City Improvement Trust was, immediately before the commencement of this Act, entitled to levy, assess and recover under the said Act, may be levied, assessed and recovered by the Board under the said Act as if this Act had not been passed.

Power to remove difficulties —(i) If any difficulty arises in giving effect to the provisions of the principal act, as amended by this Act, the Government may make such order not inconsistent with the provisions of the principal Act, as amended by this Act, as may appear to them to be necessary or expedient for the purpose of removing the difficulty:

Provided that no such order shall be made after the expiration of two year from the date of commencement of this act.

- (ii) Every order made under this section shall, as soon as after it is made, be placed on the table of the Legislative Assembly.

(By order of the Governor)

S. VADIVELU,

Commissioner and Secretary
to

Government, Law
Department.

Gazettee dated : 19/1/88

