

**THE DISPOSAL OF LAND BY DEVELOPMENT AUTHORITIES (REGULATION) ACT
1998
(Pb. Act XII of 1998)**

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^{1[1]}**THE DISPOSAL OF LAND BY DEVELOPMENT AUTHORITIES (REGULATION) ACT
1998
(Pb. Act XII of 1998)**

[30 November 1998]

An Act to regulate the disposal of land by Development Authorities

Preamble.— Whereas it is expedient to regulate the disposal of land by the Development Authorities, in the manner hereinafter appearing;

It is hereby enacted as follows:—

1. Short title and commencement.— (1) This Act may be called the Disposal of Land by Development Authorities (Regulation) Act 1998.

(2) It shall come into force at once and shall be deemed to have taken effect on the day the Disposal of Land by Development Authorities (Regulation) Ordinance 1998 (XVIII of 1998) stands repealed under Article 128(2) of the Constitution.

2. Definitions.— In this Act, unless there is anything repugnant to the subject or context—

- (1) “destitute” means a disabled person permanently incapacitated, otherwise than in the performance of public duty, to earn his livelihood or a widow or a minor orphan whose monthly income does not exceed Rs.2000/- per month;
- (2) “Development Authority” means the Lahore Development Authority, the Bahawalpur Development Authority, the Dera Ghazi Khan Development Authority, an Authority established under the Development of Cities Act, 1976, a Trust established under the Punjab Town Improvement Act, 1922 and the Directorate General of Housing and Physical Planning Punjab;
- (3) “disabled” means a person who on account of injury received by him in the performance of his functions or voluntary service for or in aid of the Government is handicapped for undertaking any gainful profession or employment to earn his livelihood and is declared as such by a medical board constituted by the Government;
- (4) “exemption policy” means the policy approved for a housing scheme whereunder allotment through exemption has been allowed to the land owners in exchange for the land acquired from them;
- (5) “housing scheme” means a housing scheme prepared by a Development Authority; and
- (6) “land” means a plot, a site or a constructed unit.

3. Categorization of plots, etc.— (1) At the time of sanction of a housing scheme—

- (a) the plots in the scheme shall be categorized as residential, commercial, industrial and public amenity plots; and
- (b) the number of plots, the area covered by the plots and the public utility areas shall be indicated in the scheme.

^{1[1]}This Act was passed by the Punjab Assembly on 27th November, 1998; assented to by the Governor of the Punjab on 28th November, 1998; and, was published in the Punjab Gazette (Extraordinary), dated 30th November, 1998, pages 4215 to 4217.

(2) No alteration of the scheme shall be made without the approval of the competent authority.

(3) No alteration of a housing scheme which is transferred from one Development Authority to another shall be made except with the approval of the competent authority in the transferee Development Authority.

4. Disposal of land.— In the housing schemes, the land shall be disposed of in the following manner—

(a) plots falling in the zone of above ten marlas and all constructed units shall be disposed of through open auction; ²[²provided that allotment of 3 to five marla residential units, multi-storey flats/ apartments shall be made through ballot;]

³[(b) (1) plots falling in the zone of above 5 marla to 10 marla and upto 5 marla shall be disposed of in the following manner—

Sr. No.	Manner of disposal	Percentage
(i)	through open auction.	⁴ [93%]
(ii)	allotment by GHQ to the defence personnel who become permanently disabled or the legal heirs of the defence personnel who lay down their lives in the discharge of official duties.	⁵ [5%]
(iii)	allotment by the Governor to such persons who become permanently disabled in the performance of functions or voluntary services in relation to the affairs of the Government or the legal heirs of the persons who die while performing such functions or services.	⁶ [2%]

(2) Plots falling in the zone of upto 5 marla shall be disposed of through allotment in the following manner:-

Sr. No.	Manner of disposal	Percentage
(i)	General public (by ballot)	80%
(ii)	allotment by GHQ to the defence personnel who become permanently disabled or the legal heirs of the defence personnel who lay down their lives in the discharge of official duties.	5%
(iii)	allotment by the Governor to such persons who become permanently disabled in the performance of functions or voluntary services in relation to the affairs of the Government or the legal heirs of the persons who die while performing such functions or services.	2%
(iv)	a) Government servants as well as employees of	5%

²[²Added by the Disposal of Land by Development Authorities (Regulation) (Third Amendment) Ordinance, 2002 (XLVII of 2002), which will remain in force under the Provisional Constitution (Amendment) Order 1999 (9 of 1999), Article 4, notwithstanding the maximum limit of three months prescribed under Article 128 of the Constitution of the Islamic Republic of Pakistan.

³[³Substituted by the Disposal of Land by Development Authorities (Regulation) (Amendment) Ordinance, 2002 (V of 2002), which will remain in force under the Provisional Constitution (Amendment) Order 1999 (9 of 1999), Article 4, notwithstanding the maximum limit of three months prescribed under Article 128 of the Constitution of the Islamic Republic of Pakistan.

⁴[⁴Substituted for the figures “95%” by the Disposal of Land by Development Authorities (Regulation) (Third Amendment) Ordinance, 2002 (XLVII of 2002), which will remain in force under the Provisional Constitution (Amendment) Order 1999 (9 of 1999), Article 4, notwithstanding the maximum limit of three months prescribed under Article 128 of the Constitution of the Islamic Republic of Pakistan.

⁵[⁵*Ibid.*, for “3.5%”.

⁶[⁶*Ibid.*, for “1.5%”.

	Autonomous/Semi-Autonomous Bodies (by ballot). b) retired Government servants including widows and dependants of deceased Government servants who died before retirement and did not own a plot (by ballot)	2%
(v)	minorities (by ballot)	1%
(vi)	destitutes (by ballot)	5%]

(c) The provisions of this section shall apply to the housing schemes in which allocation for defence personnel and Government servants had been made only to the extent the said allocation has not been exhausted.

(d) A plot allotted against an allocation shall not be transferable until all the terms and conditions of the allotment are fulfilled.

(e) In the case of non-residential plots—

(i) commercial and industrial plots, sites and constructed units shall be sold through open auction;

(ii) public amenity plots sites for mosques and graveyards shall be allotted in such manner and on such conditions as may be prescribed;

^{717]}(iii) sites for petrol pumps or CNG stations shall be leased for a period of eighteen years through open auction; provided that:

(I) the period of an existing lease may be extended, from time to time, for three years with ten percent per annum increase in the rate of rent;

(II) the total lease period including extension shall not exceed thirty three years; and

(III) on the completion of thirty three years, the site may again be leased through open auction and the existing lessee may match the bid: and]

(iv) agricultural lands shall be leased out for cultivation only through open auction.

(f) In a scheme where compensation is required to be given in the shape of developed plots, the apportionment of plots for the allocations mentioned in clauses (b)(ii), (b)(iii) and (b)(iv) shall be made after deducting the plots to be exempted under the provisions of the Punjab Acquisition of Land (Housing) Act, 1973 read with the Punjab Acquisition of Land (Housing) (Repeal) Act, 1985 or the exemption policy as the case may be.

^{818]}(g) Notwithstanding anything contained in this section Government may allow sale and disposal of land in special circumstances at such rate and on such terms and condition as it may determine.]

5. Conversion.— No public utility area or public amenity plot in a housing scheme shall be converted to any other use ^{919]}[:]

^{1010]}[Provided that the Government may permit conversion of cinema site for commercial use with the condition that adequate facilities for cinema and projection theater are provided in the binding to be raised at such site.]

6. Penalty for conversion.— The conversion of a plot or site to a use or purpose other than the one provided in the sanctioned housing scheme, except in the prescribed manner, shall be punishable with imprisonment for a term which may extend to one year or with fine which may extend to Rs.1000/- per day from the date of conversion till the default continues or with both.

7. Removal of buildings, etc.— (1) If any building or structure is erected or used in contravention of the provisions of this Act or any rule made thereunder, the Development Authority concerned may, by order in writing, require the owner, occupier, user or person in control of such

^{717]}Substituted by the Punjab Disposal of Land by Development Authorities (Regulation) (Amendment) Act 2007 (X of 2007).

^{818]}Substituted by the Disposal of Land by Development Authorities (Regulation) (Second Amendment) Ordinance, 2002 (XLVI of 2002), which will remain in force under the Provisional Constitution (Amendment) Order 1999 (9 of 1999), Article 4, notwithstanding the maximum limit of three months prescribed under Article 128 of the Constitution of the Islamic Republic of Pakistan.

^{919]}Substituted for the “full-stop” by the Disposal of Land by Development Authorities (Regulation) (First Amendment) Ordinance, 2002 (XL of 2002), which will remain in force under the Provisional Constitution (Amendment) Order 1999 (9 of 1999), Article 4, notwithstanding the maximum limit of three months prescribed under Article 128 of the Constitution of the Islamic Republic of Pakistan.

^{1010]}Added *ibid*.

building or structure to remove, demolish or alter the building, structure or work or to use it in such manner so as to bring such structure or use in accordance with the provisions of this Act.

(2) If an order under sub-section (1) in respect of any building or structure, is not complied with within such time, as may be specified therein, the Development Authority may, after giving the person affected by the order, an opportunity of being heard, remove, demolish or alter the building or structure and in so doing, may use such force as may be necessary and may also recover the cost thereof, from the person responsible for the structure, construction or use of the building or structure, in contravention of the provisions as aforesaid.

8. Appeal.— An order passed by any officer of a Development Authority affecting allotment, sale, lease or any matter consequential thereto shall be appealable in such manner as may be prescribed.

9. Rules.— The Government may make rules for carrying out the purposes of this Act.