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La Gazette de L'État de Poudouchéry
The Gazette of Puducherry

PART - II

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EXTRAORDINAIRE

EXTRAORDINARY

அதிகாரம் பெற்ற
வெளியீடு

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GOVERNMENT OF PUDUCHERRY
LEGISLATIVE ASSEMBLY SECRETARIAT

No. XV-PLA-6/LAS/REF/2025.

Puducherry, dated 18th September 2025.

In pursuance of rule 140 of the Rules of Procedure and Conduct of Business of the Puducherry Legislature Assembly, 1966, the following Bills viz.,

1. The Puducherry Ease of Doing Business (Service Delivery) Bill, 2025 (Bill No. 5 of 2025);
2. The Puducherry Goods and Services Tax (Second Amendment) Bill, 2025 (Bill No. 6 of 2025);
3. The Puducherry Municipalities (Amendment) Bill, 2025 (Bill No. 7 of 2025);
4. The Puducherry Village and Commune Panchayats (Amendment) Bill, 2025 (Bill No. 8 of 2025); and
5. The Puducherry Town and Country Planning (Amendment) Bill, 2025 (Bill No. 9 of 2025);

were introduced and passed in the Legislative Assembly on the 18th September, 2025, are hereby published for general information.

J. DAYALANE,
Secretary.

THE PUDUCHERRY EASE OF DOING
BUSINESS (SERVICE DELIVERY) BILL, 2025
(Bill No. 5 of 2025)

A
BILL

to provide for speedy, transparent, efficient and time bound delivery of services by way of processing the application and issue of various clearances required to be issued by various Competent Authority or Authorities of the Government of Puducherry under various enactments for establishing an Industrial or service or business undertakings including renewals in time bound manner for the promotion of economic development and for an investment friendly environment in the Union territory of Puducherry and for matters connected therewith or incidental thereto.

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

Short title,
extent and
commencement.

1. (1) This Act may be called the “Puducherry Ease of Doing Business [Service Delivery] Act, 2025”.
- (2) It shall extend to the whole of the Union territory of Puducherry.
- (3) It shall come into force at once.

Definitions.

2. In this Act, unless the context otherwise requires,-

- (a) “Appellate Authority” means, the authority referred to under section 9;
- (b) “Applicant” means, a person duly authorized by an enterprise to file an application on behalf of the enterprise through online or in person and the word “Application” shall be construed accordingly;

- (c) "Checklist" means, list of documents / evidences to be furnished by the applicant along with the Application Form as may be prescribed;
- (d) "Clearances" means, grant or issue of no-objection certificates, allotments, consents, approvals, permissions, registrations, enrolments, licences and the like ones, by any Competent Authority or Authorities in connection with the setting up of an enterprise or expansion of an existing enterprise in the Union territory of Puducherry and shall include all such approvals essentially required, till the enterprise starts commercial production and includes periodic renewals that may inevitably be required for such clearances;
- (e) "Competent Authority" means, Head of any Department or Agency of the Government, Corporation, Board, Local Body or other Authority established by the Government, which are entrusted with the powers or responsibilities to grant or issue of clearances or incentives;
- (f) "Deemed Approval" means, the approval as specified under section 6;
- (g) "Department" means, a Department of the Government of Puducherry;
- (h) "Designated Officer" means, an Officer identified by a Competent Authority for processing of clearances;

- (i) "Enterprise" means, an undertaking that intends to engage in or is engaged in any or all of the activities, namely, manufacturing, processing, providing services or engaging in business/trade;
- (j) "Government" means, the Administrator appointed by the President under Article 239 of the Constitution;
- (k) "Nodal Agency" means, the agency referred to in section 10;
- (l) "Notification" means, a notification published in the Official Gazette of Government of Puducherry and the word "Notified" shall be construed accordingly;
- (m) "Prescribed" means, prescribed by the rules made under this Act;
- (n) "Schedule" means, the Schedule appended to this Act.
- (o) "Service" means, services, including functions, obligations, responsibility or duty, to be provided or rendered by a Public-Authority for issue of clearance;
- (p) "Stipulated time" means, the maximum time excluding public holidays to provide the applied / requested service by the Public Authority;
- (q) "Subordinate Public Servant" means, an officer subordinate to the Designated Officer who is responsible for processing the Application.

3. (1) Notwithstanding anything contained in any law for the time being in force, the Competent Authority, within a period of three months from the date of commencement of this Act, with the approval of Government, shall notify the Checklist and the procedure for processing and disposal of applications and designate Officer / Officers for providing services under this Act. Notification of Designated Officers, procedure and checklist for processing of applications.
- (2) The Checklist and the Procedure shall be made available on the website of the Department by the Competent Authority.
4. (1) An applicant shall apply through online for clearance in the prescribed form with necessary particulars and supporting documents as prescribed in the checklist: Application for Clearance.
- Provided that the Government may allow submission of physical application during transitional period, till such time, as it may notify.
- (2) Every application received, shall be given a number by the Designated Officer or by the online system to enable the applicant to monitor the status of the application in accordance with such procedure as may be prescribed.
- (3) If, the application is submitted to an Authority other than the Competent Authority or Designated Officer or Subordinate Public Servant for clearance, then the Officer who received the application shall forward it to the concerned Designated Officer within 3 days on receipt of the application and for such application 5 days additional time shall be added to the stipulated time.

Disposal of application.

5. (1) The Designated Officer as notified under section 3 of this Act shall, on receipt of the application, consider and dispose it by passing an order either approving or rejecting the same within the stipulated time, as mentioned in the Schedule.
- (2) The Designated Officer or Subordinate Public Servant shall have the powers to seek additional information or clarification, if required, from the applicant:
- Provided that the additional information or clarification shall be sought for only once before the expiry of the stipulated time prescribed in the Schedule.
- (3) The stipulated time shall, start from the date of application excluding the days during which additional information or clarification is sought and received.
- (4) The Designated Officer shall give reasons in the order, in case, the application is rejected.
- (5) The signed final order of approval or rejection shall be made available online to the applicant in downloadable format.

Deemed Approval.

6. (1) In case of failure to issue the required approval within the time-limit specified in the Schedule, such approvals shall be deemed to have been issued and the entrepreneurs may proceed with the implementation of the project without contravening any of the provisions of the Act, rules, bye-laws, notifications, standing orders, executive instructions, guidelines and regulations made by the Competent Authority concerned for such clearances:

Provided if any deviations by the applicant with respect to the provisions of the relevant Statutes are detected, the Competent Authority shall take action as deemed fit against the applicant under the concerned Statutes.

- (2) The deemed approval shall be made as an automatic process in the online system and made available to the applicant in downloadable format.

7. (1) Any applicant aggrieved by a decision of the Designated Officer within thirty days from the receipt of such decision, may prefer an appeal to the Competent Authority: Appeal.

Provided that the Competent Authority may admit the appeal after the expiry of the period of thirty days, if it is satisfied that the Appellant was prevented by sufficient cause from filing the appeal in time.

- (2) In its decision, the Competent Authority shall have the power to:-

- (a) Reject the appeal.
(b) Give any suitable directions to the Designated Officer.
(c) Impose any of the penalties provided under this Act;

8. (1) The Competent Authority at the time of deciding any appeal is of the opinion that the Designated Officer or Subordinate Public Servant, as the case may be, who has, without any reasonable cause, failed to deliver the service to an applicant Penalty and Procedure for deciding an Appeal.

within the stipulated time under section 5 or causes in issue of deemed approval under section 6, it shall impose a penalty of two hundred and fifty rupees each day till service is delivered:

Provided that the total amount of said penalty shall not exceed twenty-five thousand rupees.

Provided further that the penalty amount shall be increased by 10% after every three years from the commencement of this Act.

Provided also that no penalty shall be imposed on the Designated Officer or Subordinate Public Servant, as the case may be, before giving him a reasonable opportunity of being heard by way of a written notice, returnable within 15 working days.

Provided also that the burden of proof for acting reasonably and diligently, shall be on the Designated Officer or Subordinate Public Servant, as the case may be.

- (2) The Designated Officer or Subordinate Public Servant, as the case may be, who is aggrieved by the order passed by the Competent Authority in accordance with section 8(1) shall be entitled to file an appeal to the Appellate Authority against such order within a period not exceeding thirty days of the receipt of the impugned order.

- (3) For the purpose of this Act, the appeal against the order of the Appellate Authority shall lie with the Appointing Authority of the appropriate cadre of the Competent Authority / Designated Officer / Subordinate Public Servant.
9. (1) For the purpose of this Act, the Government shall appoint an Appellate Authority to decide on the penalty against any Designated Officer or Subordinate Public Servant who fails to deliver the services within the stipulated time or causes in issue of deemed clearance, as the case may be. Appellate Authority.
- (2) The Appellate Authority shall comprise of the following members:-
- Chief Secretary to Government . . . Chairperson
- Secretary to Government (Industries and Commerce) . . . Member
- Secretary to Government of the Department concerned . . . Member
10. The Directorate of Industries and Commerce shall act as the Nodal Agency to facilitate the delivery of clearances that are required for setting up of new enterprises or expansion or renewal of existing enterprises. Nodal Agency.
11. The Nodal Agency under the superintendence, direction and control of the Government, shall be responsible in discharging the following functions, namely:- Functions of the Nodal Agency.
- (a) act as a single point of contact for all enterprises that require clearances and as notified by the Government under section 3;

- (b) assist the applicants in filing of applications online;
- (c) arrange for pre-scrutiny of applications by convening meetings with representatives of Competent Authorities and address queries of investors;
- (d) receive applications for clearances through single window portal;
- (e) review and monitor the processing of applications by the Competent Authorities;
- (f) compile the number of applications processed outside the stipulated time and deemed approvals generated every quarter and place before the Appellate Authority;
- (g) act as Investor Facilitation Center for investment proposal, industrial facilitation, regulatory reforms and obtaining user feedback, queries and grievance handling.

Inspection.

12. (1) The Government may, by notification, specify the clearances for which inspections under the provisions of the applicable Acts, rules, orders or instructions shall be conducted by the Competent Authorities in accordance with such guidelines as may be prescribed.
- (2) The Government may, from time to time, by notification, specify the clearances for which exemption is granted from inspection and may also delegate the powers of inspection to any person or authority in respect of any specific clearance covered under this Act.

13. (1) The defaults on the part of an Officer in the time bound delivery of services as defined in this Act shall not be counted towards misconduct, as the purpose and object is to sensitize the public servant towards the citizen and to enhance and imbibe a culture to deliver time bound services to the citizens. Developing culture to deliver services within fixed period.
- (2) In case of any Officer who is a habitual and willful defaulter, without any reasonable cause and persistently failed to receive an application or has failed to provide service within the stipulated time or intentionally denied the request for the service or delayed inordinately, appropriate disciplinary action shall be taken against the Officer under the relevant rules applicable to him.
- (3) To encourage and recognize superior performance of Designated Officer(s) having *ad hered* to the stipulated timeline without default, a suitable entry shall be made in the Annual Performance Report by the Reporting Officer concerned.
14. The provisions of this Act shall be supplemented to the disciplinary and financial rules and such other service rules and regulations as applicable, to the employees of the Government or Local Authority or Public Authority concerned, as the case may be, and not in derogation to such service rules and regulations governing the service condition and conduct of the Government Employees or the employees of the other Public Authorities concerned. Supplement.
15. No suit, prosecution or other legal proceedings shall lie against any person for anything which is done in good faith or intended to be done under this Act or any rule made thereunder. Protection of action taken in good faith.

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| Bar of jurisdiction. | 16. No Civil Court shall have jurisdiction in respect of any matter which the Competent Authority or Designated Officer or Subordinate Public Servant is empowered by under this Act to determine. |
| Power to make rules. | 17. (1) The Government may, after previous publication, by notification, in the Official Gazette, make rules to carry out the purposes of this Act.

(2) Every rule made or notification issued under this Act, shall as soon as may be after it is made be laid before the Legislative Assembly, Puducherry, while it is in session for a total period of fourteen days, which may be comprised in one session or in two or more successive sessions, and if before the expiry of the session in which it is so laid, or the session immediately following, the Legislative Assembly makes any modification in the rule or notification or decide that any rule or notification should not be made or issued, the rule or notification 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 rule or notification. |
| Power to amend the Schedule. | 18. (1) The Government may by notification alter, add to or cancel the Schedule. |

- (2) All references made in the Act to the Schedule shall be construed as relating to that Schedule as in the time being amended in exercise of the powers conferred by this section.
19. (1) If any difficulty arises, in giving effect to the provisions of this Act, the Government may by order publish in the Official Gazette, make such provisions not inconsistent with the provisions of this Act, as may appear to it, be necessary or expedient for removing the difficulty: Removal of difficulties.
- Provided that no such order shall be made under this section after the expiry of a period of two years from the date of commencement of this Act.
- (2) Every order made under this section shall, as soon as it is made, be placed on the table of Legislative Assembly, Puducherry.
20. The Government may, by notification, exempt any clearances from any of its provisions subject to such conditions as they deem fit and may cancel or modify any such notification, in this Act. Power to Exempt.
21. Save as otherwise provided in this Act, the provisions of this Act shall have effect notwithstanding anything inconsistent therewith contained in any other law for the time being in force or any custom or usage or any instrument having effect by virtue of any such law. Act to override other laws.
22. Notwithstanding anything contained in the Act, it shall not apply to any other Authority, Department, Government other than Government of Puducherry. Applicability.

SCHEDULE

[see Clause (n) of Section 2 read with section 5(1)]

List of Services, Competent Authority, Stipulated Time for Disposal of Application

Sl. No.	Service	Competent Authority	Stipulated Time for Disposal*
(1)	(2)	(3)	(4)
Department of Science, Technology and Environment			
1.	Consent to Establish / Operate under Air (Prevention and Control of Pollution) Act, 1981 - Green Category.	Member-Secretary, Puducherry Pollution Control Committee.	15 days from the date of receipt of application.
2.	Consent to Establish / Operate under Water (Prevention and Control of Pollution) Act, 1974 - Green Category.	Member-Secretary, Puducherry Pollution Control Committee.	15 days from the date of receipt of application.
3.	Consent to Establish / Operate under Air (Prevention and Control of Pollution) Act, 1981 - Orange /Red Category.	Member-Secretary, Puducherry Pollution Control Committee.	30 days from the date of receipt of application.
4.	Consent to Establish / Operate under Water (Prevention and Control of Pollution) Act, 1974 - Orange / Red Category.	Member-Secretary, Puducherry Pollution Control Committee.	30 days from the date of receipt of application.
5.	Authorization under the Hazardous and other Wastes (Management and Transboundary Movement) Rules, 2016 as amended time to time.	Member-Secretary, Puducherry Pollution Control Committee.	30 days from the date of receipt of application complete in all respects.

(1)	(2)	(3)	(4)
6.	E-Waste (Management) Rules, 2022.	Member-Secretary, Central Pollution Control Board.	30 days from the date of receipt of application complete in all respect or as per Guidelines / SOP issued under the E-Waste (Management) Rules, 2022 by the Central Pollution Control Board [CPCB] as amended, whichever is earlier.
7.	Plastic Waste Management Rules, 2016 as amended.	Member-Secretary, Puducherry Pollution Control Committee.	30 days from the date of receipt of application or as per Guidelines / SOP issued under Plastic Waste Management Rules, 2016, as amended whichever is earlier.

Labour Department

8.	Approval of plan and permission to construct / extend / or take into use any building as a factory under the Factories Act, 1948.	Chief Inspector of Factories and Boilers.	30 days from the date of receipt of application.
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(1)	(2)	(3)	(4)
9.	Registration of Factories under the Factories Act, 1948 / Licence.	Chief Inspector of Factories and Boilers.	30 days from the date of receipt of application.
10.	Registration of Boilers under the Boilers Act, 1923.	Chief Inspector of Factories and Boilers.	30 days from the date of receipt of application.
11.	Registration of Boilers Manufacturers under the Boilers Act, 1923.	Chief Inspector of Factories and Boilers.	30 days from the date of receipt of application.
12.	Licence for contractors under provision of the Contract Labour (Regulation and Abolition) Act, 1970.	Labour Commissioner, Labour Department.	21 days from the date of receipt of application.
13.	Registration under the Puducherry Shops and Establishments Act, 1964 (including 365 days Licence).	Labour Commissioner, Labour Department.	7 days from the date of receipt of application.
14.	Registration of Principal Employer's Establishment under provision of the Contract Labour (Regulation and Abolition) Act, 1970.	Labour Commissioner, Labour Department.	7 days from the date of receipt of application.
15.	Registration under the Building and other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996.	Labour Commissioner, Labour Department.	7 days from the date of receipt of application.
16.	Registration of Establishment under the Inter State Migrant Workmen (RE & CS) Act, 1979.	Labour Commissioner, Labour Department.	7 days from the date of receipt of application.

(1)	(2)	(3)	(4)
PIPDIC			
17.	Allotment of Land in Industrial Estates / Parks.	Managing Director - PIPDIC.	30 days from the date of receipt of application.
Town and Country Planning Department			
18.	Change in Land Use	Chief Town Planner, TCP.	71 days from the date of receipt of application.
19.	Certificate of Land Use	Chief Town Planner, TCP.	45 days from the approval and final Notification of the Government.
Planning Authority			
20.	Building Plan Approval	Member-Secretary, Planning Authority.	15 days from the date of receipt of application.
21.	Plinth Level Inspection	Member-Secretary, Planning Authority.	5 days from the date of intimation.
22.	Completion / Occupancy Certificate.	Member-Secretary, Planning Authority.	7 days from the date of receipt of application.
Public Works Department			
23.	Water Connection	Chief Engineer, Public Works Department.	30 days from the date of receipt of application.
24.	Registration of Contractors for Works and Service.	Chief Engineer, Public Works Department.	30 days from the date of receipt of application.
25.	Sewer Connection	Chief Engineer, Public Works Department.	30 days from the date of receipt of application.

(1)	(2)	(3)	(4)
26.	Certificate of non-availability of Water.	Chief Engineer, Public Works Department.	30 days from the date of receipt of application.
Electricity Department			
27.	Obtaining Electricity Connection - HT.	Superintending Engineer, Electricity Department.	As per the Electricity (Rights of Consumers) Rules, 2020, as amended from time to time.
28.	Obtaining Electricity Connection - LT.	Superintending Engineer, Electricity Department.	As per the Electricity (Rights of Consumers) Rules, 2020, as amended from time to time.
29.	Approval for DG set Installation.	Superintending Engineer, Electricity Department.	As per the Electricity (Rights of Consumers) Rules, 2020, as amended from time to time subject to condition that to switch over to cleaner technologies by 2025 as insisted in sub-rule (6) of rule 10 of the above Rules.
Local Bodies			
30.	Issue of Permission to establish industry / service / business.	Commissioner, Local Body.	7 days from the date of receipt of clearances.

(1)	(2)	(3)	(4)
31.	Registration for Trade License / License.	Commissioner, Local Body.	10 days from the date of receipt of application.
32.	Registration under Professional Tax	Commissioner, Local Body.	10 days from the date of receipt of application.
33.	Sanction for Storage of Construction material	Commissioner, Local Body.	7 days from the date of receipt of application.
34.	Movie shooting Permission	Commissioner, Local Body.	7 days from the date of receipt of application.
35.	Registration of Hotels	Commissioner, Local Body.	10 days from the date of receipt of application.
36.	Water Connection	Commissioner, Local Body.	30 days from the date of receipt of application.
37.	Road Cutting Permission	Commissioner, Local Body.	7 days from the date of receipt of application.
38.	Inspection carried out for Road cutting permission and Verification to ensure proper restoration.	Commissioner, Local Body.	7 days from the date of receipt of application.
39.	Signage Licence for Advertisement.	Commissioner, Local Body.	30 days from the date of receipt of application.
40.	Travel Agency	Commissioner, Local Body.	30 days from the date of receipt of application.

(1)	(2)	(3)	(4)
41.	Tourism Events-Performance Licence.	Commissioner, Local Body.	30 days from the date of receipt of application.
Revenue and Disaster Management			
42.	Property Registration – Appointment Date.	District Registrar / Sub-Registrar.	7 days from the date of receipt of application.
43.	Property Registration – Issue of Registered Deed.	District Registrar / Sub-Registrar.	3 days from the date of appointment.
44.	Property Registration – Mutation.	District Registrar / Sub-Registrar.	30 days from the date of Registration.
45.	Encumbrance Certificate	District Registrar / Sub-Registrar.	30 days from the date of Registration.
46.	Measurement / Demarcation of Land.	Director of Land and Survey.	30 days from the date of Registration.
47.	Registration under State Excise.	Deputy Commissioner – State Excise.	15 days from the date of receipt of application.
48.	State Excise – Label Registration.	Deputy Commissioner – State Excise.	15 days from the date of receipt of application.
49.	License under State Excise for Local Sale, Import and Export permit of Spirit and Indian Made Foreign Liquor (IMFL).	Deputy Commissioner – State Excise.	30 days from the date of receipt of application.

(1)	(2)	(3)	(4)
50.	Registration under Legal Metrology Act, 2009.	Controller of Legal Metrology.	15 days from the date of receipt of application.
51.	Certificate for verification of Weights and Measures.	Controller of Legal Metrology.	15 days from the date of receipt of application.
52.	Registration under State Cinema Regulation Rules.	District Collector	30 days from the date of receipt of application.
53.	State Protected Monument – Movie Shooting Permission.	District Collector	30 days from the date of receipt of application.
54.	Permission from District Collector for Movie Shooting.	District Collector	30 days from the date of receipt of application.
55.	Cinematograph Licence and Licence for Screening Films (as applicable).	District Collector	30 days from the date of receipt of application.
56.	State Excise Licence (a) Wholesale vendor Licence. (b) Import Permits (c) Licence for Retail Sale (d) Licence for Setting up of Distilleries. (e) Licence for Setting up of Bottling Plant.	Deputy Commissioner – State Excise	15 days from the date of receipt of application.
57.	NOC required for setting up of explosives manufacturing, storage, sale, transport.	District Collector	30 days from the date of receipt of application.

(1)	(2)	(3)	(4)
58.	NOC required for setting up of petroleum, diesel, naphtha storage, sale, transport.	District Collector	30 days from the date of receipt of application.
59.	Licence for Sale of Crackers	District Collector	30 days from the date of receipt of application.
60.	Mining Lease / Composite Licence / Non-exclusive Reconnaissance Permit.	District Collector	30 days from the date of receipt of application.
61.	Issue of letter of Intent in case of fresh lease (for environmental clearance – category B2-Less than 5 acres).	District Collector	30 days from the date of receipt of application.
62.	NOC for Soil excavation / filling.	District Collector	30 days from the date of receipt of application.
63.	Licensing for Auditorium / Places of Public Amusement / Performance for Public Amusement (as Applicable).	District Collector	30 days from the date of receipt of application.
64.	Resolution of Public Grievances.	District Collector	30 days from the date of receipt of application.

Health and Family Welfare Department

65.	Registration for Provisional / Permanent Certificate for clinical establishment under Clinical Establishments (Registration and Regulation) Act, 2010.	Director of Health and Family Welfare.	30 days from the date of receipt of application.
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(1)	(2)	(3)	(4)
66.	Registration under PC & PNDT Act, 1994 (Amended, 2003) (for 5 years).	Director of Health and Family Welfare.	70 days from the date of receipt of application.
Department of Drugs Control			
67.	Retail Licence under the Provisions of Drugs and Cosmetics Act, 1940 and Rules made thereunder.	Licensing Authority	15 days from the date of receipt of application.
68.	Wholesale Licence under the provisions of Drugs and Cosmetics Act, 1940 and Rules made thereunder.	Licensing Authority	15 days from the date of receipt of application.
69.	Granting of Drug Manufacturing Licence.	Licensing Authority	30 days from the date of receipt of application.
Food Safety			
70.	Grant of State Licence for Food Business.		
	(a) First Response from Licensing Authority upon scrutiny application.	Designated Officer	15 days from the receipt of the application. [sub-clause 2.1.4 (2) of Food Safety and Standards (Licensing and Registration of Food Businesses) Regulations, 2011].

(1)	(2)	(3)	(4)
(b) Generation of Licence	Designated Officer	60 days from the date of making the complete, application. [sub-clause 2.1.6 of Food Safety and Standards (Licensing and Registration of Food Businesses) Regulations, 2011].	
71. Health NOC for Food Registration Certificate			
(a) Grant of FSSAI Registration Certificate, if inspection not required.	Registering Authority	07 days from the date of the application. [sub-clause 2.1.1 (3) of Food Safety and Standards (Licensing and Registration of Food Businesses) Regulations, 2011].	
(b) Grant of FSSAI Registration Certificate, if inspection required.	Registering Authority	30 days from the date of the application. [sub-clause 2.1.1 (4) of Food Safety and Standards (Licensing and Registration of Food Businesses) Regulations, 2011].	

(1)	(2)	(3)	(4)
Transport Department			
72.	Registration of Vehicles	Transport Commissioner	2 days from the date of receipt of application.
73.	Transfer of vehicle registration.	Transport Commissioner	10 days from the date of receipt of application.
74.	Issuing Vehicle fitness certificate.	Transport Commissioner	5 days from the date of receipt of application.
75.	Grant of Permit – Taxi, Maxi Cab, Omni Bus.	Transport Commissioner	15 days from the date of receipt of application.
76.	Goods Carriage Permit	Transport Commissioner	10 days from the date of receipt of application.
Commercial Taxes Department			
77.	Registration under GST	Commissioner, Commercial Taxes.	As per Central GST Act.
Fire Service Department			
78.	Fire Licence / NOC	Divisional Fire Officer	30 days from the date of receipt of application.
Forest and Wildlife Department			
79.	Certificate of Non-Forest Land.	Conservator of Forest	15 days from the date of receipt of application.

(1)	(2)	(3)	(4)
80.	Letter for Distance from Forest.	Conservator of Forest	15 days from the date of receipt of application.
Department of Information Technology			
81.	Mobile Tower Approval	Director of Information Technology.	30 days from the date of receipt of application.
Police Department			
82.	Movie Shooting Permission	Director-General of Police.	30 days from the date of receipt of application.
Registrar of Co-operative Societies			
83.	Registration of Co-operative Societies.	Registrar of Co-operative Societies.	30 days from the date of receipt of application.
Ground Water Authority			
84.	NOC for Water abstraction from Puducherry Ground Water Authority.	Member-Secretary, Puducherry Ground Water Authority.	30 days from the date of receipt of application.
Department of Civil Supplies and Consumer Affairs			
85.	Grant of Licence for 'Fair Price Shops' under the relevant Act.	Director of Civil Supplies and Consumer Affairs.	30 days from the date of receipt of application.
Department of School Education			
86.	Approvals for setting up Hostel.	Director of School Education.	30 days from the date of receipt of application.

(1)	(2)	(3)	(4)
87.	Approvals for setting up and operating a Play School.	Director of School Education.	30 days from the date of receipt of application.
88.	Registration of Schools under Right to Education.	Director of School Education.	30 days from the date of receipt of application.
89.	NOC for setting up of CBSE School.	Director of School Education.	30 days from the date of receipt of application.

Directorate of Industries and Commerce

90.	Investor Facilitation Centre / Investment Promotion – Queries to be addressed.	Director of Industries and Commerce.	15 days from the date of receipt of application.
91.	Incentives	Director of Industries and Commerce.	30 days from the date of receipt of application.
92.	Procurement	Director of Industries and Commerce.	30 days from the date of receipt of application.

* All queries / clarification related to the application have to be sought within 7 days from the date of receipt of application, in one go.

Renewals, wherever applicable in the above services, shall be issued within 7 days from the date of application, across the board.

Mis-submitted applications shall be redirected within 3 days by the mis-received Authority / Officer to concerned Authority / Officer.

STATEMENT OF OBJECTS AND REASONS

Sustained business reforms over the past several years has helped India jump 79 places to move to 63rd position in the global ease of Doing Business rankings in 2022. It earned a place in among the World's Top Ten improvers for the third consecutive year. India was ranked at 142 in 2014.

2. The World Bank has observed that "...the persistent efforts made to drive the business reforms agenda, not only at the central level but also at the State level, helped India make significant improvements".

3. Business Reform Action Plan (BRAP) released every year by DPIIT since 2015 is the guiding principle towards achieving Ease of Doing Business (EoDB). While bigger states have shown considerable progress in EoDB, Union territory of Puducherry still needs to undertake more reforms.

4. Defining clear timelines with punitive provisions mandated through an Act for provisioning of services is one of the important reforms to be undertaken.

5. The Bill is intended to fix timelines with punitive provisions for providing services like issue of no objection certificate, allotments, consents, approvals, permissions, registrations, enrolments, licences under any Rule or Act for the purpose of starting and running an enterprise.

6. The Bill also provides for administrative reform to reduce compliance load by empowering the Government to exempt clearance for enterprises which are redundant and outdated which stifle growth and adversely affect business environment.

A. NAMASSIVAYAM,

Minister for Industries and Commerce.

FINANCIAL MEMORANDUM

The proposed "The Puducherry Ease of Doing Business (Service Delivery) Bill, 2025" providing for speedy, transparent, efficient and time bound delivery of services for starting and doing business in the Union territory of Puducherry, imposes penalty under the section 8(1) for the period of delay in providing services.

Except for the above-mentioned penalty, this Bill does not have any financial implication.

MEMORANDUM REGARDING DELEGATED LEGISLATION

1. Clause 3 of the Bill seeks to empower the Government, to notify designated officer / officers, checklist and procedure for processing and disposal of applications, by the Competent Authority.

2. Clause 9 of the Bill seeks to empower the Government, to notify an Appellate Authority to decide on the disciplinary action of any Competent Authority or his Designated Officer or his subordinate public servant, who fail to deliver the services in stipulated time, resulting in issue of deemed clearance.

3. Sub-clause (1) of Clause 12 seeks to empower the Government to notify the clearances for which inspections under the provisions of the applicable Acts, rules, orders or instructions shall be conducted by the Competent Authorities and guidelines for inspections.

4. Sub-clause (2) of Clause 12 seeks to empower the Government to notify the clearance for which exemptions are granted from inspections and to delegate the powers of inspection to any person or authority in respect of any specific clearance covered under this Act.

5. Sub-clause (1) of Clause 17 of the Bill seeks to empower the Government to make rules by notification in the Official Gazette for the implementation of the provisions of this Act.

6. Sub-clause (2) of Clause 18 of the Bill seeks to empower the Government to alter, add to or cancel the Schedule.

7. Clause 19 of the Bill seeks to empower the Government to exempt any difficulties from any of the provisions of this Act.

8. Clause 20 of the Bill seeks to empower the Government to exempt any clearances from any of the provisions of this Act.

9. The matters in respect of which notifications or orders may be issued or rules may be, made, are matters of procedure and are of routine and administrative in nature. Further, the rules are subject to the scrutiny of the Legislative Assembly. The delegation of legislative power is therefore of a normal character.

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

THE PUDUCHERRY GOODS AND SERVICES TAX
(SECOND AMENDMENT) BILL, 2025
(Bill No. 6 of 2025)

A
BILL

**further to amend the Puducherry Goods and Services
Tax Act, 2017.**

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

Short title and
commencement.

1. (1) This Act may be called the Puducherry
Goods and Services Tax (Second
Amendment) Act, 2025.

(2) Save as otherwise provided in this Act,
the provisions of this Act shall come into
force on such date, with prospective or
retrospective effect, as the Government of
Puducherry may, by notification in the
Official Gazette, appoint:

Provided that different dates may be
appointed for different provisions of this
Act and any reference in any such
provision to the commencement of this
Act, shall be construed as a reference to
the coming into force of that provision.

Amendment of
section 2.

2. In section 2 of the Puducherry Goods and Services Tax Act, 2017 (hereinafter referred to as the principal Act) —

(i) in clause (61), after the word and figure “section 9”, the words, brackets and figures “of this Act or under sub-section (3) or sub-section (4) of section 5 of the Integrated Goods and Services Tax Act, 2017” shall be inserted with effect from the 1st day of April, 2025;

Act
No. 6 of
2017.

Act
No. 13
of
2017.

(ii) in clause (69),-

(a) in sub-clause (c), after the words "management of a municipal", the word "fund" shall be inserted;

(b) after sub-clause (c), the following Explanation shall be inserted, namely :—

'Explanation.— For the purposes of this sub-clause—

(a) "local fund" means, any fund under the control or management of an authority of a local self-Government established for discharging civic functions in relation to a Panchayat area and vested by law with the powers to levy, collect and appropriate any tax, duty, toll, cess or fee, by whatever name called;

(b) "municipal fund" means, any fund under the control or management of an authority of a local self-Government established for discharging civic functions in relation to a Metropolitan area or Municipal area and vested by law with the powers to levy, collect and appropriate any tax, duty, toll, cess or fee, by whatever name called;';

(iii) after clause (116), the following clause shall be inserted, namely:—

'(116A) "unique identification marking" means, the unique identification marking referred to in clause (b) of sub-section (2) of section 148A and includes a digital stamp, digital mark or any other similar marking, which is unique, secure and non-removable;'

3. In section 12 of the principal Act, sub-section (4) shall be omitted. Amendment
of section 12.

- Amendment of section 13. 4. In section 13 of the principal Act, sub-section (4) shall be omitted.
- Amendment of section 17. 5. In- section 17 of the principal Act, in sub-section (5), in clause (d),—
- (i) for the words “plant or machinery”, the words “plant and machinery” shall be substituted and shall be deemed to have been substituted with effect from the 1st day of July, 2017;
- (ii) the Explanation shall be numbered as Explanation 1 thereof, and after Explanation I as so numbered, the following Explanation shall be inserted, namely:-
- “*Explanation 2.*— For the purposes of clause (d), it is hereby clarified that notwithstanding anything to the contrary contained in any judgment, decree or order of any Court, tribunal, or other authority, any reference to “plant or machinery” shall be construed and shall always be deemed to have been construed as a reference to “plant and machinery”;
- Amendment of Section 20. 6. In section 20 of the principal Act, with effect from the 1st day of April, 2025, —
- (i) in sub-section (1), after the word and figure “section 9”, the words, brackets and figures “of this Act or under sub-section (3) or sub-section (4) of section 5 of the Integrated Goods and Services Tax Act, 2017” shall be inserted; Act No. 13 of 2017.
- (ii) in sub-section (2), after the word and figure “section 9”, the words, brackets and figures “of this Act or under sub-section (3) or sub-section (4) of section 5 of the Integrated Goods and Services Tax Act, 2017,” shall be inserted. Act No. 13 of 2017.

7. In section 34 of the principal Act, in sub-section (2), for the proviso, the following proviso shall be substituted, namely:—

Amendment of
Section 34.

“Provided that no reduction in output tax liability of the supplier shall be permitted, if the—

(i) input tax credit as is attributable to such a credit note, if availed, has not been reversed by the recipient, where such recipient is a registered person; or

(ii) incidence of tax on such supply has been passed on to any other person, in other cases.”.

8. In section 38 of the principal Act,—

Amendment of
Section 38.

(i) in sub-section (1), for the words “an auto-generated statement”, the words “a statement” shall be substituted;

(ii) in sub-section (2),—

(a) for the words “auto-generated statement under”, the words “statement referred in” shall be substituted;

(b) in clause (a), the word “and” shall be omitted;

(c) in clause (b), after the words “by the recipient,”, the word “including” shall be inserted;

(d) after clause (b), the following clause shall be inserted, namely:-

“(c) such other details as may be prescribed.”.

9. In section 39 of the principal Act, in sub-section (1), for the words “and within such time”, the words “within such time, and subject to such conditions and restrictions” shall be substituted.

Amendment of
Section 39.

Amendment of section 107.

10. In section 107 of the principal Act, in sub-section (6), for the proviso, the following proviso shall be substituted, namely:—

“Provided that in case of any order demanding penalty without, involving demand of any tax, no appeal shall be filed against such order unless a sum equal to ten per cent, of the said penalty has been paid by the appellant.”.

Amendment of section 112.

11. In section 112 of the principal Act, in sub-section (8), the following proviso shall be inserted, namely:—

“Provided that in case of any order demanding penalty without involving demand of any tax, no appeal shall be filed against such order unless a sum equal to ten per cent, of the said penalty, in addition to the amount payable under the proviso to sub-section (6) of section 107 has been paid by the appellant.”.

12. After section 122A of the principal Act, the following section shall be inserted, namely:—

Penalty for failure to comply with track and trace mechanism.

“122B. Notwithstanding anything contained in this Act, where any person referred to in clause (b) of sub-section (1) of section 148A acts in contravention of the provisions of the said section, he shall, in addition to any penalty under Chapter XV or the provisions of this Chapter, be liable to pay a penalty equal to an amount of one lakh rupees or ten per cent, of the tax payable on such goods, whichever is higher.”.

Insertion of new section 148A.

13. After section 148 of the principal Act, the following section shall be inserted, namely:—

Track and trace mechanism for certain goods.

“148A. (1) The Government may, on the recommendations of the Council, by notification, specify,-

(a) the goods;

(b) persons or class of persons who are in possession or deal with such goods, to which the provisions of this section shall apply.

(2) The Government may, in respect of the goods referred to in clause (a) of sub-section (7),—

(a) provide a system for enabling affixation of unique identification marking and for electronic storage and access of information contained therein, through such persons, as may be prescribed; and

(b) prescribe the unique identification marking for such goods, including the information to be recorded therein.

(3) The persons referred to in sub-section (1), shall,-

(a) affix on the said goods or packages thereof, a unique identification marking, containing such information and in such manner;

(b) furnish such information and details within such time and maintain such records or documents, in such form and manner;

(c) furnish details of the machinery installed in the place of business of manufacture of such goods, including the identification, capacity, duration of operation and such other details or information, within such time and in such form and manner;

(d) pay such amount in relation to the system referred to in sub-section (2), as may be prescribed.”.

Amendment of
Schedule III.

14. In Schedule III to the principal Act,—

(i) in paragraph 8, after clause (a), the following clause shall be inserted and shall be deemed to have been inserted with effect from the 1st day of July, 2017, namely:—

“(aa) Supply of goods warehoused in a Special Economic Zone or in a Free Trade Warehousing Zone to any person before clearance for exports or to the Domestic Tariff Area;”;

(ii) in Explanation 2, after the words “For the purposes of”, the words, brackets and letter “clause (a) of” shall be inserted and shall be deemed to have been inserted with effect from the 1st day of July, 2017;

(iii) after Explanation 2, the following Explanation shall be inserted and shall be deemed to have been inserted with effect from the 1st day of July, 2017, namely:-

“*Explanation 3.*— For the purposes of clause (aa) of paragraph 8, the expressions “Special Economic Zone”, “Free Trade Warehousing Zone” and “Domestic Tariff Area” shall have the same meanings respectively as assigned to them in section 2 of the Special Economic Zones Act, 2005.”.

Act
No. 28
of
2005.

No refund of tax
collected.

15. No refund shall be made of all such tax which has been collected, but which would not have been so collected, had section 14 been in force at all material times.

STATEMENT OF OBJECTS AND REASONS

Various decisions have been taken by the Goods and Services Tax Council in its 55th meeting requiring amendments in the Goods and Services Tax Laws. Accordingly, the Principal Act, the Central Goods and Services Tax Act, 2017 (12 of 2017) has been amended by the enactments of the Parliament.

2. In order to maintain the uniformity in applicability of the provisions of the Principal Act, 2017 and the Puducherry Goods and Services Tax Act, 2017 (6 of 2017), it is proposed to amend the Puducherry Goods and Services Tax Act, 2017 (“the Act”).

3. The proposed Puducherry Goods and Services Tax (Second Amendment) Bill, 2025, *inter alia*, provides for the following, namely;-

(i) In Clause 2 of the Bill,

(a) clause (61) of section 2 of the Puducherry Goods and Services Tax Act is being amended so as to explicitly provide for distribution of input tax credit by the Input Service Distributor in respect of inter-state supplies on which tax has to be paid on reverse charge basis, by inserting reference to sub-section (3) and sub-section (4) of section 5 of Integrated Goods and Services Tax Act. This amendment will be effective from 1st April 2025.

(b) Sub-clause (c) of clause (69) of section 2 is being amended to replace “municipal or local fund” with “municipal fund or local fund” and to insert an Explanation after the said sub-clause, to provide for definitions of the terms ‘Local Fund’ and ‘Municipal Fund’ used in the definition of “local authority” under the said clause so as to clarify the scope of the said terms.

(c) A new clause (116A) is being inserted in section 2 to provide definition of Unique Identification Marking for implementation of Track and Trace Mechanism.

(ii) In Clause 3 of the Bill, sub-section (4) of section 12 relating to time of supply in respect of Vouchers is being deleted.

(iii) In Clause 4 of Bill, sub-section (4) of section 13 relating to time of supply in respect of Vouchers is being deleted.

(iv) Clause 5 of the Bill, seeks to amend clause (d) of sub-section (5) of section 17, to substitute the words “plant or machinery” with words “plant and machinery”. This amendment will be effective retrospectively from 1st July 2017, notwithstanding anything to the contrary contained in any judgment, decree or order of any Court or any other authority.

(v) Clause 6 of the Bill, seeks to amend section 20(1) and section 20(2), so as to explicitly provide for distribution of input tax credit by the Input Service Distributor in respect of inter-state supplies, on which tax has to be paid on reverse charge basis, by inserting reference to sub-section (3) and sub-section (4) of section 5 of Integrated Goods and Services Tax Act in said sub-sections of section 20 of Puducherry Goods and Services Tax Act. The amendment will be effective from 1st April 2025.

(vi) Clause 7 of the Bill, seeks to amend the proviso to sub-section (2) of section 34 so as to explicitly provide for requirement of reversal of corresponding input tax credit in respect of a credit-note, if availed, by the registered recipient, for the purpose of reduction of tax liability of the supplier in respect of the said credit note.

(vii) In Clause 8 of the Bill,

(a) Section 38(1) is being amended to omit the expression “auto generated” with respect to statement of input tax credit in the said sub-section.

(b) Section 38(2) is being amended by omitting the expression “auto generated” with respect to statement of input tax credit in said sub-section and also to insert the expression “including” after the words “by the recipient” in clause (b) of said sub-section to make the said clause more inclusive.

(c) Section 38(2) is being amended by inserting a new clause (c) in the said 'sub-section to provide for an enabling clause to prescribe other details to be made available in statement of input tax credit.

(viii) Clause 9 of the Bill, seeks to amend section 39(1), so as to provide for an enabling clause to prescribe conditions and restrictions, for filing of return under the said sub-section.

(ix) Clause 10 of the Bill seeks to amend section 107(6), so as to provide for 10% mandatory pre-deposit of penalty amount for appeals before Appellate Authority in cases involving only demand of penalty without any demand for tax.

(x) Clause 11 of the Bill, seeks to amend section 112(8), so as to provide for 10% mandatory pre-deposit of penalty amount for appeals before Appellate Tribunal in cases involving only demand of penalty without any demand for tax.

(xi) In Clause 12 of the Bill, New section 122B is being inserted to provide penalty for contraventions of provisions related to the Track and Trace Mechanism provided under section 148A.

(xii) In Clause 13 of the Bill, New section 148A is being inserted to provide for an enabling mechanism for Track and Trace Mechanism for specified commodities.

(xiii) In Clause 14 of the Bill,

(a) Schedule III of POST Act is being amended, with effect from 01-07-2017 by inserting a new clause (aa) in paragraph 8 of Schedule III of the Puducherry Goods and Services Tax Act, to provide that the supply of goods warehoused in a Special Economic Zone or in a Free Trade Warehousing Zone to any person before clearance for exports or to the Domestic Tariff Area shall be treated neither as supply of goods nor as supply of services.

(b) also seeks to amend Explanation 2 of Schedule III of the PGST Act, with effect from 01-07-2017 to clarify that the said explanation would be applicable in respect of clause (a) of paragraph 8 of the said Schedule.

(c) further seeks to amend Schedule III of PGST Act, with effect from 01-07-2017 by inserting Explanation 3 to define the terms 'Special Economic Zone', 'Free Trade Warehousing Zone' and 'Domestic Tariff Area', for the purpose of the proposed clause (aa) in paragraph 8 of said Schedule.

(xiv) Clause 15 of the Bill seeks to provide that no refund of tax already paid will be available for the aforesaid activities or transactions referred to in clause (xiii).

4. The Bill seeks to achieve the above objectives.

N. RANGASAMY,
Chief Minister.

FINANCIAL MEMORANDUM

The proposed Puducherry Goods and Services Tax (Second Amendment) Bill, 2025 does not involve any recurring or non-recurring expenditure from the Consolidated Fund of the Union territory of Puducherry.

MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 8 of the Bill seeks to amend sub-section (2) of section 38 of the Puducherry Goods and Services Tax Act to empower the Government to provide by rules other details to be made available in the statement.

Clause 13 of the Bill seeks to insert a new section 148A in the Puducherry Goods and Services Tax Act, relating to track and trace mechanism for certain goods. Sub-section (2) of the said section 148A seeks to empower the Government to provide by rules a system for enabling affixation of unique identification marking and for electronic storage and access of information and the person through whom such system may be provided. It further seeks to empower the Government to provide by rules the Unique Identification marking for goods including the information to be recorded therein. Sub-section (3) of the said section 148A seeks to empower the Government to provide by rules, the information to be contained in, and the manner of affixing on the goods and packages a unique identification marking under clause (a), the form and manner and the time for furnishing information and details and maintaining records or documents under clause (b), the time within which and the form and manner in which other details shall be furnished under clause (c) and the amount to be paid under clause (d) of the said sub-section.

2. The matters in respect of which rules may be made in accordance with the provisions of the Bill are matters of procedure and details and it is not practicable to provide for them in the Bill itself.

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

ADMINISTRATOR'S RECOMMENDATION UNDER SUB-SECTION (1)
OF SECTION 23 OF THE GOVERNMENT OF UNION TERRITORIES
ACT, 1963

(Copy of Letter No. 2606 / CTD / GST /2025, dated 12-08-2025 from the Hon'ble Chief Minister Thiru N. Rangasamy to the Hon'ble Speaker, Legislative Assembly, Puducherry)

The Lieutenant-Governor, Puducherry having been informed of the subject matter of the proposed Puducherry Goods and Services Tax (Second Amendment) Bill, 2025 providing to amend the Puducherry Goods and Services Tax Act, 2017 (Act No. 6 of 2017), recommends under sub-section (1) of section 23 of the Government of Union Territories Act, 1963 (Central Act 20 of 1963), the introduction in and consideration by the Legislative Assembly of the said Bill.

THE PUDUCHERRY MUNICIPALITIES
(AMENDMENT) BILL, 2025
(Bill No. 7 of 2025)

A
BILL

**further to amend the Puducherry Municipalities
Act, 1973.**

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

Short title and commencement.

1. (1) This Act may be called the Puducherry Municipalities (Amendment) Act, 2025.

(2) It shall come into force on and from the date of its publication in the Official Gazette.

Amendment of section 348.

2. In the Puducherry Municipalities Act, 1973, (hereinafter referred to as the Principal Act), section 348 shall be omitted.

Amendment of section 355.

3. In the principal Act, for section 355, the following shall be substituted, namely:—

(1) No business or trade shall be carried on within the jurisdiction of the Municipality without the trade licence issued by the Commissioner. The Government shall make rules to prescribe the procedure to be followed by the Commissioner for issuing of the trade licence.

(2) The trade licence issued shall be valid for a period not exceeding five' years on payment of the trade licence fee as notified by the Government.

(3) The trade licence issued shall be renewed on application by the licence holder and on payment of the licence fee.

(4) If it is found that the licence was obtained by making a false statement or misrepresentation of any material facts, the same shall be revoked as per the prescribed procedure.

(5) Where the existing trade licensee has filed the required application for renewal before the commencement of this Act, within the time provided under the existing provisions of the Act, it shall be considered for renewal under this section.

(6) The provisions contained in this Act or any rules or regulations made thereunder shall continue to apply to the trade licences, in so far as they are not inconsistent with the provisions of this Chapter.

4. In the principal Act, section 356 shall be omitted. Amendment of section 356.

5. In the principal Act, section 378 shall be omitted. Amendment of section 378.

STATEMENT OF OBJECTS AND REASONS

1. The Government of Puducherry intends to provide in an industry, an investment friendly atmosphere in the Union territory of Puducherry by reducing the compliance burden on industries and business establishments and, thereby, create economic and employment opportunities and, therefore, it is considered essential that sections 348, 355 and 356 of the Puducherry Municipalities Act, 1973 need to be revised in accordance with the principles of promoting Ease of Doing Business.

2. The above provisions of the Puducherry Municipalities Act, 1973 aims to regulate the places or buildings used for public resorts, gatherings or entertainment under section 348, trades under section 355 and Factories under section 356. The amendment intends to keep all the businesses under one section.

3. In the principal Act, section 356 necessitates the prior permission of the Commissioners of the Municipalities, for construction of any new factory, workshop or commercial work-place where any machinery or manufacturing plant drawn by steam power, water power, or other mechanical power or electrical power is intended to be installed within the geographical boundaries of a municipality. The said provision is proposed to be omitted.

4. There are other specialized agencies of the Government under the relevant Acts and regulations, like the Planning Authorities, Labour, Industry and the Pollution Control Authorities, Fire Services Department and the Food and Drugs Safety officials *etc.*, who are specifically entrusted with the duties to assess the scientific aspects, given / permissible norms and proscribed activities which are likely to be offensive or dangerous to human life or public health or property. Hence, assessing or examining such aspects at the Municipal level is neither feasible nor desirable and, being redundant, may delay the new businesses affecting both the economic growth and the employment opportunities. Besides, the repetitive processing at the various levels, interferes with the main nature and focus of the Municipalities, which is infrastructure development and maintenance, and provision of sanitation, hygiene and civic services.

5. The Municipalities also do not have any specialized manpower or Authority to assess, regulate or monitor the above aspects.

6. In order to simplify the process of applying for and obtaining the trade licence, this amendment is proposed by the Local Administration Department, Government of Puducherry.

7. The National Human Rights Commission (NHRC) has stated that, section 378 of the Puducherry Municipalities Act, 1973 is found to be discriminatory and constitutes a severe human rights violation of persons affected by Leprosy. Hence, it is proposed to amend section 378 of the Puducherry Municipalities Act, 1973 as recommended by the National Human Rights Commission.

8. The Bill seeks to achieve the above objectives.

N. RANGASAMY,
Chief Minister.

FINANCIAL MEMORANDUM

The proposed Puducherry Municipalities (Amendment) Bill, 2025 does not involve any recurring or non-recurring expenditure from the Consolidated Fund of the Union territory of Puducherry.

THE PUDUCHERRY VILLAGE AND COMMUNE
PANCHAYATS (AMENDMENT) BILL, 2025
(Bill No. 8 of 2025)

A
BILL

**further to amend the Puducherry Village and
Commune Panchayats Act, 1973.**

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

Short title and commencement.

1. (1) This Act may be called the Puducherry Village and Commune Panchayats (Amendment) Act, 2025.

(2) It shall come into force on and from the date of its publication in the Official Gazette.

Amendment of section 121.

2. In Puducherry Village and Commune Panchayats Act, 1973 (here after referred to as the principal Act,) for section 121, the following shall be substituted, namely:—

(1) No business or trade shall be carried on within the jurisdiction of the Commune Panchayat without the trade licence, issued by the Commissioner. The Government shall make rules to prescribe the procedure to be followed by the Commissioner for issuing of the trade licence.

(2) The trade licence issued shall be valid for not exceeding five years on payment of the trade licence fee as notified by the Government.

(3) The trade licence issued shall be renewed on application by the licence holder and on payment of the licence fee.

(4) If it is found that the licence was obtained by making a false statement or misrepresentation of any material facts, the same shall be revoked as per the prescribed procedure.

(5) Where the existing trade licensee has filed the required application for renewal before the commencement of this Act within the time provided under the existing provisions of the Act, it shall be considered for renewal under the provisions of the Act.

(6) The provisions contained in this Act or any rule or regulations made thereunder shall continue to apply to the trade licences, so far as they are not inconsistent with the provisions of this Chapter,

3. In the principal Act, section 122 shall be omitted. Amendment of section 122.

4. (1) In the principal Act, in section 123 in sub-section (1) the clause (c) shall be omitted. Amendment of section 123.

(2) In the said section, the sub-section (2) and the proviso clause thereunder, shall be omitted.

STATEMENT OF OBJECTS AND REASONS

1. The Government of Puducherry intends to provide an industry an investment friendly atmosphere in the Union territory of Puducherry by reducing the compliance burden on industries and business establishments and, thereby, create economic and employment opportunities and therefore, it is considered essential that sections 121, 122, 123 (1) (c) and (2) of the Puducherry Village and Commune Panchayats Act, 1973, needs to be revised in accordance with the principles of promoting the Ease of Doing Business.

2. The above existing provisions of the Puducherry Village and Commune Panchayats Act, 1973 aims to regulate industry or trades which are likely to be offensive or dangerous to human life or public health or property. This Act mandates the prior permission of the Government of Puducherry to construct any new factory, workshop or commercial work-place where any machinery or manufacturing plant drawn by steam power, water power, or other mechanical power or electrical power may be installed within the geographical boundaries of a Commune Panchayat.

3. There are other specialized agencies of Government under the relevant Acts and Regulations, like the Planning Authorities, Labour, Industry and the Pollution Control Authorities, Fire Services Department and the Food and Drugs Safety officials, *etc.*, who are specifically entrusted with the duties to assess the scientific aspects, given permissible norms and proscribed activities which are likely to be offensive or dangerous to human life or public health or property. Hence, assessing or examining such aspects at the Commune Panchayats level in neither feasible nor desirable and, being redundant, may delay the new businesses affecting both the economic growth and the employment opportunities. Besides, the repetitive processing at the various levels interferes with the development activities and the focus of the Commune Panchayats.

4. The Commune Panchayats also do not have any specialized manpower or Authority to assess, regulate or monitor the above aspects.

5. In order to simplify the process of applying for and getting trade licence this amendment is proposed by the Local Administration Department, Government of Puducherry.

6. The above Bill seeks to achieve the above objectives.

N. RANGASAMY,
Chief Minister.

FINANCIAL MEMORANDUM

The proposed Puducherry Village and Commune Panchayats (Amendment) Bill, 2025 does not involve any recurring or non-recurring expenditure from the consolidated fund of the Union territory of Puducherry.

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

A
BILL

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

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

Short title and
commencement.

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

Amendment of
section 2.

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

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

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

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

“(9-A) “company” means—

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

“(37-A) “Town Planning Scheme” means, the Scheme in which land owned by the individual or a group of individuals are pooled together and developed by the Planning Authority and part of such developed land is transferred to the original owner and the remaining part of such land is used for establishing common facilities and amenities or for sale;”

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

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

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

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

Central Act 30 of 2013.

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

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

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

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

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

(e) “a Town Planning Scheme.”

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

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

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

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

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

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

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

Central
Act 30
of
2013.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

56-D. Constitution of State Shelter Fund.—

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

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

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

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

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

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

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

Insertion of Chapter – X-A and sections.

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

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

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

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

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

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

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

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

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

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

(3) The declaration under sub-section (1) shall be published by the Planning Authority in such manner as may be prescribed, by notification in the Official Gazette and in two leading daily newspapers in that area of which one shall be in Tamil / Malayalam / Telugu (respective region) and such notification shall contain such particulars as may be prescribed and specify the time and place where a plan showing the boundaries of the proposed Scheme area may be inspected by the public.

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

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

56-H. Restrictions on Land Development

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

56-1. Appointment of Designated Officer.—

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(g) transport facilities;

(h) water-supply;

(i) lighting;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Explanation.— For the purpose of this Chapter.—

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

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

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

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

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

(ii) refuse to approve the draft Scheme; or

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

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

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

for the purposes as specified in clauses (g), (h), (i), (j) and (o) of section 56-M, shall vest with the Planning Authority free from all encumbrances. The Planning Authority may take appropriate measures as may be required including eviction, removal of structures or buildings in contravention of the Scheme, locking and sealing and recover the cost incurred therefor, in such manner as may be prescribed, in the said lands for enforcement of the said public purposes:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

56-V. Preparation of the Final Scheme.—

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

56-Z. Withdrawal of the Scheme.—

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Provided that—

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

56-AJ. Payment by adjustment of account.—

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

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

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

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

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

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

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

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

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

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

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

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

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

Explanation.— For the purpose of this Section,—

(a) “Local Authority” means,—

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

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

(2) After expiry of the period notified under sub-section (1), all assets and facilities such as public street, drinking water and sewerage system, street light and such other facilities created by the Planning Authority or the Designated Officer in the Scheme area shall stand vested with the Local Authority”.

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

Amendment of Section 61.

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

Amendment of Section 79.

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

Amendment and insertion of Clause in section 81.

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

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

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

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

(ia) the duties of the Designated Officer and the manner of reconstitution of plots, allotment of final plots, incorporation of the legal rights settled in the final Scheme in the Land Registers of the Revenue Department;

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

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

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

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

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

Insertion of section 81 A.

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

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

Amendment of Section 82.

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

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

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STATEMENT OF OBJECTS AND REASONS

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

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

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

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

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

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

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

N. RANGASAMY,

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

FINANCIAL MEMORANDUM

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

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

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

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

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

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

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

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

MEMORANDUM REGARDING DELEGATED LEGISLATION

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

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