

**THE MADHYA PRADESH NAGAR TATHA GRAM NIVESH VIKASIT  
BHOOMIYCO, GRIHO, BHAVANO TATHA ANYA SANRACHNAON  
KA VYAYAN NIYAM, 1975**

**(Published in M.P. Gajette Part 4 (Ga) dated 16.12.1977**

'No. 3935-2883-XXXII-77---dated Bhopal, the 18th October 1977-In exercise of the powers conferred by section 58 read with section 85 of Madhya Pradesh Nagar Tatha Gram Nivesh Adhinyam, 1973 (No. 23 of 1973), the State Government hereby makes the following Rules which were previously published as required by section 85 (1) of the said Act, namely

**RULES**

1. These rules may be called the Madhya Pradesh Nagar Tatha Gram Nivesh Vikasit Bhoomiyo, Griho, Bhavano Tatha Anya Sanrachanao Ka Vyayan Niyam, 1975.
2. In these rules, unless the context otherwise requires
  - (a) "Authority" means the Town and Country Development Authority.
  - (b) "Chairman" means the Chairman of the Authority.
  - (c) "Chief Executive Officer" means the Chief Executive Officer of the Authority.
  - (d) "Secretary" means the Secretary of the Authority.
3. No Government land vested in or managed by the Authority shall be transferred except with the general or special sanction of the State Government given in that behalf.
4. All other land (hereinafter called the "Authority land") shall be transferred in accordance with the following rules.
5. Transfer of the Authority land shall be as under :-
  - (a) By direct negotiations with the party; or
  - (b) By Public auction; or
  - (c) By inviting tenders; or
  - (d) Under Concessional terms

\*5(A) In case the authority wants to dispose the land/buildings other than the methods mentioned in Rules 5, committee chaired by the Director, Town & Country Planning shall examine the case, and forward its opinion to Government and the State Government may permit disposal of land / buildings by such method.

\*\*6.(1) In the case of disposal of land by direct negotiation the Authority land shall be disposed of at a premium fixed by the Authority in accordance with the general or

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\*Substituted vide Notification No. F-3-12-2005-XXXII dt. 26.9.05 (M.P. Gazette dt. 14.10.05)

\*\* Substituted vide Notification No. F-3-32-2005-XXXII dt. 18.8.06 (M.P. Gazette dt. 08.09.06)

special sanction given by the State Government to the scale of premium to be fixed and all the Authority land transferred in accordance therewith shall be liable to ground rent in the accordance with the provisions of rule 47.

- (2) Where it is proposed to dispose of any Authority land by negotiation due publicity of scale of plots shall be given in atleast two newspapers of which one shall be a local Hindi paper and in any other newspaper that has wide circulation in the state and by pasting notice in prominent places like offices, of the Town and Country Development Authority, Municipal Corporation, Municipal Council, Commissioner, Collector and Tahsildar concerned.
  - (3) Offer to acquire in lease hold rights of a plot of which premium has been fixed shall be accompanied with an amount less than 1/5<sup>th</sup> of the premium of plot as earnest money. The acceptance of the earnest money shall not be deemed to impose any obligation on the Authority to grant a lease of plot to the person making the deposit. If the offer is accepted, a communication to that effect shall be given to the purchaser when the grant lease is sanctioned by the Chairman.
  - (4) If more than one person offers to take on lease the same plot the allotment shall be made by the Chairman after consideration of the circumstances and merits of each case and the decision of the Chairman shall be final.
  - (5) If the offer acquire a plot in lease hold rights is accepted by the Chairman in the case of Authority, plots or by Government in the case of Government or Nazul the balance of premium shall be deposited with the Authority- within 30 days of the communication of the acceptance of the offer - except in the case where payment of the balance of the premium is agreed to be made in installments as prescribed by any general or special order. In the latter case, the lease shall pay interest at 7 percent per annum on the outstanding balance of the premium calculated from the date on which it fell due till the full payment is made, but the Authority or Government may in its discretion change such rate of interest as it may deem fit.
  - (6) The annual installment of the premium in such case shall be payable together with the interest due on the date prescribed for the payment of annual ground rent.
  - (7) Where the payment of premium is accepted in installments as provided in sub-rule (5) the plot shall be mortgaged by the lessee with the Authority or Government as the case may be.
  - (8) Alongwith the balance of the premium to be deposited in accordance with sub rule (5) the leases shall also deposit the sum of the stamp duty registration charges and cost of map and shall make good the deficiency, if any, at the time of registration.
7. For determining the premium to be fixed for the purpose of rule 6 above the Authority shall auction a few plots of each category in a layout and determine the premium to be fixed for each category of plot in the layout on 'the basis thereof and obtain the sanction of' the State Government to the premium so fixed.
  8. Where it is proposed to dispose of any Authority land by auction, the premium to be paid for transfer of such land shall be put to auction after giving due publicity to the date and place of auction and the Authority land to be auctioned in at least 2 newspaper of which one shall be a local Hindi newspaper and by pasting notices in prominent place at the office of the Town and Country Development Authority.

- Municipal Corporation, Municipal Council, Collector, Commissioner and Tahsiidar concerned and if necessary by beat of drum as well.
9. Auction proceeding shall be conducted by the Chairman or the Authority Engineer or the Secretary authorised by the Chairman. The Authority may instead of holding the auction itself employ a professional auctioners to hold the auction.
  10. Every intending bidder shall before the commencement of the auction deposit a fee of Rs. 100 in each for each plot of the land with the person conducting the action at least one day before the date of auction.
  11. The acceptance of auction deposit at the time offering the bid shall not be deemed to impose any obligation on the Authority to grant of lease of Plot to the person-making the deposit, The auction shall commence only above the minimum datum price derived on the basis of cost of development. Such minimum datum Price shall be announced at the time of auction.
  12. The Chairman may for reason to be recorded in writing accept such lower bid as he deems fit in the interest of the Authority and the land shall be transferred accordingly. The Chairman may for reason to be recorded in writing withdraw the land from auction of the day if he finds that no fair bid is forthcoming and put it up for auction on a future date to be announced later.
  13. When the plot of land is put to auction the highest bid shall be taken as accepted. If in the opinion of the Chairman the last bid is not fair or is lower than the upset price the Chairman reject the bid and order for a fresh auction to be held on a future date to be announced later where the highest bid is accepted by the Chairmen the bidder shall deposit 30 per cent of the bid money forthwith and all the sum deposited by other bidders shall be returned. After acceptance by the Chairman of the highest bid in case of auction, the balance of auction bid shall be deposited in the office of the Authority within fifteen days of the communication of such acceptance. The land so auctioned shall be transferred to be highest bidder subject among other things, to the condition, of payment of ground rent at two percent of premium annually.
  14. If the offer to take a plot on lease to the highest bid in the auction of the lease is not accepted the earnest money shall be refunded but no interest shall be Payable,
  15. If after communication of acceptance under rule 13, the purchaser refused to purchase or does not deposit the balance within the time prescribed therein, the chairman may cancel the sale and forfeit the amount deposited by the purchase and auction the plot.
  16. If more than one person offer to take on lease the same plot before its lease is sanctioned and an intimation to that effect is given the Chairman may decline to make a lease and deposit of the plot by auction. The procedure in respect of lease of plots by auction will apply to such case.
  17. In no case more than 2 plots shall be sold to one and the same person by auction or otherwise.

18. Where it is proposed to dispose of any land by inviting tenders full publicity shall be given to the notice inviting tenders in at least 2 newspaper one of which shall be a local Hindi paper and by getting notices affixed in offices of the Town and Country Development Authority, Municipal Corporation, Municipal council, Collector, Commissioner and Tahsildar concerned. The Authority may accept any tender out of the tenders so received but where it does not accept highest tender it shall record reasons for doing the same.
19. The Authority may with the previous approval of the State Government lease out on concessional terms any authority land to any public institution or body registered under any law for the time being in force,
20. Ordinarily, no lease or sale of land on concessional terms shall be allowed for the purposes of other than charitable purposes such as for hospital educational institutions and orphanages.
21. Land for public amenities such as primary school, vehicle stand, public latrines or urinals, public library or reading room, hospital and dispensaries may be transferred to Municipal Corporation or Municipal Council concerned either free of premium and ground rent or at a normal premium and ground rent as the Authority may determine in each case.
22. Every lease of land on concessional terms shall be subject to the conditions that if the land leased or sold is not utilised within a period of 3 years for the purposes for which it was given, the Authority shall have power to cancel the lease, and resume possession thereof.
23. The premium payable in respect of any Authority land may be recovered by the Authority in instalments spread over a period of years not exceeding 5 with interest with 7 per cent per annum thereon or as may be laid down by the Authority by a general or special order.
24. Subject to provision of these rules every transfer of land shall be made by lease and every lease in respect of any piece of Authority land shall be either for 30 years or 99 years as may be determined by the Authority with the right of renewal by the lesser.
25. Where the period of lease is fixed at 30 years; there shall be right of renewal for 2 further periods, of 30 years each subject to payment of increased ground rent on each renewal not exceeding 50 per cent.
26. Where the purchaser by an application in writing requests the Authority to convert the period of lease from 30 years; to 90 years, the Authority may do so after charging in addition 15 per cent of the premium fixed for 30 years of lease with proportionate in annual ground rent.
27. Notwithstanding anything contained in rules 24 to 26 the Authority may dispose of any land by sale without auction or exchange in the following cases;
  - (a) Where the land is to be transferred in the Government of India or the State, Government.

- (b) Where the plot is to be transferred is adjacent to a largest plot held previously by a person who has asked for such adjoining plot.
  - (c) Where consequential to an agreement for abandonment a piece of land is to sold to person whose property is to abandoned to fit the property in the Authority layout.
  - (d) Where the Authority laid is to be exchanged with adjoining private or Government land for the purpose of a regular layout of plots or for adjustment of the boundaries of private property the acquisition of which is proposed 'to be abandoned.
28. Any transfer of the Authority land in pursuance of above rule 27 shall be made on such terms and conditions as may be fixed by the Authority.
29. No plot or land in any Authority layout shall be of a size less than the minimum size sanctioned for such layout. No plot ,hall be sub-divided in a manner by which any of the sub-divided plot becomes lesser in size than the minimum size sanctioned for the layout in that locality,
30. Where land revenue is payable in respect of any plot so transferred such land revenue shall be paid by the Authority.
31. If the land is surrendered by the lessee or where the Authority has rented upon the land and taken its possession, consequent on the breach of the terms and conditions of the lease, the procedure laid down in these rules shall be applicable for releasing the land subject to provisions of the in denture of the lease, provided that the land on which permanent building of the lessee is situated it shall be released without recovering any premium but with such enhancement in the annual ground rent as the Authority may decide taking into consideration the premium of the plot at the current market rates subject to the conditions, that the ground rent shall not be less than that fixed in the previous lease.
32. The owner of the land acquired by the Authority may be given 'lease of a plot in the layout on payment of premium in one lump sum or in instalments in accordance with rules governing the sale of plots by negotiation.
33. When the plot becomes ready for delivery and is so notified by the Authority, the purchaser shall, obtain possession of the plot within 60 days of the receipt of notice and shall obtain sale deed from the Authority. The purchaser shall bear all costs of getting it duly registered.
34. In all cases, the stamp duty payable in respect of lease deed together with clauses for it registration and the cost of the maps annexed to the lease deed as may be fixed by the Authority shall be payable by the lessee. The lessee shall attend the office of the Authority and the office of the Sub-Registrar for the execution and registration of the lease deed when required by the Authority or by the Government in case of Nazul plots either in person or through an agent having validity power of attorney empowering him to execute the lease and present it for registration or admit its execution on his behalf.

N.B.--It must be noted that lease deed is to be presented for registration within 3 months of execution thereafter.

35. The construction of building on the plots shall be made in accordance with the building bye-laws and zoning regulations for layouts of the Authority as amended from time to time and the plans for construction shall be submitted to the Authority for approval before commencement of the construction.
36. The purchaser shall commence construction of the building in accordance with the plan approved by the Authority within a period of two years provided that the Authority may for sufficient reasons extend the time where owners submit application for extension assigning cogent reasons for extension. The extension period will however be limited to one year only,
- \*37. Unless sanction is obtained from the Authority or before a house as approved by the Authority is constructed on the plot, no purchaser who has purchased a plot from the Authority shall dispose of it by sale, mortgage, gift, or otherwise to another person. Sanction for the transfer of a plot/building shall not be given unless a transfer fee equal to 3 percent of the sale value of the plot/building is paid to the Authority. The transfer shall be bound by this rule and this clause shall also apply to such transfer in case he desires retransfer of the plot. Transfer fee will not be taken where transfer-is desired in the course of natural devolution of heirship
38. If the owner of a plot fails to commence the construction within the period specified in rule 36 the Authority may after giving reasonable notice of its intention so to do re-enter upon the plot. If the Authority reenters from the plot, it shall pay to owner of the plot an amount equal to the price for the plot was sold by the Authority minus 20 per cent thereof.
39. Sale deed shall be issued in the name of person purchasing the land from the Authority under the signature of the Chairman of the Authority and the common seal of the Authority shall be fixed on the sale deed in presence of the Chairman, provided that such sale deed shall be issued after the recovery of the total value of the land from the purchaser.
40. The lessee may take possession of the plot on the date fixed or notified to him for taking over possession of the plot and the lease of the plot shall commence from the date irrespective of the fact 'whatever, possession of the plot has been taken or not and the lessee shall pay all rates and taxes where leviable the owner or the lessee from the date.
41. The lessee will have to take possession of the plot leased out to him in the condition it exists. Any filling for levelling of the plots, shall be done by the Authority according to its convenience and according to the programme of works in the area in which the plot is situated. If the lessee wants to have the filling of leveling done earlier, he may do so to the designed levels of the Authority at his cost.

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\* Partly substituted vide notification no. F-3-32-2005-XXXIII Dt. 22.9.05 (M.P. Gazette dt. 7.10.05)

42. The development works in the area will be taken in head by the Authority according to its programme of works and completed as early as possible but non execution of any work will not entitle 'him to withhold or object to the payment of annual ground rent and or Corporation, or Municipal Taxes.
43. Area and dimensions of the plot declared at the time of application for lease of the plot are approximate. The actual area of the plot will be intimated to the lessee and Plot demarcated and measured in his presence in the presence of the authorized representative if so desired by him at the time of giving possession on the date fixed therein of which intimation would be given to the lessee will be deemed to be in possession of plot from that date and the dimensions and the area so actually measured by the Authority would be taken as correct. The premium and the ground rent will be in accordance with the actual area delivered by the Authority which shall be binding on the lessee and the lessee will have no claim against the Authority or to claim cancellation of lease and refund of the premium.
44. The lessee shall have such access to the plot as is provided at the spot. The non execution of the work non completion of the same by the Authority shall not entitle the lessee to make any claim against the Authority.
45. The lessee shall allow the cutting leveling or filling of the plot as may be found necessary by the Authority according to the designed levels even after possession is given and lease is executed unless either the lessee has already filled or leveled the plot at his own cost after obtaining permission of the Authority according to the designed level or he has already taken up the construction of the building on the plot. But in the latter case the Authority shall have the power to fill or level the area surrounded the building proper if it so desires.
46. The Authority will be entitled to use temporarily the plot on which no construction work has been begun by the lessee for the purpose of stocking materials for the execution of its work without causing any inconvenience to the lessee but shall clear that plot as soon as the works for which the materials were collected and completed and in case before the lessee starts constructions of a building on the plot such temporary use shall not entitle the lessee to make any claim against the Authority on any account.
- \* 47. The lessee, who obtains a plot from the Authority, shall annually pay in advance such amount as ground rent or lease rent, on or before 1<sup>st</sup> June of the Financial Year, in which the lease is executed, as determined by the authority. The amount to be paid as ground rent or lease rent shall be arrived at by adding 10 percent service charge to the ground rent or lease rent payable by the Authority to the District Collector/ Revenue Department in respect of the total area of the land of which the plot of lease is a part and then such amount shall be divided proportionately on all the plots comprised within the total area.

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\* Substituted vide notification no. F-3-32-2005- XXXII Dt. 22.09.05 (M.P. Gazette dt. 7.10.05)

In cases, where the Authority has constructed and leased out residential units, commercial complexes, or office, buildings as the case may be, or any land, the ground rent or lease rent payable by the Authority to the District Collector/Revenue Department in respect of land plus 10 percent service charge shall be divided proportionately on the total built up area on such land, and each lessee of the residential units, commercial complex or office building, as the case may be, shall pay to the authority such divided proportionate amount on the area of the unit held by him on lease as lease rent :

Provided that in the case of any lease executed prior to enforcement of this amended rule, the ground rent of lease rent shall be payable as per the terms of agreement between the authority and the lessee.

48. In calculating the ground rent fraction of a rupee shall be rounded to the nearest rupee i.e 50 paise or Prior-, shall be deemed to be whole rupee while fractions of less than 50 paise shall be omitted.
49. The lessee shall be bound by the terms and conditions mentioned in the standard form of the indenture of lease of the authority and Government plots as the case may be and such additions to or modifications therefore as may be made when the plots were offered for lease in any area. In every case of acquisition of the lease whether auction or in fixed premium, the making of an offer in either case shall be deemed to be an acceptance of all the terms and conditions of the lease.
50. The constructions of building and the use of the plot shall be regulated by the Building Regulation and Zoning Regulation of the Authority in the area in which plots are sold. The regulations will be available for perusal in the office of the Authority and with the selling agent and will be exhibited at the time of acquisition of the land so as to make the person whose land in to be acquired conversant with these regulation and making of an offer shall be deemed to be an acceptance by him of the provisions thereof.
51. If the lessee does not comply with any of the requirement or conditions mentioned above the lease of the plot may be cancelled by the Authority or Government as the case may be and the same may be disposed of in such a manner as the Authority or Government may deem fit at the risk of the lessee. Any loss caused to the Authority or Government where on account of premium or ground rent, or any other account in consequences of the default made the lessee shall be made good by him and the amount deposited by him is liable to be forfeited or appropriated by the Authority or by the Government as the case may be.