

**THE KARNATAKA URBAN DEVELOPMENT
AUTHORITIES ACT, 1987
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STATEMENT OF OBJECTS AND REASONS

I

Act 34 of 1987.- With a view to speeding up planning and development of land in urban areas in the State, it is felt desirable to have for each urban area a single agency for performing functions both as a Planning Authority and as Development Authority.

Hence this Bill.

(Obtained from L.A. Bill Bo. 13 of 1987.)

II

Amending Act 17 of 1991: Note: By this Act while making certain amendments to the Karnataka Town & Country Planning Act, 1961. Certain consequential amendments are made to the Karnataka Urban Development Authorities Act, 1987 (Act 34 of 1987).

III

Amending Act 14 of 1992: It is considered necessary to amend the Karnataka Urban Development Authorities Act, 1987 to include the members of the Karnataka Legislative Council who are permanent residents of the concerned Urban area and the Commissioner of Police as the members of the Urban Development Authority.

Hence this Bill.-

(Published in the Karnataka Gazette Part IV-2A (Extraordinary) No. 198 dated 30.3.1992. at page 14.)

IV

Amending Act 12 of 1996.- Note: By this Act the Krishna Basin Development Authority was constituted and certain consequential amendments are made to Act 34 of 1987.

V

Amending Act 51 of 2017.- The Land Acquisition Act, 1894 was repealed by the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (Central Act 30 of 2013). Therefore it is considered necessary to amend the Karnataka Urban Development Authorities Act, 1987 (Karnataka Act 34 of 1987) to incorporate the provisions of the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (Central Act 30 of 2013) for the purpose of land acquisition, acquiring possession of the land and award of compensation.

Hence, the Bill.

[L.A. Bill No 38 of 2017, File No. Samvyashae 07 Shasana 2017]

[entry 18 and 32 of List II of the Seventh Schedule to the Constitution of India]

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KARNATAKA ACT No. 34 OF 1987

*(First published in the Karnataka Gazette Extraordinary on the
Nineteenth day of November, 1987)*

THE KARNATAKA URBAN DEVELOPMENT AUTHORITIES ACT, 1987

*(Received the assent of the Governor on the Sixteenth day
of November, 1987)*

(As amended by Acts 17 of 1991, 14 of 1992, 12 of 1996 and 51 of 2017)

An Act to provide for the establishment of Urban Development Authorities for the planned development of major and important urban areas in the State and the areas adjacent thereto and for matters connected therewith.

WHEREAS it is expedient to provide for the establishment of Urban Development Authorities for the planned development of major and important urban areas in the State and the areas adjacent thereto and for matters connected therewith ;

BE it enacted by the Karnataka State Legislature in the Thirty-eighth year of the Republic of India as follows:-

CHAPTER I**PRELIMINARY**

1. Short title, extent and commencement.- (1) This Act may be called the Karnataka Urban Development Authorities Act, 1987.

(2) It extends to the whole of the State of Karnataka except to the Bangalore Metropolitan Area.

(3) It shall come into force on such ¹[date]₁ as the Government may by notification specify and different dates may be given for different urban areas and for different provisions.

1. Act has come into force by notification on different dates in different urban areas. Text of the notifications are at the end of the Act.

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

(a) "Authority" means the Urban Development Authority constituted under section 3 ;

(b) "amenity" includes road, street, lighting, drainage, public works and such other conveniences as the Government may, by notification, specify to be an amenity for the purposes of this Act ;

(c) "betterment tax" means the tax payable under sections 20 and 21 in respect of an increase in the value of land resulting from the execution of a development scheme,

(d) "building" includes any structure or erection or part of a structure or erection which is intended to be used for residential, industrial, commercial or other purposes, whether in actual use or not ;

(e) "building operations" includes rebuilding operations, structural alterations or additions to buildings and other operations normally undertaken in connection with the construction of buildings ;

(f) "bye-laws" means bye-laws made by the Authority under this Act;

- (g) "Chairman" means the Chairman of the Authority ;
- (h) "civic amenity" means a market, a post office, a bank, a bus stand or a bus depot, a fair price shop, a milk booth, a school, a dispensary, a maternity home, a child care centre, a library, a gymnasium, a recreation centre run by the Government or local authority, a centre for educational, religious, social or cultural activities or philanthropic service run by a co-operative society or society registered under the Karnataka Societies Registration Act, 1960 (Karnataka Act 17 of 1960) or by a trust created wholly for charitable, educational or religious purposes, a police station, an area office or a service station of the local authority or the Karnataka Urban Water Supply and Drainage Board or the Karnataka Electricity Board and such other amenity as the Government may by notification specify ;
- (i) "Commissioner" means the Commissioner appointed under section 12;
- (j) "development" with its grammatical variations means the carrying out of building engineering or other operations in or over or under land or the making of any material change in any building or land and includes planning and redevelopment ;
- (k) "engineering operations" means formation or laying out of means of access to road ;
- (l) "Government" means the State Government;
- (m) "land" includes benefits arise out of land and things attached to the earth or permanently fastened to anything attached to the earth ;
- (n) "local authority" means a municipal corporation or a municipal council constituted or continued under any law for the time being in force ;
- (o) " means of access" includes any means of access whether private or public, for vehicles or for foot passengers and includes a road ;
- (p) "regulation" means regulations made by the Authority under this Act;
- (q) " street" includes any highway and any causeway, bridge, aqueduct, arch, road, lane, footway, square, court, alley or passage, whether a thoroughfare or not ;
- (r) " to erect" in relation to any building includes,-
 - (i) any material alteration or enlargement of any building ;
 - (ii) the conversion by structural alteration into a place for human habitation of any building not originally constructed for human habitation;
 - (iii) the conversion into more than one place for human habitation of a building originally constructed as one such place ;
 - (iv) the conversion of two or more places of human habitation into a greater number of such places ;
 - (v) such alterations of a building which affect an alteration of its drainage or sanitary arrangements, or materially affect its security ;
 - (vi) the addition of any rooms, buildings, houses or other structures to any building ; and
 - (vii) the construction in a wall adjoining any street or land not belonging to the owner of the wall, or a door opening on to such street or land ;

(s) " urban area" means any local area which is within the jurisdiction of a local authority and includes such other area adjacent to the limits of the local authority as the Government may, from time to time, by notification specify;

(t) all other words and expressions used herein but not defined shall have meaning respectively assigned to them in the Bangalore Development Authority Act, 1976, (Karnataka Act 12 of 1976).

CHAPTER II

THE URBAN DEVELOPMENT AUTHORITY

3. Constitution and incorporation of the Authority.- (1) As soon as may be, after the date of commencement of this Act, the Government may by notification constitute for any urban area, an authority for the development of such area to be called "..... Development Authority".

(2) The Authority shall be a body corporate by the name aforesaid having perpetual succession and common seal with power, subject to the provisions of this Act, to acquire, hold and dispose of property both movable and immovable and to contract and shall by the said name sue or be sued.

(3) The Authority shall consist of the following members, namely :-

(a) the Chairman ;

(b) a town planner who shall be an officer of the Department of Town Planning not below the rank of an Assistant Director of Town Planning;

(c) an engineer who shall be an officer of the Karnataka Engineering Service not below the rank of an Executive Engineer ;

(d) members of the Karnataka Legislative Assembly representing a part or whole of the urban area and members of the Karnataka Legislative Council who are the permanent residents of the urban area concerned];

1. Substituted by Act 14 of 1992 w.e.f. 24.04.1992.

(e) a representative of the Karnataka Urban Water Supply and Drainage Board ;

(f) a representative of the Karnataka Electricity Board ;

(g) Commissioner of the Corporation or Municipal Commissioner or Chief Officer of the Municipal Council, *Ex-officio* ;

(h) Deputy Commissioner of the District, *Ex-officio*;

(i) an elected member of the local authority concerned;

1[(j) the Commissioner of Police or the Superintendent of the Police of the District, as the case may be having jurisdiction over the urban area concerned *Ex-officio*];

1. Substituted by Act 14 of 1992 w.e.f. 24.04.1992.

(k) an officer from the Karnataka Health and Family Welfare Department not below the rank of a District Health Officer ;

(l) a person having experience in Architecture ;

(m) four persons including a woman and a person belonging to the Scheduled Castes or Scheduled Tribe ;

(n) the Commissioner, *ex-officio* ;

Provided that during the period of cessation of the Local Authority or during the period of appointment of an Administrator, the Administrator shall nominate a person from amongst the Local Authorities.

(4) The person referred to in clauses (a) to (d) and clauses (k) to (m) of sub-section (3) shall be appointed by the Government and the persons referred to in clauses (e), (f) and (i) shall be nominated by the respective bodies:

Provided that all the first members of the Authority shall be appointed by the Government.

(5) The Chairman, the Engineer and the Town Planner shall be the whole time members and the other members shall be part time members.

(6) The names of the Chairman and the members shall be published by the Government by notification in the official Gazette.

4. Disqualification for office of members.- (1) No person shall be appointed as or continued to be a member who,-

- (a) has been convicted and sentenced to imprisonment for an offence which in the opinion of the Government involves moral turpitude ; or
- (b) is of unsound mind and stands so declared by the competent court ; or
- (c) is an undischarged insolvent ; or
- (d) has been removed or disqualified from the service of the Central Government or a State Government or a corporation owned or controlled by the Central Government or a State Government ; or
- (e) has directly or indirectly by himself or his partner any share or interest in any work done by the order of the Authority or in any contract or employment with or under or by or on behalf of the Authority;
- (f) being an elected member ceases to be a councillor of the local authority ; or
- (g) is employed as paid legal practitioner on behalf of the Authority or accepts employment as legal practitioner against the Authority.

(2) A person shall not be disqualified under clause (e) of sub-section (1) or to be deemed to have any share or interest in any contract or employment within the meaning of the said clause by reason only of his having a share or interest in any newspaper in which any advertisement relating to the affairs of the Authority is inserted.

5. Term of office and conditions of service of members.- (1) Subject to the pleasure of the Government and the provisions of section 6, the Chairman and other members of the Authority shall hold office for a period of three years from the date on which they assume office and shall be eligible for reappointment under such conditions as may be prescribed :

Provided that the term of office of the representative of the local authority shall come to an end when he ceases to be a councillor or when the local authority is superseded.

(2) The other conditions of service of members shall be such as may be prescribed.

(3) Any member other than an *ex-officio* member may resign his office by writing under his hand addressed to the Government but shall continue in office till his resignation is accepted by the Government.

(4) A casual vacancy by resignation of a member or otherwise may be filled by fresh appointment or nomination and the person so appointed or nominated shall hold office for the remaining period for which the member in whose place he was appointed or nominated would have held office.

(5) No act or proceeding of the Authority shall be invalid merely by reason of any vacancy in or defect in the constitution or reconstitution of the Authority.

6. Removal of member.- The Government shall remove a member if,-

(a) he becomes subject to any of the disqualifications mentioned in section 4;

Provided that no member shall be removed on the ground that he has become subject to the disqualification mentioned in clause (e) of that section, unless he has been given an opportunity of submitting his representation ; or

(b) he refused to act or becomes incapable of acting ; or

(c) he, without obtaining leave of absence from the Authority, absents from three consecutive meetings of the Authority ; or

(d) in the opinion of the Government he has so abused his position as to render his continuance in office detrimental to the public interest :

Provided that no member shall be removed under this clause unless he has been given an opportunity of submitting his representation.

7. Eligibility for reappointment.- Any person ceasing to be a member shall, unless disqualified under section 4, be eligible for reappointment as a member.

8. Meeting of the Authority.- (1) The meetings of the Authority shall be convened by the Chairman and shall be held at any place within the jurisdiction of the Authority.

(2) The Authority shall meet at such times and shall observe such rules of procedure in regard to the transaction of business at its meetings. There shall be at least one meeting in a month. No business shall be transacted at any meeting unless half the number of total members are present.

(3) The Chairman, or if for any reason he is unable to attend any meeting any other member chosen by the members present at the meeting shall preside at the meeting.

(4) All questions which come up before any meeting of the Authority shall be decided by a majority of the votes of the members present and voting and in the event of an equality of votes, the Chairman or in his absence the person presiding, shall have and exercise a second or casting vote.

(5) A member shall not, at any meeting of the Authority, or a Committee thereof, take part in the discussion of or vote on any matter in which he has directly or indirectly, by himself or his partner, any share or interest.

9. Appointment of Committees.- (1) The Authority may, from time to time appoint Committees consisting of the Chairman, the Commissioner and such other members as it thinks fit and may with the approval of the Government associate with such Committees in such manner and for such period as may be prescribed. Any person

or persons whose assistance or advise it may desire and refer to such Committees for inquiry and report any subject relating to the purposes of this Act.

(2) Every Committee appointed under sub-section (1) shall conform to any instructions that may from time to time given to it by the Authority and the Authority may at any time alter the constitution of any Committee so appointed or rescind any such appointment. The Chairman shall be the President of every such Committee.

10. Powers of different authorities.- (1) The Commissioner may, on behalf of the Authority, sanction any estimate, call for tenders or enter into any contract or agreement the value or amount whereof shall not exceed rupees five lakhs in such manner and form as, according to the law for the time being in force would bind them if such contract or agreement were on their own behalf ; and every such contract or agreement shall be reported to the Authority at its next meeting.

(2) The Authority may sanction any estimate, call for tenders or enter into any contact or agreement, the value of which does not exceed rupees twenty five lakhs.

(3) Every contract or agreement on behalf of the Authority, other than a contract or agreement referred to in sub-section (1), shall be in writing and shall be signed by the Commissioner and Chairman and sealed with common seal, of the Authority.

(4) The acceptance of any tender shall be subject to such rules as may be prescribed.

(5) A contract not made or executed as provided in this section and the rules made thereunder shall be null and void and shall not be binding on the Authority.

11. Authority may compromise claims by or against it.- The Authority may compound or compromise any claim or demand arising out of any contract entered into by it under this Act or any action or suit instituted by or against it for such sum of money or other compensation as it shall deem sufficient :

Provided that no such claim or demand exceeding fifty thousand rupees shall be compounded or compromised except with the previous approval of the Government.

12. Appointment of Commissioner.- (1) The Government shall appoint an officer, not below the rank of Group 'A' officer to be the Commissioner for the Authority.

(2) The Commissioner shall receive such monthly salary and other allowances as the Government may, from time to time determine.

(3) The Government may, from time to time grant leave of absence for such period as it thinks fit to the Commissioner. A copy of every order granting such leave shall be communicated to the Chairman.

13. Powers and duties of the Commissioner.- (1) The Commissioner shall be the Chief Executive and Administrative Officer of the Authority.

(2) The Commissioner shall, in addition to performing such functions as are conferred on him by or under this Act or under any law for the time being in force,-

(a) carry into effect the resolutions of the Authority :

Provided that, if, in the opinion of the Commissioner any resolution of the Authority contravenes any provision of this Act or any other law or of any rule, notification, regulation or bye-law made or issued under this Act or any other law or of any order passed by the Government or is prejudicial or detrimental to the interest of the Authority he shall, within fifteen days of the passing of the resolution refer the matter to

the Government for the orders and inform the Authority at its next meeting, of the action taken by him and until the orders of the Government on such reference are received, the Commissioner shall not be bound to give effect to the resolution ;

- (b) keep and conduct the Authority's correspondence;
- (c) carry out and execute such schemes and works as the Government may direct and incur necessary expenditure therefor;
- (d) be responsible for implementing the schemes of the Authority ;
- (e) operate the accounts of the Authority and be responsible for the maintenance of the accounts of the Authority ;
- (f) exercise supervision and control over the accounts and proceedings of all officers and servants of the Authority in matters of executive administration and in the matter concerning the accounts and records of the Authority and to the extent specified in sub-section (1) of section 52 dispose of all questions relating to the service of such officers and servants and their pay, privileges and allowances ;
- (g) furnish to the Government a copy of the minutes of the proceedings of the Authority and any return, or other information which the Government may, from time to time, call for ; and
- (h) authenticate by his signature all permissions, orders, decisions, notices and other documents of the Authority and the orders of the Authority.

(3) The Commissioner shall have all the powers of a major Head of the Department of the State Government under the Karnataka Civil Services Rules for the time being in force as in respect of the officers and servants of the Authority.

14. Objects of the Authority.- The objects of the Authority shall be planning and promoting and securing the development of the urban area and for these purposes the Authority shall have the power to acquire, hold, manage and dispose of moveable and immovable property, whether within or outside the urban area under its jurisdiction, to carryout buildings, engineering and other operations and generally to do all things necessary or expedient for the purpose of such development and for purposes incidental thereto.

CHAPTER III

DEVELOPMENT SCHEMES

15. Power of Authority to undertake works and incur expenditure for development etc.- (1) The Authority may,-

- (a) draw up detailed schemes (hereinafter referred to as "development scheme") for the development of the urban area ; and
- (b) with the previous approval of the Government, undertake from time to time any works for the development of the urban area and incur expenditure therefor and also for the framing and execution of development schemes.

(2) The Authority may also from time to time make and take up any new or additional development schemes,-

- (i) on its own initiative, if satisfied of the sufficiency of its resources, or

- (ii) on the recommendations of the local authority, if the local authority places at the disposal of the Authority, the necessary funds for framing and carrying out any scheme, or
- (iii) otherwise.

(3) Notwithstanding anything in this Act or in any other law for the time being in force, the Government may, whenever it deems it necessary require the Authority to take up any development scheme or work and execute it subject to such terms and conditions as may be specified by the Government.

16. Particulars to be provided for in a development scheme.- Every development scheme under section 15,-

- (1) shall within the limits of the area comprised in the scheme, provide for,-
 - (a) the acquisition of any land which in the opinion of the authority, will be necessary for or affected by the execution of the scheme ;
 - (b) laying and relaying out all or any land including the construction and reconstruction of buildings and formation and alteration of streets ;
 - (c) drainage, water supply and electricity ;
 - (d) the reservation of not less than fifteen per cent of the total area of the layout for public parks and play grounds and an additional area of not less than ten per cent of the total area of the layout for civic amenities.
- (2) may, within the limits aforesaid, provide for, -
 - (a) raising any land which the Authority may consider expedient to raise to facilitate better drainage ;
 - (b) forming open spaces for the better ventilation of the area comprised in the scheme or any adjoining area ;
 - (c) the sanitary arrangements required ; and
 - (d) establishment or construction of markets and other public requirements or conveniences.
- (3) may, within and without the limits aforesaid provide for the construction of houses.

17. Procedure on completion of scheme.- (1) When a development scheme has been prepared, the Authority shall draw up a notification stating the fact of a scheme having been made and the limits of the area comprised therein, and naming a place where particulars of the scheme, a map of the area comprised therein, a statement specifying the land which is proposed to be acquired and of the land in regard to which a betterment tax may be levied may be seen at all reasonable hours.

(2) A copy of the said notification shall be sent to the local authority, which shall, within thirty days from the date of receipt thereof, forward to the Authority for transmission to the Government as hereinafter provided, any representation which the local authority may think fit to make with regard to the scheme.

(3) The Authority shall also cause a copy of the said notification to be published in two consecutive issues of a local newspaper having wide circulation in the area and affixed in some conspicuous part of its own office, the Deputy Commissioner's office, the office of the local authority and in such other places as the Authority may consider necessary.

(4) If no representation is received from the local authority within the time specified in sub-section (2), the concurrence of the local authority to the scheme shall be deemed to have been given.

(5) During the thirty days next following the day on which such notification is published in the local newspapers the Authority shall serve a notice on every person whose name appears in the assessment list of the local authority or in the land revenue register as being primarily liable to pay the property tax or land revenue assessment on any building or land which is proposed to be acquired in executing the scheme or in regard to which the Authority proposes to recover betterment tax requiring such person to show cause within thirty days from the date of the receipt of the notice why such acquisition of the building or land and the recovery of betterment tax should not be made.

(6) The notice shall be signed by or by the order of the Commissioner and shall be served,-

- (a) by personal delivery of, if such person is absent or cannot be found, on his agent, or if no agent can be found, then by leaving the same on the land or the building ; or
- (b) by leaving the same at the usual or last known place of abode or business of such person ; or
- (c) by registered post addressed to the usual or last known place of abode or business of such person.

18. Sanction of scheme.- (1) After publication of the scheme and service of notices as provided in section 17 and after consideration of representations if any, received in respect thereof, the Authority shall submit the scheme making such modifications, therein as it may think fit to the Government for sanction, furnishing,-

- (a) a description with full particulars of the scheme including the reasons for any modifications inserted therein ;
- (b) complete plans and estimates of the cost of executing the scheme ;
- (c) a statement specifying the land proposed to be acquired ;
- (d) any representation received under sub-section (2) of section 17;
- (e) a schedule showing the rateable value as entered in the municipal assessment book on the date of the publication of a notification relating to the land under section 17 or the land assessment of all land specified in the statement under clause (c); and
- (f) such other particulars, if any, as may be prescribed.

(2) Where any development scheme provides for the construction of houses, the Authority shall also submit to the Government plans and estimate for the construction of the houses.

(3) After considering the proposal submitted to it the Government may, by order, give sanction to the scheme.

19. Upon sanction, declaration to be published giving particulars of land to be acquired.- (1) Upon sanction of the scheme, the Government shall publish in the official Gazette a declaration stating the fact of such sanction and that the land proposed

to be acquired by the Authority for the purposes of the scheme is required for a public purpose.

(2) The declaration shall state the limits within which the land proposed to be acquired is situate, the purpose for which it is needed, its approximate area and the place where a plan of the land may be inspected.

(3) The said declaration shall be conclusive evidence that the land is needed for a public purpose and the Authority shall, upon the publication of the said declaration, proceed to execute the scheme.

(4) If at any time it appears to the Authority that an improvement can be made in any part of the scheme, the Authority may alter the scheme for the said purpose and shall subject to the provisions of sub-sections (5) and (6) forthwith proceed to execute the scheme as altered.

(5) If the estimated cost of executing the Scheme as altered exceeds by a greater sum than five per cent of the estimated cost of executing the scheme as sanctioned, the Authority shall not, without the previous sanction of the Government, proceed to execute the scheme, as altered.

(6) If the scheme as altered involves the acquisition other wise than by agreement, of any land other than the land specified in the schedule referred to in clause (e) of sub-section (1) of section 18, the provisions of sections 17 and 18 and of sub-section (1) of this section shall apply to the part of the scheme so altered in the same manner as if such altered part were the scheme.

(7) The Authority shall not denotify or reconvey any land included in the scheme without the specific orders of the Government.

(8) The Authority shall not allot any land to any individual, organisation or authority, the civic amenity area earmarked in the scheme without the orders of the Government.

20. Levy of betterment tax.- (1) Where, as a consequence of execution of any development scheme, the market value of any land in the area comprised in the scheme which is not required for the execution thereof has, in the opinion of the Authority, increased or will increase, the Authority shall be entitled to levy on the owner of the land or any person having an interest therein a betterment tax in respect of the increase in value of the land resulting from the execution of such scheme.

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

21. Assessment of betterment tax by the Authority.- (1) When it appears to the Authority that a development scheme is sufficiently advanced to enable the amount of the betterment tax to be determined, the Authority shall, by a resolution passed in this behalf declares that for the purpose of determining such tax, the execution of the scheme shall be deemed to have been completed and shall thereupon give notice in writing to every person on whom a notice in respect of land to be assessed had been served under sub-section (5) of section 17 or to the successor in interest of such person,

as the case may be, that the Authority proposes to assess the amount of the betterment tax payable in respect of such land under section 20.

(2) The Authority shall then assess the amount of betterment tax payable by each person concerned after giving such person an opportunity of being heard and such person shall, within three months from the date of receipt of notice in writing of such assessment inform the Authority in writing whether or not he accepts the assessment.

(3) When the assessment proposed by the Authority is accepted by the person concerned within the period specified in sub-section (2), such assessment shall be final.

(4) If the person concerned does not accept the assessment made by the Authority or fails to give the Authority the information required under sub-section (2) within the period specified therein, the Authority shall make a reference to the District Court having jurisdiction for determining the betterment tax payable by such person.

22. Manner of payment of betterment tax.- The betterment tax determined under section 21 shall be paid within such time and in such number of installments not exceeding five or as may be specified by the Government together with interest at such rates as may be prescribed.

23. Recovery of betterment tax.- Where any person liable to pay betterment tax fails to pay the same within the time specified by the Authority or makes default in payment of two consecutive instalments or any three installments, the Authority shall be entitled to recover the whole or part of the amount due together with interest from the said person or his successor-in-interest in such land in the manner provided by the Karnataka Municipal Corporation Act, 1976 or the Karnataka Municipalities Act, 1964 for the recovery of taxes and if the said money is not so recovered, the Commissioner may, after giving public notice of his intention to do so and not less than one month after the publication of such notice, sell the land or the interest of the said person or his successor-in-interest in such land by public auction and may deduct the said money and the expenses of the sale from the proceeds of the sale, and shall pay the balance, if any, to the defaulter.

24. Payment, etc., no bar to future acquisition.- Acceptance of liability to betterment tax under sub-section (3) of section 21 or payment of the said tax after determination under section 22 shall not debar subsequent acquisition of the land concerned, if such acquisition is necessary for purposes of this Act.

25. Power of Authority to take up works for further development.- (1) Notwithstanding anything contained in any other provision of this Act, the Authority may, with the previous sanction of the Government, taken up such works as the Authority considers necessary or desirable for the further development of any area within the urban area :

Provided that the local authority concerned shall be consulted if such area lies within the limits of a local authority.

(2) The expenditure incurred or proposed to be incurred or such portion thereof as may be determined by the Authority and approved by the Government in carrying out such works may be recovered by a prorata levy on the owners of properties benefitted by such works as may be determined by the Authority. The said sum may be recovered as any other sum due to the Authority under the provisions of this Act.

26. Crediting betterment tax collected to the funds of the local authority.-

Where the increase in value of any land is due to the execution of a development scheme made on the recommendation of a local authority and for which the local authority has placed at the disposal of the Authority the necessary funds for framing and carrying out such schemes, the betterment tax collected by the Authority from the owners of such land shall be credited by the Authority to the fund of the local authority.

27. Authority to execute the scheme within five years.- Where within a period of five years from the date of publication in the official Gazette of the declaration under sub-section (1) of section 19, the Authority fails to execute the scheme substantially, the scheme shall lapse and the provisions of section 36 shall become inoperative.

28. Land vested in a local authority as required by the Authority for formation of street to be vested temporarily in the Authority.- Whenever under any development scheme the whole or any part of an existing public street or other land vested in a local authority is included in the site of any part of a street to be formed, altered, widened, raised, rearranged or reconstructed by the Authority, the Authority shall give notice to the local authority that the whole or a part, as the case may be of such existing street or other land (hereinafter called the "part required") is required by it as part of a street to be dealt with as aforesaid and the part required shall thereupon subject to the provisions of sub-section (1) of section 32, be vested in the Authority :

Provided that nothing in this section shall be deemed to affect the rights or powers of the local authority under the Karnataka Municipal Corporations Act, 1976 or the Karnataka Municipalities Act, 1964, in or over any drain or water work belonging to the local authority.

29. Authority and commissioner to exercise powers and functions under Karnataka Act 14 of 1977 and Karnataka Act 22 of 1964.- (1) In any area or part thereof to which this Act applies, Government may, by notification, declare that from such date and for such period as may be specified therein and subject to such restrictions and modifications, if any, as may be specified in the notification,-

- (i) the powers and functions of the Corporation or Municipal Council or a Standing Committee thereof under the Karnataka Municipal Corporations Act, 1976 or the Karnataka Municipalities Act, 1964, shall be exercised and discharged by the Authority; and
- (ii) the powers and functions of the Commissioner of the Corporation or Municipal Commissioner or Chief Officer of the Municipal Council under the said Acts shall be exercised and discharged by the Commissioner :

Provided that the Corporation or the Municipal Council shall be consulted before making such declaration if such area or part thereof lies within the limits of the city or a town.

(2) On making of a declaration under sub-section (1), notwithstanding anything contained in any other law for the time being in force, the Corporation or a Municipal Council or any standing committee thereof or the Commissioner of the Corporation or Municipal Commissioner, or the Chief Officer of a Municipal Council shall not be competent to exercise or discharge the powers or functions conferred or imposed on the Authority or the Commissioner as the case may be, by such declaration.

(3) The Authority or the Commissioner may delegate any of the functions exercisable by it or him under sub-section (1) to any officer or servant of the Authority.

(4) The exercise or discharge of any of the powers or functions delegated under sub-section (3) shall be subject to such limitations, conditions and control as may be laid down by the Authority or the Commissioner, as the case may be.

30. Streets on completion to vest in and be maintained by the local authority.- (1) The Government, after consulting the local authority concerned and on being satisfied that any street formed by the Authority has been duly levelled, paved, metalled, flagged, channelled, drained and sewerred in the manner provided for in the plans of any scheme sanctioned by the Government and that such lamps, lamp posts and other apparatus as are in its opinion necessary for the lighting thereof and should be provided by the Authority have been so provided, shall declare such street to be a public street, and such street shall thereupon vest or re-vest, as the case may be, in the local authority and the local authority shall thereafter maintain, keep in repair, light and clean such street.

(2) Any open space including such parks and play grounds as may be notified by the Government reserved for ventilation in any part of the urban area under the jurisdiction of the Authority as part of any development scheme sanctioned by the Government shall be transferred on completion to the local authority for maintenance at the expense of the local authority and shall thereupon vest in the local authority.

(3) Any dispute which arises between the Authority and the local authority in respect of any of the provisions of this section shall be determined by the Government whose decision shall be final.

31. Authority not to sell or otherwise dispose of sites in certain cases.- The Authority shall not sell or otherwise dispose of any sites for the purpose of constructing buildings thereon for the accommodation of persons until all the improvements specified in section 30 have been substantially provided for in the estimates.

32. Formation of new extension or lay-outs or making new private streets.- (1) Notwithstanding anything to the contrary in any law for the time being in force, no person shall form or attempt to form any extension or lay-out for the purpose of constructing building thereon without the express sanction in writing of the Authority and except in accordance with such conditions as the Authority may specify :

Provided that where any such extension or layout lies within the local limits of a local authority, the Authority shall not sanction the formation of such extension or lay out without the concurrence of the local authority :

Provided further that where the local authority and the Authority do not agree on the formation of or the conditions relating to the extension or layout, the matter shall be referred to the Government, whose decision thereon shall be final.

(2) Any person intending to form an extension or layout, or to make a new private street shall send to the Commissioner a written application with plans and sections showing the following particulars :-

- (a) the laying out of the sites of the area upon streets, lands or open spaces ;
- (b) the intended level, direction and width of the street ;

- (c) the street alignment and the building line and the proposed sites abutting the streets ;
- (d) the arrangement to be made for levelling, paving, metalling, flagging, channelling, swearing, draining, conserving and lighting the streets and for adequate drinking water supply.

(3) The provisions of this Act and any rules or bye-laws made under it as to the level and width of streets and the height of buildings abutting thereon shall apply also in the case of streets referred to in sub-section (2) and all the particulars referred to in that sub-section shall be subject to the approval of the Authority.

(4) Within six months after the receipt of any application under sub-section (2), the Authority shall either sanction the forming of the extension or layout to be in conformity with the guidelines to be issued by the Government or making of street on such conditions as it may think fit or disallow it or ask for further information with respect to it.

(5) The Authority may require the applicant to deposit, before sanctioning the application, the sums necessary for meeting the expenditure for making roads, side drains, culverts, underground drainage and water supply and lighting and charges for such other purpose as such applicant may be called upon by the Authority, provided the applicant also agrees to transfer the ownership of the roads, drains, water supply mains, parks and open spaces, civic amenity areas laid out by him to the Authority, permanently without claiming any compensation therefor.

(6) Such sanction may be refused,-

- (i) if the proposed street would conflict with any arrangements which have been made or which in the opinion of the Authority is likely to be made for carrying out any general scheme of street improvement or other schemes or development or expansion by the Authority ;
- (ii) if the proposed street does not conform to the provisions of the Act, rules and bye-laws referred to in sub-section (3) ; or
- (iii) if the proposed street is not designed so as to connect one end with a street which is already open ; or
- (iv) if the layout in the opinion of the Authority cannot be fitted with any existing or proposed expansion or development schemes of the Authority.

(7) No person shall form a layout or make any new private street without the sanction of or otherwise than in conformity with the conditions imposed by the Authority. If the Authority requires further information from the applicant no steps shall be taken by him to form the layout or make the street until orders have been passed by the Authority after the receipt of such information:

Provided that the passing of such orders shall not, in any case, be delayed for more than six months after the Authority has received all the information which it considers necessary to enable it to deal finally with the said application.

(8) If the Authority does not refuse sanction within six months from the date of the application under sub-section (2) or from the date of receipt of all information asked for under sub-section (7), such sanction shall be deemed to have been granted and the

applicant may proceed to form the extension or layout or to make the street, but not so as to contravene any or the provisions of this Act and the rules or bye-laws made under it.

(9) Any person who forms or attempts to form any extension or layout in contravention of the provisions of sub-section (1) or makes any street without or otherwise than in conformity with the orders of the Authority under this section, shall be liable on conviction, to a fine which may extend to ten thousand rupees.

33. Alteration or demolition of extension, layout or street.- (1) If any person forms an extension or layout or makes any street referred to in section 32 or puts up any building without or otherwise than in conformity with the orders of the Authority under the said sub-section, the Commissioner may, whether or not the offender be prosecuted under this Act, by notice,-

- (a) require the offender to show cause, by a written statement signed by him and sent to the Commissioner on or before such day as may be specified in the notice why such extension, layout or street, should not be altered to the satisfaction of the Commissioner or if such alteration be deemed impracticable by the Commissioner, why such extension, layout or street should not be demolished ; or
- (b) require the offender to appear before the Commissioner either personally or by a duly authorised agent on such day and at such time and place as may be specified in the notice and show cause as aforesaid.

(2) If any person on whom such notice is serviced fails to cause to the satisfaction of the Commissioner why such extensions, layout or street should not be so altered or demolished, the Commissioner may pass an order directing the alteration or demolition of such extension, layout or street.

34. Power of Authority to order work to be carried out or to carry it out itself in default.- (1) The Authority may,-

- (a) if any person who applies for permission under section 32 and is permitted expressly by it to carry out himself the work relating to the forming of the extension or layout or the making of a street, does not so carry it out; or
- (b) if any private street or part thereof is not levelled, paved, metalled, flagged, channelled, sewered, drained, conserved or lighted to the satisfaction of the Authority,

by notice, require the person forming the extension or layout or the owners of such street or part and the owners of buildings and lands fronting or abutting on such street or part, including in cases where the owners of the land and the buildings thereon are different, the owners both of the land and of the building, to carry out any work which in its opinion, may be necessary and within such time as may be specified in such notice.

(2) If any such work is not carried out within the time specified in the notice under sub-section (1), the Authority may, if it thinks fit, execute itself or cause it to be executed and the expenses incurred shall be paid by the persons or owners referred to in sub-section (1) in such proportions as may be determined by the Authority. Such expenses may be recovered from the person concerned as if they were arrears of land revenue.

CHAPTER IV

ACQUISITION OF LAND

35. Authority to have power to acquire land by agreement.- Subject to the provisions of this Act and with the previous approval of the Government, the Authority may enter into an agreement with the owner of any land or any interest therein, situated within the urban area for the purchase of such land.

36. Provisions applicable to the acquisition of land other-wise than by agreement.- (1) The Acquisition of land under this Act otherwise than by agreement within or without the urban area shall be regulated by the provisions, so far as they are applicable, ¹[of the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013.]¹

(2) For the purpose of ¹[sub-section (2) of section 95 of the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013]¹, the Authority shall be deemed to be the local authority concerned.

(3) After the land vests in the Government under ¹[section 23 of the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013]¹, the Deputy Commissioner shall, upon payment of the cost of the acquisition, and upon the Authority agreeing to pay any further cost which may be incurred on account of the acquisition, transfer the land to the Authority, and the land shall thereupon vest in the Authority.

1. Substituted by Act 51 of 2017 w.e..f 18-12-2017.

CHAPTER V

PROPERTY AND FINANCE

37. Power of Government to transfer to the Authority lands belonging to it or to the local authority, etc.- (1) The Government may by notification from time to time, for the purposes of this Act and subject to such limitations and conditions as it may impose and to the provisions hereinafter contained, transfer to and vest in the Authority the land belonging to the Government or to the local authority.

(2) No land belonging to a local authority shall be vested in the Authority under sub-section (1) except after consulting the local authority.

(3) Whenever it appears to the Government that any land vested in the Authority under sub-section (1) is not required by the Authority for the purpose of this Act or any other land vesting in the Authority is required by the Government or a local authority, the Government may by notification, direct that the land shall vest in or stand transferred to the Government or the local authority concerned, as the case may be.

38. Power of Authority to lease, sell, or transfer property.- Subject to such restrictions, conditions and limitations as may be prescribed, the Authority shall have power to lease, sell or otherwise transfer any movable or immovable property which belongs to it, and to appropriate or apply any land vested in or acquired by it for the formation of open spaces or for building purposes or in any other manner for the purpose of any Development Scheme.

39. Prohibition of the use of area reserved for parks, playgrounds and civic amenities for other purposes.- The Authority shall not sell or otherwise dispose of any area reserved for public parks and playgrounds and civic amenities, for any other purpose and any disposition so made shall be null and void.

40. Power of Authority to borrow.- (1) The Authority may, from time to time, with the previous sanction of the Government and subject to such conditions as may be prescribed in this behalf, borrow any sum required for the purpose of this Act.

(2) The rules made by the Government for the purpose of this section may empower the Authority to borrow by the issue of debentures and to make arrangement with the bankers.

(3) Debentures issued by the Authority shall be in such form as the Authority, with the sanction of the Government may, from time to time, determine.

(4) Every debenture shall be signed by the Commissioner and one other member of the Authority.

(5) Loans borrowed and debentures issued under this section may be guaranteed by the Government as to the repayment of principal and payment of interest at such rate as may be fixed by the Government.

41. Development Fund and the items to be credited to such fund.- (1) The rents, profits, and sale proceeds of all lands, buildings and other property vested in or acquired by the Authority under this Act shall be credited to a fund to be called "Urban Development Fund".

(2) There shall also be credited to the said Fund,-

- (a) any amount borrowed under section 40 ;
- (b) such sums as may be placed by the Government at the disposal of the Authority from time to time for the purpose of this Act ;
- (c) such contributions as a local authority may, from time to time, be called upon by the Government to make after consideration by the Government of the relief or addition to the resources of the local authority accruing or likely to accrue as the result of development schemes undertaken by the Authority ; and
- (d) subject to the provisions of section 26, betterment tax and other sums due and paid to or recovered by the Authority under the provisions of this Act.

42. Application of the Urban Development Fund.- (1) The said fund shall be held by the Authority in trust and shall be applied by it, subject to the general or special orders of the Government in payment of the charges incidental to the carrying out of the purposes of this Act.

(2) Such charges shall include, among other things,-

- (a) the cost, if any, of maintaining a separate establishment for the collection of the rents and profits and other proceeds of the property vested or vesting in or acquired by the Authority under this Act ;
- (b) the cost of petty and other establishments, not being part of the scheduled staff, necessary for the supervision of properties or other revenue purposes ;

- (c) the cost of management including the salaries and allowances of the scheduled staff and all incidental expenses ; and
- (d) all payments made by the Authority in respect of rates and taxes levied under the Karnataka Municipal Corporations Act, 1976 or Karnataka Municipalities Act, 1964 or the Karnataka Zilla Parisheds, Taluk Panchayat Samithis, Mandal Panchayats and Nyaya Panchayats Act, 1983 upon lands, buildings vested in the Authority and not subject to exemption.

(3) The Authority may also, from time to time, and in the manner to be approved by the Government make advances from the said Fund for the purposes of enabling persons not being Government servants to provide themselves with houses or other accommodation.

43. Laying of annual estimate of income and expenditure.- (1) The Commissioner shall, at a special meeting to be held not later than the first day of February in each year, lay before the Authority an estimate of the income and of the expenditure of the Authority for the year commencing on the first day of April, then next ensuing in such detail and form as the Authority shall, from time to time direct.

(2) Such estimate shall make provision for the efficient administration of this Act and a copy thereof shall be sent by post or otherwise to each member of the Authority atleast ten clear days prior to the date of the meeting before which the estimate is to be laid.

44. Authority to approve or amend such estimate.- The Authority shall consider the estimate submitted to it, and shall approve the same either unaltered or subject to such alterations as it thinks fit.

45. Estimates to be submitted to Government for sanction.- The estimate, as approved by the Authority, shall be submitted to the Government which may, either sanction or disallow such estimate or any portion thereof and return the same for amendment. The Authority shall forthwith amend the estimate so returned and shall resubmit the amended estimate to the Government.

46. Supplementary estimates may be prepared and submitted when necessary.- The Authority may, at any time, during the year for which any estimate has been sanctioned cause a supplementary estimate to be prepared and submitted to it. Every such supplementary estimate shall be considered and approved by the Authority and submitted to the Government.

47. Provisions regarding expenditure.- No sum shall be expended by or on behalf of the Authority unless included in the estimate or the supplementary estimate which has been sanctioned by the Government or in the amount payable by the Authority under decree or award of a court :

Provided that in any case of unforeseen circumstances a sum not exceeding ten thousand rupees may be expended though not so included and in such a case the Commissioner shall forthwith report to the Government circumstances in which the expenditure was incurred and the source from which it is proposed to be met:

Provided further that any such expenditure shall be included in a supplementary estimate to be approved and sanctioned in the manner laid down in section 46.

48. Accounts and audit.- (1) The Commissioner shall cause to be maintained such books of accounts and other registers as may be prescribed and shall prepare in the prescribed manner an annual statement of accounts.

(2) The accounts of the Authority shall be audited annually by an auditor appointed by the Government.

(3) The auditor shall for the purpose of the audit have access to all accounts and other records of the Authority.

(4) The Authority shall pay from its fund such charges for the audit as may be prescribed.

(5) As soon as the accounts of the Authority have been audited, the Commissioner shall send a copy of the audited accounts together with a copy of the report of the auditor to the Government. The audited accounts and the report of the auditor shall be published by the Authority in the prescribed manner. The audited accounts and the report shall be laid before each House of the State Legislature, as soon as may be, after it is received by the Government.

(6) The Authority and the Commissioner shall comply with such directions as the Government may, after perusal of the report of the auditor, think fit to issue.

49. Reports.- The Authority shall before such date and in such form and at such intervals as may be prescribed submit to the Government a report on such matters as may be prescribed. Every such report shall be laid before each House of the State Legislature, as soon as may be, after it is received by the Government :

50. Power of auditor to require production of documents and attendance of persons concerned.- (1) The auditor may,-

- (a) require in writing the production of such vouchers, statements, returns, correspondence, notes or other documents in relation to the accounts as he may think fit;
- (b) require in writing any salaried servant of the Authority accountable for or having the custody or control of such vouchers, statements, returns, correspondence, notes or other documents of any property of the Authority or any person having directly or indirectly by himself or his partner any share or interest in any contract with or under the Authority to appear in person before him at the office of the Authority and answer any question ;
- (c) in the event of clarification being required on any specific point from the Chairman or any officer or member in writing, requires such person to furnish the clarification on such point.

(2) The auditor may, in any requisition made under sub-section (1) specify a reasonable period being not less than three days within which the said requisition shall be complied with.

(3) The auditor shall give to the Authority not less than two weeks notice in writing the date on which he proposes to commence the audit :

Provided that notwithstanding anything contained in this sub-section, the auditor may for special reasons which shall be recorded in writing, give shorter notice than two weeks or commence a special or detailed audit if so directed by the Government, without giving notice.

CHAPTER VI

OFFICERS AND SERVANTS OF THE AUTHORITY

51. Schedule of officers and servants to be submitted for sanction of Government.- The Authority shall, from time to time prepare and submit for the sanction of the Government a schedule of the staff of officers and servants whom it shall deem it necessary and proper to maintain for the purposes of this Act. Such schedule shall also set forth the amount and nature of the salaries, fees and allowances which the Authority proposes for each such officer or servant. No alteration in the sanctioned schedule shall be made without the sanction of the Government.

52. Appointments etc., by whom to be made.- (1) Subject to the provisions of the regulations framed under section 72 and of the schedule for the time being in force sanctioned by the Government under section 51, the power of appointing, promoting, suspending, dismissing, fining, reducing or granting leave to the officers and servants of the Authority (not being officers in Government service lent to the Authority) shall be exercised by the Commissioner in the case of officers and servants whose monthly salary does not exceed one thousand and five hundred rupees and in every other case by the Authority :

Provided that in the case of officers in Government service lent to the Authority, the Commissioner may exercise the powers of sanctioning or with-holding increments, fining or suspending and shall report the fact to the Head of the Department of Government to which such officer belongs.

(2) The power of dispensing with the service of any officer or servant of the Authority not being an officer in Government service lent to the Authority otherwise than by reason of such officer's or servant's own misconduct, or of permitting any such officer or servant to retire on a pension, gratuity or compassionate allowance, shall subject to the provisions of sub-section (1), be exercised by the Authority only.

CHAPTER VII

MISCELLANEOUS

53. Powers of entry.- The Authority may authorise any person to enter into or upon any land or building with or without assistants or workmen for the purposes of,-

(a) making any enquiry, inspection, measurement or survey or taking levels of such land or building ;

(b) examining works under construction and ascertaining the course of sewers and drains ;

(c) digging or boring into the sub-soil ;

(d) setting out boundaries and intended lines of work ;

(e) making such levels, boundaries and lines by placing marks and cutting trenches ;

(f) ascertaining whether any land is being or has been developed in contravention of any plan or in contravention of any condition subject to which such permission has been granted ; or

(g) doing any other thing necessary for the efficient administration of this Act:

Provided that,-

- (i) no such entry shall made except between the hours of sunrise and sunset and without giving reasonable notice to the occupier, or if there be no occupier, to the owner of the land or building ;
- (ii) sufficient opportunity shall in every instance be given to enable women, if any, to withdraw from such land or building ;
- (iii) due regard shall always be had, so far as may be compatible with the exigencies of the purpose for which the entry is made to the social and religious usage of the occupants of the land or building entered.

54. Direction by the Authority.- (1) The Authority in order to carry out the purposes of this Act may issue directions to the Karnataka Urban Water Supply and Drainage Board, Karnataka Electricity Board and such other bodies as are connected with the developmental activities in the urban area and provide the funds to comply with the same.

(2) Notwithstanding anything contained in any other law for the time being in force every such direction shall be complied with by the body to whom they are issued. On failure, it shall be competent for the Authority to take necessary action in this behalf and recover expenses if any, incurred therefor from the body concerned.

(3) Any dispute which arises between the Authority and the Boards or other bodies referred to in sub-section (1), in respect of the directions issued to them shall be determined by the Government whose decision shall be final.

55. Offences by companies.- (1) If the person committing an offence under this Act is a company every person who, at the time the offence was committed was in-charge of and was responsible to the company for the conduct of the business of the company, as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly :

Provided that nothing contained in this sub-section shall render any such person liable to any punishment provided in this Act if he proves that the offence was committed without his knowledge or that he exercised all due diligence to prevent the commission of such offence.

(2) Notwithstanding anything contained in sub-section (1) where an offence under this Act has been committed by a company and it is proved that the offence has been committed with the consent or connivance of or, is attributable to any neglect on the part of, any director, manager, secretary or other officer of the company, such director, manager, secretary or other officer shall also be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

Explanation.- For the purpose of this section,-

- (a) 'company' means a body corporate and includes a firm or other association of individuals; and
- (b) 'director' in relation to a firm means a partner in the firm.

56. Fines when realised to be credited to the funds of the Authority.-All fines realised in connection with prosecution under this Act shall be paid to the credit of the funds of the Authority.

57. Composition of offence.- (1) The Authority or any person, authorised by the Authority by general or special order may, either before or after the institution of proceedings compound any offence made punishable by or under this Act.

(2) Where an offence has been compounded, the offender, shall be discharged and no further proceedings shall be taken against him in respect of the offence compounded.

58. Members and officers to be public servants.- Every member and every officer and other employee of the Authority shall be deemed to be a public servant within the meaning of section 21 of the Indian Penal Code.

59. Jurisdiction of courts.- No court inferior to that of a Magistrate of the First Class shall try any offence punishable under this Act.

60. Sanction of prosecution.- No prosecution for any offence punishable under this Act shall be instituted except with the previous sanction of the Authority.

61. Protection of action taken in good faith.- No suit, prosecution or other legal proceedings shall lie against any person for anything which is in good faith done or intended to be done under this Act or any rule or regulation made thereunder.

62. Power to delegate.- The Authority may, by notification direct that any power exercisable by it under this Act except the power to make regulations may also be exercised by the Commissioner or such whole time member or officer of the Authority as may be specified in the notification, subject to such restrictions and conditions as may be specified therein.

63. Revision.- (1) The Government may call for the records of any proceedings of the Authority or any officer subordinate to the Authority for the purpose of satisfying itself as to the legality or propriety of any order or proceedings and may pass such order with respect thereto as it thinks fit.

(2) The Authority may call for the records of any proceedings of any officer subordinate to it for the purpose of satisfying itself as to the legality or propriety of any order or proceedings and may pass such order with respect thereto as it thinks fit.

(3) No order under sub-section (1) or sub-section (2) shall be made to the prejudice of any person unless he has had an opportunity of making representation.

64. Notice of suit against the Authority.- No suit or other proceedings shall be commenced against the Authority or any member or any officer or servant of the Authority or against any person acting under the direction of the Authority, the member or officer of the Authority, for anything done, or purporting to have been done, in pursuance of this Act or a rule, regulation or bye-law made thereunder without giving to the Authority one month's previous notice in writing of the intended suit or other proceedings, and of the cause thereof, or after six months from the accrual of the cause of such suit or other proceedings or after tender of sufficient amends.

65. Government's power to give directions to the Authority.- The Government may give such directions to the Authority as in its opinion are necessary or expedient for carrying out the purposes of this Act and it shall be the duty of the Authority to comply with such directions.

66. Transfer of employees.- (1) Notwithstanding anything contained in this Act or in any law for the time being in force, the Government may transfer any officer or servant of one Authority to the service of any other Authority or of any local authority.

(2) The Government shall have power to issue such general or special directions as it thinks necessary for the purpose of giving due effect to transfer made under sub-section (1) and such directions shall be complied with by the Authority or the local authority concerned.

67. Submission of copies of resolutions and Government's power to cancel the resolution or order.- (1) The Commissioner shall submit to the Government copies of all resolutions of the Authority.

(2) If the Government is of opinion that the execution of any resolution or order issued by or on behalf of the Authority or the doing of any act which is about to be done or is being done by or on behalf of the Authority is in contravention of or in excess of the powers conferred by this Act or any other law for the time being in force or is likely to lead to a breach of peace or to cause injury or annoyance to the public or to any class or body of persons or is prejudicial to the interests of the Authority, it may, by order in writing suspend the execution of such resolution or order or prohibit the doing of any such act after issuing a notice to the Authority to show cause, within the specified period which shall not be less than fifteen days, why,-

- (a) the resolution or order should not be cancelled in whole or in part, or
- (b) any regulation or by-law concerned should not be repealed in whole or in part.

(3) Upon consideration of the reply, if any, received from the Authority and after such inquiry as it thinks fit, the Government may pass orders cancelling the resolution or order or repeal the regulations or bye-law and communicate the same to the Authority.

(4) The Government may at any time on further representation by the Authority or otherwise, revise, modify, or revoke an order passed under sub-section(3).

68. Default in performance of duty.- (1) If the Government is satisfied that the Authority has made default in performing any duty imposed on it by or under this Act it may fix a period for the performance of that duty.

(2) If in the opinion of the Government, the Authority fails or neglects to perform such duty within the period so fixed for its performance, it shall be lawful for the Government, notwithstanding anything contained in section 5 to supersede and reconstitute the Authority in the prescribed manner.

(3) After the supersession of the Authority and until it is reconstituted, the powers, duties and functions of the Authority under this Act shall be carried on by the Government or by such officer or officers as the Government may appoint for this purpose.

69. Amendment of the Karnataka Town and Country Planning Act, 1961.- In the Karnataka Town and Country Planning Act, 1961 (Karnataka Act 11 of 1963),-

- (a) in section 2, after item (i), of sub-clause (a) of clause (7) the following shall be inserted, namely :-

"(ia) the local planning area comprising any "urban area" defined in the Karnataka Urban Development Authorities Act, 1987, the Urban Development Authority of such urban area ;"

(b) 1[after section 81C]1, the following section shall be inserted, namely:-

"1[81D]1. Consequences to ensue upon the constitution of the Urban Development Authority.-Notwithstanding anything contained in this Act, with effect from the date on which the Urban Development authority is constituted under the Karnataka Urban Development Authorities Act, 1987 the following consequence shall ensue :-

(i) the Urban Development Authority shall be the Planning Authority for the local planning area comprising the Urban area over which the Planning Authority for the city or town had jurisdiction immediately before the date on which the Urban Development Authority is constituted ;

(ii) the Urban Development Authority shall exercise the powers, perform the functions and discharge the duties under this Act in the urban area as if it were a Planning Authority constituted for the city or town ;

(iii) the Planning Authority in the urban area shall stand dissolved and upon such dissolution,-

(a) anything done or any action taken (including any appointment, notification, order, scheme or bye-law made or issued), any commencement certificate or permission granted by the Planning Authority shall be deemed to have been done, taken, made, issued or granted under the provisions of this Act by the Urban Development Authority and continue to be in force until it is superseded by anything done or any action taken, any appointment, notification, order, scheme, or bye-law made or issued, commencement certificate or permission granted by the Urban Development Authority under the provisions of this Act ;

(b) all obligations and liabilities incurred, all contracts entered into, all matters and things engaged to be done by, with, or for the Planning Authority shall be deemed to have been incurred, entered into, or engaged to be done by, with, or for the Urban Development Authority;

(c) all property movable and immovable and all interests of whatsoever nature and kind therein vested in the Planning Authority shall with all rights of whatsoever description used, enjoyed or possessed by the Planning Authority, vest in the Urban Development Authority ;

(d) all suits, prosecutions and other legal proceedings instituted or which might have been instituted by or against the Planning Authority may be continued or be instituted by or against the Urban Development Authority."

1. Substituted by Act 17 of 1991 w.e.f. 19.11.1987.

70. Housing Board not to undertake any Housing Scheme after the commencement of this Act.- The Housing Board established under the Karnataka Housing Board Act, 1962 (Karnataka Act 10 of 1963) shall not undertake any Housing Scheme in any area within the urban area except in conformity with the layout plan of the Urban Development Authority :

Provided that any Housing Scheme undertaken by the Karnataka Housing Board before the commencement of this Act shall be executed by the Board in accordance with the said scheme.

71. Power to make rules.- (1) The Government may by notification make rules to carry out the purposes of this Act.

(2) In particular and without prejudice to the generality of the foregoing power such rules may provide for all or any of the following matters, namely:-

- (a) for the guidance of the Authority and persons connected with the administration of this Act or in cases not expressly provided for herein ;
- (b) the conditions of service of the Chairman and other members of the Authority ;
- (c) the manner of appointment of committees and the period of such appointment ;
- (d) the terms and conditions subject to which the Authority may take up development scheme or work and execute it ;
- (e) the particulars to be specified in the application of the scheme ;
- (f) the restrictions, conditions and limitations subject to which the Authority may lease, sell or transfer movable or immovable property ;
- (g) regulating the allotment or sale by auction of sites by the Authority ;
- (h) the manner of reconstitution of the Authority ;
- (i) any other matter which has to be or may be prescribed by rules.

72. Power to make regulations.- (1) The Authority may, with the previous approval of the Government make regulations, not inconsistent with the provisions of this Act or the rules made thereunder to carryout the purposes of this Act and without prejudice to the generality of this power, such regulations may provide for,-

- (a) the summoning and holding of meetings of the Authority, the time and place where such meetings are to be held, the conduct of business at such meetings and the number of members necessary to form a quorum thereat ;
- (b) giving instructions to the committees ;
- (c) the form of contract or agreement to be entered into by the Authority ;
- (d) the appointment of persons for enforcement of processes for recovery of dues ;
- (e) the procedure to be followed for the carrying out of the functions of the Authority under Chapters II and III ;
- (f) regulating the grant of leave, leave allowances, pensions and gratuities and other matters relating to recruitment and conditions of service of the officers and servants of the Authority not being officers in Government service lent to the Authority ;
- (g) any other matter which is to be prescribed by regulations under the Act ;

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

(3) All regulations made under this section shall be published in the official Gazette.

73. Power to make by-laws.- (1) The Authority may, with the previous approval of the Government make bye-laws not inconsistent with the rules or the regulations made under this Act, in respect of the following matters namely :-

- (a) the management, use and regulation of houses constructed under any Schemes ;
- (b) regulating the construction and reconstruction of building in regard to such matters as the following, namely: the notice to be given previous to erection, the plan to be submitted, the line of frontage with neighboring buildings, the free space to be left about the buildings, the level and width of foundation,. the stability of the structure, the materials to be used and the provisions to be made for the drainage and ventilation ; and
- (c) the forming of extensions or layouts and the laying out of private streets, for determining the information and plans to be submitted with applications for permission to form extensions or layouts and to make private streets, and for regulating the level and width of streets and the height of buildings abutting thereon.

(2) The Government may, by notification, rescind any bye-law made under this section and thereupon the said bye-law shall cease to have effect.

(3) All bye-laws made under this section shall be published in the official Gazette and also in atleast two newspapers in English and Kannada having large circulation in the urban area.

74. Prohibition of unauthorised occupation of land.- (1) Any person who unauthorisedly enters upon and uses or occupies any land belonging to the Authority to the use or occupation of which he is not entitled or has ceased to be entitled, shall, on conviction, be punished with imprisonment for a term which may extend to three years and with fine which may extend to five thousand rupees.

(2) Any person who having unauthorisedly occupied whether before or after the commencement of this Act, any land belonging to the Authority to the use or occupation of which he is not entitled, or has ceased to be entitled, fails to vacate such land in pursuance of an order under sub-section (1) of section 5 of the Karnataka Public Premises (Eviction of Unauthorised Occupants) Act, 1974 (Karnataka Act 32 of 1974) shall, on conviction, be punished with imprisonment for a term which may extend to three years and with fine which may extend to five thousand rupees and with a further fine which may extend to fifty rupees per acre of land or part thereof for every day on which the occupation continues after the date of the first conviction for such offence.

(3) Whoever intentionally aids or abets the commission by any other person of an offence punishable under sub-section (1) or sub-section (2) shall, on conviction, be punished with the same punishment provided for such offence under the said sub-sections.

75. Penalty for breach of the provisions of the Act.- Whoever contravenes any of the provisions of this Act or of any rule, regulation or bye-laws or Scheme made or sanctioned thereunder shall be punished with fine which may extend to five hundred rupees and in the case of a continuing contravention, with fine which may extend to fifty rupees for each day after the first during which the contravention continues.

76. Act to over-ride other laws.- (1) The provisions of this Act shall have effect notwithstanding anything inconsistent therewith contained in any other law for the time being in force.

(2) Where an Authority is constituted for and is functioning in any Urban Area the provisions contained in Chapter VIII of the Karnataka Municipalities Act, 1964 (Karnataka Act 22 of 1964), shall not be applicable to such Urban Area.

77. Dissolution of the Authority.- (1) The Government may, by notification, declare that with effect from such date as may be specified in the notification, the Authority shall be dissolved :

Provided that no such declaration shall be made by the Government unless a resolution to that effect has been moved in and passed by both Houses of the State Legislature.

(2) With effect from the date specified in the notification under sub-section (1),-

- (a) all properties, funds and dues which are vested in and realisable by the Authority shall vest in and be realisable by the Government ;
- (b) all liabilities enforceable against the Authority shall be enforceable against the Government to the extent of the properties, funds and dues vested in and realised by the Government.

(3) Nothing in this section shall affect the liability of the Government in respect of loans or debentures guaranteed under sub-section (5) of section 40.

78. Consequence of constitution of Urban Development Authority.- (1) On the issue of a notification under sub-section (1) of section 3 constituting an Urban Development Authority for any Urban Area the Karnataka Improvements Boards Act, 1976 (Karnataka Act 11 of 1976) or the City of Mysore Improvement Act, 1903 (Mysore Act III of 1903), as the case may be, shall cease to be applicable in such Urban Area.

(2) On such cessor, the Improvement Board ¹[the Bagalkot Town Development Authority]¹ or the City Improvement Trust Board, Mysore constituted under the said Acts for such Urban Areas shall stand dissolved.

1. These words are to be omitted when Act 12 of 1996 is brought into force.

(3) Subject to the provisions of sub-section (2), nothing in sub-section (1) shall affect,-

- (a) the previous operation of the said enactments or anything done, or suffered thereunder ; or
- (b) any right, privilege, application or liability, acquired, accrued or incurred in the said enactment ; or
- (c) any penalty, forfeiture or punishment incurred in respect of any offence committed against the said enactments; or

(d) any investigation, local proceeding or remedy in respect of such right, privilege, obligation, liability, forfeiture or punishment as aforesaid ; and any such investigations, legal proceeding or remedy may be instituted, continued, or enforced, and any such penalty, forfeiture or punishment may be imposed as if this Act had not been enacted.

(4) (a) Subject to the preceding provision, anything done or any action taken (including any appointment, or delegation made, tax or fee imposed, notification, order, instrument, or direction issued, rule, regulation, bye-law or scheme framed, certificate obtained, permit or licence granted or registration effected, in the said Acts shall be deemed to have been done or taken in the corresponding provisions of this Act and shall continue if enforced accordingly unless and until superseded by anything done or any action taken under this Act ;

(b) Every officer and servant of an Improvement Board, ¹[the Bagalkot Town Development Authority]¹ and the City Improvement Trust Board, Mysore as the case may be, other than such class of servants as the Government may by order specify, shall become employees of the corresponding Urban Development Authority and shall, until other provisions are made, receive the salary and allowances and be subject to the conditions of service to which they were entitled immediately before the constitution of the Authority for the Urban Areas concerned;

1. These words are to be omitted when Act 12 of 1996 is brought into force.

(c) All assets and liabilities of and all contracts made by or on behalf of,-

(i) the Improvement Board;

(ii) ¹[the Bagalkot Town Development Authority]¹

(iii) the City Improvement Trust Board,

immediately before the date of constitution of an Authority for the Urban Area under this Act and subsisting on that date shall stand transferred to the concerned Urban Development Authority;

1. These words are to be omitted when Act 12 of 1996 is brought into force.

(d) Where a provident fund or superannuation fund or any other like fund has been established for the benefit of the employees of the Improvement Board *[the Bagalkot Town Development Authority] or the City Improvement Trust Board, Mysore, the moneys standing to the credit of any such fund on the date of commencement of this Act together with any other assets belonging to such fund shall stand transferred to and vest in the Government and the Government shall be liable to discharge the obligations of the Improvement Board' ¹[the Bagalkot Town Development Authority]¹ or the City Improvement Trust Board, Mysore, in respect of such fund;

1. These words are to be omitted when Act 12 of 1996 is brought into force.

(e) Any reference in any enactment made or any instrument to any provisions of any of the repealed enactment shall, unless a different intention appears, be construed as a reference to the corresponding provisions of this Act.

79. Orders bringing this Act into force.- (1) Notwithstanding anything contained in this Act, or any other law, for the time being in force, the Government may, by order published in the official Gazette, make such provisions as appears to it be

necessary or expedient for removing difficulties arising in connection with the transition to the provisions of this Act.

(2) The provisions made by any order under sub-section (1), shall, subject to the provisions of sub-section (3) have effect as if enacted under this Act, and any such order may be made, so as to be retrospective to any date, not earlier than the date of commencement of this Act :

Provided that no person shall be deemed to be guilty of an offence by reason of so much of any such order, as makes any provision thereof retrospective to any date, before the making thereof.

(3) Every rule made under section 71 and every order made under sub-section (1) of this section, shall be laid as soon as may be after it is made, before each House of the State Legislature while it is in Session for a total period of thirty 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 both Houses agree in making any modification in the rule or order or decide that any rule or order should not be made, the rule or order shall thereafter have effect only in such modified form or be of no effect, as the case may be ; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule or order.

* * * *

(The above translation of the दार्जिलिंग जंगल अधिनियम, 1987 was published in the official Gazette (Extraordinary) Part IV-2B dated 26.12.1988 as No.683 under clause (3) of Article 348 of the Constitution of India.)

NOTIFICATION

Bangalore, dated 22nd December 1987 [No. HUD 849 TTP 87]

In exercise of the powers conferred under sub-section (3) of section 1 of the Karnataka Urban Development Authorities Act, 1987 (Karnataka Act No.34 of 1987), the Government of Karnataka hereby appoints 1st day of January, 1988, as the date on which the said Act shall come into force in the following Urban areas in the State:

- (1) Karwar
- (2) Mangalore
- (3) Mysore
- (4) Hubli-Dharwar
- (5) Gulbarga
- (6) Belgaum

By Order and in the name of the Governor of Karnataka,

(A.R. PATAGAR)

Under Secretary to Government,
Housing & Urban Development Department.

(Published in the Karnataka Gazette (Extraordinary) Part IV-2c (ii) as No.820 dated 26th December 1987.)

II

Bangalore dated 15th April 1988. [No.HUD 181 TTP 88]

In exercise of the powers conferred under sub-section (3) of section 1 of the Karnataka Urban Development Authorities Act, 1987 (Karnataka Act No.34 of 1987), the Government of Karnataka hereby appoints 1st May 1988, as the date on which the said Act shall come into force in the following Urban areas/Cities in the State :-

- | | |
|------------------|---------------|
| 1. Bellary | 9. Mandya |
| 2. Bidar | 10. Raichur |
| 3. Bijapur | 11. Shimoga |
| 4. Chikkamagalur | 12. Tumkur |
| 5. Chitradurga | 13. Davangere |
| 6. Hassan | 14. Bagalkot |
| 7. Kodagu | 15. K.G.F. |
| 8. Kolar | |

By Order and in the name of the Governor of Karnataka,

(A.R. PATAGAR)

Under Secretary to Government,
Housing & Urban Development, Department.

(Published in the Karnataka Gazette (Extraordinary) Part IV-2c (ii) as No.301 dated 2nd May 1988.)

III

Bangalore, dated 30th November, 1995 [No. HUD 380 TTP 95(I)]

In Notification No. HUD 477 TTP 92, dated 12.03.1993, Government have constituted Ramanagara - Channapatna Planning Authority in terms of Sub-section (1) of Section 4A of Karnataka Town & Country Planning Act, 1961 (Karnataka Act 11 of 1963) and determined the boundaries of the said Planning Authority.

The Government has decided to constitute the "Ramanagara-Channapatna Urban Development Authority" to regulate the systematic growth of both the Towns.

Now, therefore in exercise of the powers conferred under Sub-section (3) of Section 1 of the Karnataka Urban Development Authority Act 1987 (Karnataka Act No. 34 of 1987) the Government of Karnataka hereby constitute urban area authority for the development of the area called "RAMANAGARA-CHANNAPATNA DEVELOPMENT AUTHORITY". Further the Government of Karnataka hereby appoints 30th day of November 1995 as the date on which the said **Act** will come into force in the Ramanagara-Channapatana Urban Areas in the State.

By Order and in the name of the Governor of Karnataka,

(SIDDARAMAIAH)

Under Secretary to Government,
Housing & Urban Development Department.

Note: 1. Some more notifications in Kannada are at pages 414-415.

2. Notifications relating to Bagalkot, Chamarajanagar, Gadag, Haveri, Koppal and Udupi are not available.

* * * *

**The Karnataka Urban Development Authorities Act, 1987 (34 of 1987) has been amended by the following Acts namely:-
Amendments (Chronological)**

Sl. No.	No. and year of the Act	Sections Amended	Remarks
1	34 of 1987	1(3)	I. The Act has come into force 01.01.1988 By Notification No. HUD 849 TTP 87 dt.22.12.1987 in the following urban areas namely: 1.Karwar

Amendment Section-wise

Sections	Act No. and year	Remarks
3	14 of 1992	w.e.f 24.4.1992
78	12 of 1996	-
69	17 of 1991	w.e.f. 19.11.1987

* * * *

KARNATAKA ACT NO. 51 OF 2017

(First Published in the Karnataka Gazette Extra-ordinary on the 18th day of December, 2017)

**THE KARNATAKA URBAN DEVELOPMENT AUTHORITIES
(AMENDMENT) ACT, 2017**

(Received the assent of the Governor on the 16th day of December, 2017)

An Act further to amend the Karnataka Urban Development Authorities Act, 1987.

Whereas it is expedient further to amend the Karnataka Urban Development Authorities Act, 1987 (Karnataka Act 34 of 1987), for the purposes hereinafter appearing;

Be it enacted by the Karnataka State Legislature in the sixty eighth year of the Republic of India, as follows:-

1. Short title and commencement.- (1) This Act may be called the Karnataka Urban Development Authorities (Amendment) Act, 2017.

(2) It shall come into force at once.

Section 36 is Incorporated in the Principal Act.