

## THE KARNATAKA HOUSING BOARD ACT, 1962

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## STATEMENT OF OBJECTS AND REASONS

### I

**Act 10 of 1963.**—The Mysore Housing Board Act, 1955 and the Mysore Labour Housing Act, 1949, are in force in the Mysore Area; and the Bombay Housing Board Act, 1948, is in force in the Bombay Area. The Hyderabad Housing Board Act, 1956 has been enacted by the Hyderabad Legislature, but has not been brought into force in the Hyderabad Area. There is no such legislation in the Madras Area and the Coorg District.

The jurisdiction and activities of the Mysore Housing Board are now confined to the Mysore Area only and the housing activities of the other integrated areas are being looked after by a Special Officer appointed by Government. With a view to bringing the entire State under the purview of one uniform law this Bill is proposed. It is expected that by this measure, the difficulties now felt in the successful implementation of the housing schemes in the entire State would be overcome.

(Published in Karnataka Gazette (Extraordinary) Part IV-2A dated 23.8.1962 at page. 661-662)

### II

**Amending Act 10 of 1974.**—In order to ensure better implementation of Karnataka Housing Board Act, 1962, it was considered necessary to amend the Act, providing that—

- (i) the number of members of the Board be increased to 15 from 12,
- (ii) the Chairman and other members shall hold office during the pleasure of the State Government instead of for three years;
- (iii) the Housing Commissioner a Chief Engineer and a Secretary be appointed by the State Government instead of by the Board and the Housing Commissioner be invested with the powers of a Major Head of Department;
- (iv) the State Government may authorise the delegation by the Housing Commissioner to such person or class of persons specified in a notification of any powers conferred or duties imposed upon him by or under the Act;
- (v) investing revisional powers with the State Government in respect of certain matters.

A Bill for some of the purposes was introduced in the Assembly. The Bill was not taken up for consideration by the House. As the Assembly only was in session and as it was considered necessary to take immediate action an Ordinance was promulgated on 3rd November 1973

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incorporating the provisions of the Bill with certain modifications.

The Bill seeks to replace the Ordinance.

(Published in Karnataka Gazette (Extraordinary) Part IV-2A dated 4th March, 1974 as No. 443 at page 9.)

### III

**Amending Act 8 of 1988.**—It is considered necessary to amend the Karnataka Housing Board Act, 1962 to provide for the following;

- (i) To frame land development schemes and to implement the said schemes.
  - (ii) The Board at present consists of a Chairman and fifteen other members to be appointed by the Government. Since it is felt necessary to have a change in the composition of the Board it is proposed to have a Chairman appointed by the Government and twelve other members, of whom seven are official members, and five non-official members appointed by the Government.
  - (iii) To delegate powers of the Board to the Housing Commissioner or other officers of the Board.
  - (iv) At present the Local authorities like the Municipal Corporations, City or Town Municipal Councils or Mandal panchayats are not evincing interest in providing basic civic amenities like street light, water supply, etc., in the areas where the Board has constructed houses and the Board is forced to provide such amenities with the fund available with it. It is, therefore, considered necessary to provide for exercising certain powers under the Karnataka Municipalities Act, 1964, Karnataka Municipal Corporations Act, 1976 and the Karnataka Zilla Parishads, Taluk Panchayat Samithis, Mandal Panchayats and Nyaya Panchayats Act, 1983 by the Board and the Housing Commissioner.
  - (v) To enhance the financial powers of the Board and the Commissioner.
  - (vi) To evict from Board premises the persons who have failed to pay the instalments of loan due to the Board.
  - (viii) To enable the Board to borrow money to carry out the purposes of the Act and also to mortgage by way of security of its properties for loans so borrowed.
  - (ix) To establish a sinking fund to repay the loan borrowed by the Board.
- Opportunity is also taken to make certain consequential changes. Hence the Bill.

(Published in Karnataka Gazette (Extraordinary) Part IV-2A dated 5th February, 1988 as No. 74 at page. 13).

### IV

**Amending Act 13 of 1999.**— It is considered necessary to amend the Karnataka Housing Board, 1962 to provide for thirty per cent representation to women among the nominated members of the Karnataka Housing Board.

Hence the Bill.

(Published in the Karnataka Gazette (Extraordinary) Part IV-2A dated 31st March 1999 as No. 298) (Notification No.LGA/BLA/19/1999 dated 31.03.1999).

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## V

**Amending Act 24 of 2016.-** It is considered necessary to amend Karnataka Housing Board Act, 1962 (Karnataka Act 10 of 1963) to,-

1. reconstitute the Board;
2. empowers the Board to discharge Local Authority functions till handing over of the layout developed by it and to collect maintenance and other charges in such lay-out;
3. substitute the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 instead of Land Acquisition Act, 1894;
4. substitute the words "Town Board, Sanitary Board and Mandal Panchayat" with the words "Town Panchayats and Gram Panchayat;"
5. empower the Board to take up public private partnership Housing Schemes;
6. enhance the powers of the Board to take up projects from fifty lakhs to two hundred and fifty lakhs;
7. empower the Board for making bulk allotment of houses, sites or flats developed by it to the State Government, Central Government, any Corporation, Body, organisation owned or controlled by the State Government or Central Government; and
8. Certain consequential or incidental amendments are also made.

Hence the Bill.

[L.A. Bill No. 24 of 2016, File No. Samvyashae 11 Shasana 2016]

[Entries 5,18 and 32 of List II of the Seventh Schedule to the Constitution of India]

\* \* \*

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**<sup>1</sup>[KARNATAKA]<sup>1</sup> ACT No. 10 OF 1963**

*(First published in the <sup>1</sup>[Karnataka Gazette]<sup>1</sup> on the Twenty-first day of March, 1963.)*

**THE <sup>1</sup>[KARNATAKA]<sup>1</sup> HOUSING BOARD ACT, 1962.**

*(Received the assent of the President on the Ninth day of March, 1963.)*

*(As amended by Karnataka Acts 10 of 1974, 8 of 1988 13 of 1999 and 24 of 2016.)*

<sup>2</sup>[An Act to provide for quality and affordable housing accommodation to all sections of the society.

Whereas it is expedient to provide for quality and affordable housing accommodation to all sections of the society with special emphasis to economically weaker sections and to adopt sustainable, equitable and eco-friendly design and construction techniques and with that object in view it is necessary to establish a Board for the State of Karnataka and to make certain other provisions;]<sup>2</sup>

BE it enacted by the <sup>1</sup>[Karnataka State]<sup>1</sup> Legislature in the Thirteenth Year of the Republic of India as follows:—

1. Adapted by the Karnataka Adaptations of Laws Order, 1973 w.e.f. 01.11.1973.
2. Substituted by Act 24 of 2016 w.e.f. 28.07.2016.

**CHAPTER I**

**PRELIMINARY**

**1. Short title, extent and commencement.**—(1) This Act may be called the <sup>1</sup>[Karnataka]<sup>1</sup> Housing Board Act, 1962.

1. Adapted by the Karnataka Adaptations of Laws Order, 1973 w.e.f. 01.11.1973.

(2) It extends to the whole of the <sup>1</sup>[State of Karnataka]<sup>1</sup>.

1. Adapted by the Karnataka Adaptations of Laws Order, 1973 w.e.f. 01.11.1973.

(3) It shall come into force on such <sup>1</sup>[date]<sup>1</sup> as the State Government may, by notification, appoint.

1. The Act has come into force by notification w.e.f. 27.1.1965. Text of the notification is at the end of the Act.

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

- (a) “Board” means the Housing Board constituted under section 3;
- (b) “Board premises” means any premises belonging to or vesting in the Board or taken on lease by the Board or entrusted to the Board under this Act for management and use for the purpose of this Act;
- (c) “building materials” means such commodities or articles as are specified by the State Government by notification to be building materials for the purposes of this Act;
- (d) “bye-laws” means bye-laws made under section 77;
- (e) “Chairman” means the Chairman of the Board;
- (f) “competent authority” means any person authorised by the State Government, by notification to perform the functions of the competent authority under Chapter VI for such area as may be specified in the notification;
- (g) ‘Corporation’ means a Municipal Corporation established under any law for the time being in force in the State;
- <sup>1</sup>[(g-1) ‘District’, ‘District Court’ and ‘District Judge’ respectively mean in the case of the Bangalore Metropolitan area, ‘the City of Bangalore’, ‘the City Civil Court and ‘a Judge’ as defined in the Bangalore City Civil Court Act, 1979 (Karnataka Act 13 of 1980);]<sup>1</sup>

1. Inserted by Act 8 of 1988 w.e.f. 1.5.1988.

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<sup>1</sup>[(g-2)] 'Housing Commissioner' means the officer appointed under section 10;]<sup>1</sup>

1. Inserted by Act 10 of 1974 w.e.f. 3.11.1973 & re-numbered by Act 8 of 1988 w.e.f. 01.05.1988 by notification. Text of the notification is at the end of the Act.

(h) "housing scheme" means a housing scheme under this Act;

<sup>1</sup>[(h-1) "Joint Venture Projects" means, projects taken up by Local bodies or Private parties and the Board jointly, subject to such terms and conditions as may be prescribed.]<sup>1</sup>

1. Inserted by Act 24 of 2016 w.e.f. 28.07.2016.

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

<sup>1</sup>[(i-1) 'land development scheme' means a scheme framed under this Act for the purpose of providing house sites in any area;]<sup>1</sup>

1. Inserted by Act 8 of 1988 w.e.f. 1.5.1988.

(j) "member" means a member of the Board;

(k) "notification" means a notification published in the official Gazette;

(l) "premises" means any building or part of a building and includes,—

(i) gardens, grounds and out-houses, if any, appertaining to such building or part of a building, and

(ii) any fittings affixed to such building or part of a building for the more beneficial enjoyment thereof;

(m) "prescribed" means prescribed by rules;

(n) "programme" means the annual housing programme <sup>1</sup>[and land development programme]<sup>1</sup> prepared by the Board under section 19;

<sup>2</sup>[(n-1) "Public Private Partnership projects" means a project on a specific term of contract between a private party and the Board for providing a public asset or service subject to such norms as may be prescribed.]<sup>2</sup>

1. Inserted by Act 8 of 1988 w.e.f. 1.5.1988.

2. Inserted by Act 24 of 2016 w.e.f. 28.07.2016.

(o) "regulations" means regulations made under section 76;

(p) "rent" means the amount payable to the Board in respect of the occupation of a Board premises <sup>1</sup>[but excludes]<sup>1</sup> the charges for water and electricity payable in respect of water and electricity used or consumed in the premises.

1. Substituted by Act 8 of 1988 w.e.f. 1.5.1988.

(q) "rules" means rules made under section 74; (r)

"Secretary" means the Secretary of the Board;

(s) "Tribunal" means the Tribunal specified under section 40; and

(t) "year" means the year commencing on the 1st day of April and ending on the 31st day of March.

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## CHAPTER II

### ESTABLISHMENT OF THE BOARD

**3. Constitution of the Board.**—(1) With effect from such date as the State Government may, by notification, appoint in this behalf, there shall be established for the purposes of this Act, a Board by the name of the <sup>1</sup>[Karnataka Housing Board]<sup>1</sup> which shall be a body corporate having perpetual succession and a common seal and may sue and be sued in its corporate name and shall subject to the provisions of this Act, be competent to acquire, hold and dispose of property both movable and immovable and to contract and do all things necessary for the purposes of this Act.

1. Adapted by the Karnataka Adaptations of Laws Order, 1973 w.e.f. 01.11.1973.

<sup>1</sup>[(2) The Board shall consist of the following members, namely:—

(a) a Chairman who shall be appointed by the State Government;

<sup>1</sup>[(b) the Additional Chief Secretary or the Principal Secretary or the Secretary to Government as the case may be Housing Department, Government of Karnataka;]<sup>1</sup>

1. Substituted by Act 24 of 2016 w.e.f. 28.07.2016.

(c) the Secretary to Government, Finance Department, Government of Karnataka;

(d) the Chief Engineer (Communication and Building) (South);

<sup>1</sup>[(e) the Director of Town and Country Planning, Government of Karnataka,]<sup>1</sup>

1. Substituted by Act 24 of 2016 w.e.f. 28.07.2016.

<sup>1</sup>[(f) the Additional Chief Secretary or the Principal Secretary or the Secretary to Government as the case may be, Energy Department, Government of Karnataka;]<sup>1</sup>

1. Substituted by Act 24 of 2016 w.e.f. 28.07.2016.

(g) the Housing Commissioner;

(h) a nominee of the Housing and Urban Development Corporation not below the rank of a Regional Chief; and

<sup>1</sup>[(h-1) the Additional Chief Secretary or the Principal Secretary or the Secretary to Government as the case may be Urban Development Department, Government of Karnataka;

(h-2) the Chief engineer of the Board;

(h-3) the Additional Director of Town and Country Planning of the Board;

(h-4) the Secretary of the Board who shall be the member Secretary;]<sup>1</sup>

1. Inserted by Act 24 of 2016 w.e.f. 28.07.2016.

<sup>1</sup>[(i) three non-official members appointed by the State Government of which one shall<sup>1</sup> be a woman

1. Substituted by Act 24 of 2016 w.e.f. 28.07.2016.

<sup>1</sup>[(2A) The names of members appointed including the Chairman shall be notified in the official Gazette.]<sup>1</sup>

1. Inserted by Act 10 of 1974 w.e.f. 3.11.1973.

(3) <sup>1</sup>[Any non-official member]<sup>1</sup> of the Board <sup>2</sup>[including the Chairman]<sup>2</sup> may at any time resign his office by submitting his resignation to the State Government:

Provided that the resignation shall not take effect until it is accepted.

1. Substituted by Act 8 of 1988 w.e.f. 1.5.1988.

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2. Inserted by Act 10 of 1974 w.e.f. 3.11.1973.

(4) For the purpose of this Act and, <sup>1</sup>[the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (Central Act 30 of 2013)]<sup>1</sup> the Board shall be deemed to be a local authority.

1. Substituted by Act 24 of 2016 w.e.f. 28.07.2016.

**4. Leave of absence of Chairman.**—The State Government may, from time to time, grant to the Chairman such leave as may be admissible under the rules and any person whom the State Government appoints to act for the Chairman during such absence on leave shall, while so acting, be deemed for all purposes of this Act to be the Chairman.

**5. Disqualification for appointment on Board.**—(1) A person shall be disqualified for being appointed or for continuing as the Chairman or member of the Board, if he,—

(a) holds any office or place of profit under the Board,

(b) is of unsound mind and stands so declared by a competent court,

(c) is an undischarged insolvent,

(d) has directly or indirectly by himself or by any partner, any share or interest in any contract or employment with, by or on behalf of the Board, or

(e) is a Director or a Secretary, Manager or other salaried officer of any incorporated company which has any share or interest in any contract or employment with, by or on behalf of the Board.

(2) A person shall not be disqualified under clause (d) or (e) of sub-section (1) or be deemed to have any share or interest in any contract or employment within the meaning of the said clauses, by reason only of his or the incorporated company of which he is a Director, Secretary, Manager or other salaried officer, having a share or interest in any newspaper in which any advertisement relating to the affairs of the Board is inserted.

(3) A person shall not be disqualified under clause (d) or (e) of sub-section (1) or be deemed to have any share or interest in any incorporated company which has any share or interest in any contract or employment with, by or on behalf of, the Board, by reason only of his being a shareholder of such company:

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

<sup>1</sup>**6. Term of office and conditions of service.**—(1) The Chairman and every <sup>2</sup>[other non-official member]<sup>2</sup> shall hold office during the pleasure of the State Government.

(2) Subject to the provisions of sub-section (1), the Chairman and every <sup>2</sup>[other non-official member]<sup>2</sup> shall hold office for three years from the date of their appointment, but they shall be eligible for re-appointment.

(3) The Chairman and every <sup>2</sup>[other non-official member]<sup>2</sup> shall receive such allowances as may be prescribed.

(4) The allowances to the Chairman and the <sup>2</sup>[other non-official member]<sup>2</sup> shall be paid from the funds of the Board and such allowances and other conditions of service shall be such as may be prescribed.]<sup>1</sup>

1. Substituted by Act 10 of 1974 w.e.f. 3.11.1973.

2. Substituted by Act 24 of 2016 w.e.f. 28.07.2016.

**7. Vacancy of a member.**—<sup>1</sup>[If the Chairman or any <sup>2</sup>[other non-official member]<sup>1</sup>]<sup>2</sup>,—

1. Substituted by Act 10 of 1974 w.e.f. 3.11.1973.

(a) becomes subject to any of the disqualifications mentioned in section 5, or

(b) tenders his resignation in writing to the State Government, or

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(c) is absent without the permission of the Board from all the meetings of the Board for three successive ordinary meetings, he shall <sup>1</sup>[cease to be the Chairman or <sup>2</sup>[non official member]<sup>1</sup>]<sup>2</sup>.

1. Substituted by Act 10 of 1974 w.e.f. 3.11.1973.
2. Substituted by Act 24 of 2016 w.e.f. 28.07.2016.

**8. Vacancy to be filled as early as practicable.**—(1) <sup>1</sup>[Any vacancy in the office of the Chairman or of <sup>2</sup>[non official member]<sup>1</sup>]<sup>2</sup> shall be filled in as early as practicable.

(2) Notwithstanding anything contained in this Act, the continuing <sup>2</sup>[non official member]<sup>1</sup>]<sup>2</sup> may during such vacancy act, as if no vacancy had occurred.

1. Substituted by Act 10 of 1974 w.e.f. 3.11.1973.
2. Substituted by Act 24 of 2016 w.e.f. 28.07.2016.

**9. Proceedings presumed to be good and valid.**—No disqualification of, or defect in the appointment of, any person acting as a Chairman or a member of the Board shall be deemed to vitiate any act or proceeding of the Board, if such act or proceeding is otherwise in accordance with the provisions of this Act.

**<sup>1</sup>[10. Appointment and powers of Housing Commissioner, Chief Engineer <sup>2</sup>[the Additional Director of Town and Country Planning]<sup>2</sup> and Secretary.**—(1) The State Government shall appoint an officer not below the rank of a Deputy Commissioner to be the Housing Commissioner for the Board.

(2) The State Government shall from among its officers appoint a Chief Engineer <sup>2</sup>[the Additional Director of Town and Country Planning]<sup>2</sup> and a Secretary to the Board.

(3) The Housing Commissioner, the Chief Engineer and the Secretary shall receive such monthly salary and other allowances payable wholly by the Board as the State Government may, from time to time determine.

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

(5) The Housing Commissioner shall be the Chief Executive and Administrative Officer of the Board. He 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, operate the accounts of the Board and be responsible for the maintenance of accounts of the Board. He shall also be responsible for implementing the <sup>1</sup>[housing schemes, land development schemes and labour housing schemes]<sup>1</sup> of the Board.

(6) The Housing 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 respects the officers and the servants of the Board.

(7) The Chief Engineer <sup>2</sup>[the Additional Director of Town and Country Planning]<sup>2</sup> and the Secretary shall exercise such powers and perform such functions as the Board may, subject to any general or special order of the State Government specify from time to time.

1. Substituted by Act 8 of 1988 w.e.f. 1.5.1988.
2. Inserted by Act 24 of 2016 w.e.f. 28.07.2016.

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**10A. Officers and servants of the Board.**—(1) Subject to such rules as may be made under this Act, the Board may have such officers and servants as are necessary for its purposes. In making these appointments it shall be the duty of the appointing authority to reserve adequate number of posts for the Schedule Castes, Scheduled Tribes and other backward classes of citizens in the same manner and to the same extent as are applicable to recruitment to the State Civil Services.

(2) The emoluments, allowances and other conditions of service of the officers and servants referred to in sub-section (1) shall be the same as are applicable to the officers and servants of the State Government governed by the Karnataka Civil Services Rules except as otherwise prescribed.

(3) The Karnataka Public Service Commission shall exercise the same functions as respects the services of the Board as the said Commission exercises under Article 320 of the Constitution of India as respects the services of the State and every appointment to posts carrying a maximum monthly salary exceeding rupees two hundred, other than those prescribed, shall be made in consultation with the Karnataka Public Service Commission:

Provided that this sub-section shall not apply to an officiating or temporary appointment for an aggregate period not exceeding one year:

Provided further that no appointment shall be made contrary to the advice of the said Commission except with the approval of the State Government.]<sup>1</sup>

1. Sections 10 and 10A Substituted by Act 10 of 1974 w.e.f. 3.11.1973.

**11. General disqualification of all officers and servants.**—No person who has directly or indirectly by himself or his partner or agent, any share or interest in any contract, by or on behalf of the Board or in any employment under, by or on behalf of the Board, otherwise than as an officer or servant thereof, shall become or remain an officer or servant of the Board.

**12. Appointment of committees.**—Subject to any rules made under this Act, the Board may, from time to time, and for any particular local area appoint one or more committees for the purpose of discharging such duties or performing such functions as it may delegate to them and any such committee may discharge such duties or perform such functions with due regard to the circumstances and requirements of that particular area.

**13. Meetings of the Board.**—The Board shall meet and shall from time to time make such bye-laws with respect to the day, time, place, notice, management and adjournment of its meetings as it thinks fit, subject to the following provisions, namely:—

(a) an ordinary meeting shall be held once at least every two months;

(b) the Chairman may, whenever he thinks fit, call for special

meetings; (c) the quorum for every meeting shall be <sup>1</sup>[seven]<sup>1</sup>;

1. Substituted by Act 8 of 1988 w.e.f. 1.5.1988.

<sup>1</sup>[(cc) if any member being the Secretary to Government is unable to attend any meeting of the Board, he may under intimation to the Chairman, authorise any officer not below the rank of a Deputy Secretary in writing, to do so;]<sup>1</sup>

1. Inserted by Act 8 of 1988 w.e.f. 1.5.1988.

(d) every meeting shall be presided over by the Chairman and in his absence, by any member chosen by the members present at the meeting to preside for the occasion;

(e) all questions at any meeting shall be decided by a majority of the members present and voting and in case of equality of votes the person presiding shall have and

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exercise a second or casting vote;

(f) the minutes of the proceedings of each meeting shall be recorded in a book to be provided for the purpose.

**14. Power to make contracts.**—The Board may enter into and perform or require the performance of all such contracts as it may consider necessary or expedient for carrying out any of the purposes of this Act.

**15. Execution of contracts.**—(1) Every contract shall be made on behalf of the Board by the <sup>1</sup>[Housing Commissioner]<sup>1</sup>:

1. Substituted by Act 10 of 1974 w.e.f. 3.11.1973.

Provided that,-

(a) no contract involving an expenditure of rupees <sup>2</sup>[<sup>1</sup>rupees two hundred and fifty lakhs]<sup>1</sup><sup>2</sup> and more shall be made without the previous sanction of the State Government,

1. Substituted by Act 8 of 1988 w.e.f. 1.5.1988.

2. Substituted by Act 24 of 2016 w.e.f. 28.07.2016.

(b)(i) no contract involving an expenditure of rupees <sup>2</sup>[<sup>1</sup>rupees fifty lakhs]<sup>1</sup><sup>2</sup> and more shall, subject to clause (a), be made without the previous sanction of the Board,

1. Substituted by Act 8 of 1988 w.e.f. 1.5.1988.

2. Substituted by Act 24 of 2016 w.e.f. 28.07.2016.

(ii) no estimate or tender involving an expenditure of rupees <sup>2</sup>[<sup>1</sup>rupees fifty lakhs]<sup>1</sup><sup>2</sup> and more shall, subject to clause (a), be sanctioned or accepted without the previous sanction of the Board.

1. Substituted by Act 8 of 1988 w.e.f. 1.5.1988.

2. Substituted by Act 24 of 2016 w.e.f. 28.07.2016.

<sup>1</sup>[(c) No joint venture or public private partnership arrangement involving an estimated cost of rupees two hundred and fifty lakhs and more shall be made without the previous sanction of the State Government, subject to such terms and conditions as may be prescribed of such joint venture or public private partnership as the case may be.]<sup>1</sup>

1. Inserted by Act 24 of 2016 w.e.f. 28.07.2016.

(2) Sub-section (1) shall apply to every variation or abandonment of a contract or estimate as well as to an original contract or estimate.

(3) Every contract made by the <sup>1</sup>[Housing Commissioner]<sup>1</sup> on behalf of the Board shall, subject to the provisions of this section, be entered into in such manner and form as may be prescribed.

1. Substituted by Act 10 of 1974 w.e.f. 3.11.1973.

(4) A contract not made or executed as provided in this section and the rules made thereunder shall not be binding on the Board.

<sup>1</sup>[**16. Delegation.**—<sup>2</sup>[(1)]<sup>2</sup> The State Government may, by notification, authorise the delegation by the Housing Commissioner to such person or class of persons and subject to such conditions as may be specified in such notification, of any powers conferred or duties imposed upon him by or under this Act.]<sup>1</sup>

1. Substituted by Act 10 of 1974 w.e.f. 3.11.1973.

2. Re-numbered by Act 8 of 1988 w.e.f. 1.5.1988.

<sup>1</sup>[(2) The Board 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 Housing

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Commissioner or such other officer of the Board as may be specified in the notification subject to such restrictions and conditions as may be specified therein.]<sup>1</sup>

1. Inserted by Act 8 of 1988 w.e.f. 1.5.1988.

### CHAPTER III

#### HOUSING SCHEMES <sup>1</sup>[AND LAND DEVELOPMENT SCHEMES]<sup>1</sup>

<sup>2</sup>[17. **Duty of the Board to undertake housing schemes, land development schemes, infrastructure development, building construction schemes, schemes under joint venture or public private partnership.**- Subject to the provisions of this Act and the rules made in this behalf and control of the State Government, the Board may incur expenditure and undertake works in any area for the framing and execution of such housing schemes, land development schemes, infrastructure development, construction and disposal of the commercial premises and building construction schemes as it may consider necessary or as may be entrusted to it by the State Government or overnment undertakings or under joint venture or public private partnership arrangements subject to such conditions as may be prescribed.]<sup>2</sup>

1. Inserted by Act 8 of 1988 w.e.f. 1.5.1988.

2. Substituted by Act 24 of 2016 w.e.f. 28.07.2016.

**18. Matter to be provided for by housing schemes.**—Notwithstanding anything contained in any other law for the time being in force, a housing scheme may provide for all or any of the following matters, namely:—

- (a) the acquisition by purchase, exchange or otherwise of any property necessary for or affected by the execution of the scheme;
- (b) the laying or relaying out of any land comprised in the scheme;
- (c) the distribution or redistribution of sites belonging to owners of property comprised in the scheme;
- (d) the closure or demolition of dwellings unfit for human habitation;
- (e) the demolition of obstructive buildings or portions of buildings;
- (f) the construction and reconstruction of buildings, their maintenance and preservation;
- (g) the sale, letting or exchange of any property comprised in the scheme;
- (h) the construction and alteration of streets and back lanes;
- (i) provision for the draining, water-supply and lighting of the area included in the scheme <sup>1</sup>[and carrying out by the Board in such area, drainage, sewerage and water supply works]<sup>1</sup>;

1. Inserted by Act 8 of 1988 w.e.f. 1.5.1988.

(j) the provision of parks, playing-fields and open spaces for the benefit of any area comprised in the scheme and the enlargement of existing parks, playing fields, open spaces and approaches;

(k) the provision of sanitary arrangements required for the area comprised in the scheme, including the conservation and prevention of any injury or contamination to rivers or other sources and means of water-supply;

(l) the provision of accommodation for any class of inhabitants;

(m) the advance of money for the purposes of the scheme; (n)

the provision of facilities for communication and transport;

(o) the collection of such information and statistics as may be necessary for the purposes of this Act;

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(p) any other matter for which, in the opinion of the State Government, it is expedient to make provision with a view to provide housing accommodation and to the improvement or development of any area comprised in the scheme or the general efficiency of the scheme.

**<sup>1</sup>[18A. Matters to be provided for by land development schemes.—**

Notwithstanding anything contained in any other law for the time being in force, a land development scheme may within the limits of the area comprised in the scheme, provide for all or any of the following matters, namely:—

(a) the acquisition by purchase, exchange or otherwise, of any land which in the opinion of the Board will be necessary for or affected by the execution of scheme;

(b) laying or re-laying of all or any land comprised in the scheme and formation and alteration of streets;

(c) drainage, water supply and electricity and carrying out by the Board in the area included in the scheme, drainage sewerage and water supply works;

(d) the distribution or redistribution of sites comprised in the scheme;

(e) raising the level of any land which the Board may consider expedient to raise to facilitate better drainage;

(f) forming open space for the better ventilation of the area comprised in the scheme or any adjoining area;

(g) sanitary arrangements required;

(h) sites for parks, playgrounds, stadium, recreation grounds, school buildings, markets, motor vehicle stands, theatres, police stations, post offices, co-operative societies, public urinals and latrines, petrol service stations, hospitals, dispensaries, banks, burial and cremation grounds and sites for public purposes of other kinds.]<sup>1</sup>

1. Inserted by Act 8 of 1988 w.e.f. 1.5.1988.

**19. Preparation and submission of annual housing programme <sup>1</sup>[and land development programme]<sup>1</sup>, budget and establishment schedule.—**(1) Before the first day of December in each year, the Board shall prepare and forward,—

1. Inserted by Act 8 of 1988 w.e.f. 1.5.1988.

(i) a programme,

(ii) a budget for the next year,

<sup>1</sup>[XXX]<sup>1</sup>

to the State Government in such form as may be prescribed.

1. Omitted by Act 24 of 2016 w.e.f. 28.07.2016.

(2) The programme shall contain,—

(a) such particulars of <sup>1</sup>[housing schemes, land development schemes and labour housing]<sup>1</sup> schemes which the Board proposes to execute whether in part or whole during the next year as may be prescribed;

1. Substituted by Act 8 of 1988 w.e.f. 1.5.1988.

(b) the particulars of any undertaking which the Board proposes to organise or execute during the next year for the purpose of the production of building materials; and

(c) such other particulars as may be prescribed.

(4) The budget shall contain a statement showing the estimated receipts and expenditure on capital and revenue accounts for the next year.

**20. <sup>1</sup>[Sanction to programme and budget.-** The State Government may sanction the programme and the budget forwarded to it with such modifications as it deems fit.]<sup>1</sup>

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1. Substituted by Act 24 of 2016 w.e.f. 28.07.2016.

**21. Publication of sanctioned programme.**—The State Government shall publish the programme sanctioned by it under section 20 in the official Gazette.

**22. Supplementary programme and budget.**—The Board may, at any time, during the year, in respect of which a programme has been sanctioned under section 20 submit a supplementary programme and budget and the additional schedule of the staff, if any, to the State Government and the provisions of sections 20 and 21 shall apply to such supplementary programme.

**23. Variation of programme by Board after it is sanctioned.**—The Board may, at any time, vary any programme or any part thereof included in the programme sanctioned by the State Government:

Provided that no such variation shall be made if it involves an expenditure in excess of <sup>1</sup>[twenty per cent] <sup>1</sup> of the amount as originally sanctioned for the execution of any housing scheme <sup>2</sup>[or land development scheme]<sup>2</sup> included in such programme or affects its scope or purpose.

1. Substituted by Act 8 of 1988 w.e.f. 1.5.1988.

2. Inserted by Act 8 of 1988 w.e.f. 1.5.1988.

**24. Sanctioned housing schemes <sup>2</sup>[and land development schemes]<sup>2</sup> to be executed.**—<sup>1</sup>[(1)]<sup>1</sup> After the programme has been sanctioned and published by the State Government under sections 20 and 21, the Board shall, subject to the provisions of section 23, proceed to execute the <sup>3</sup>[housing scheme, land development scheme or labour housing scheme]<sup>3</sup> included in the programme.

1. Re-numbered by Act 10 of 1974 w.e.f. 3.11.1973.

2. Inserted by Act 8 of 1988 w.e.f. 1.5.1988.

3. Substituted by Act 8 of 1988 w.e.f. 1.5.1988.

<sup>2</sup>[(2) The Board shall not execute any <sup>1</sup>[housing scheme, land development scheme or labour housing scheme]<sup>1</sup> unless the same has been sanctioned by the State Government]<sup>2</sup>.

1. Substituted by Act 8 of 1988 w.e.f. 1.5.1988.

2. Inserted by Act 10 of 1974 w.e.f. 3.11.1973.

**25. Transfer to the Board for purposes of housing scheme <sup>2</sup>[or land development scheme]<sup>2</sup> of land vested in a corporation, <sup>1</sup>[a municipal council <sup>3</sup>[or a Gram Panchayat]<sup>1</sup>]<sup>3</sup>.**—(1) Whenever any street, square or other land, or any part thereof, which,—

1. Substituted by Act 8 of 1988 w.e.f. 1.5.1988.

2. Inserted by Act 8 of 1988 w.e.f. 1.5.1988.

3. Substituted by Act 24 of 2016 w.e.f. 28.07.2016.

(a) is situated in a City and is vested in the municipal corporation of such City, or

(b) is situated in any part of a municipality constituted under any law relating to municipalities and is vested in the municipal council, municipal committee or other municipal body of that municipality, or

<sup>4</sup>[(c) is situated in any area included within the jurisdiction of a town panchayat or grama panchayat constituted under the Karnataka Municipalities Act, 1964 or the Gram Swaraj and Panchayat Raj Act, 1993 and is vested in such town panchayat or Grama panchayat]<sup>4</sup>

is within the area included in the programme sanctioned by the State Government and is

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required for the purposes of such housing scheme <sup>3</sup>[or land development scheme]<sup>3</sup>, the Board shall give notice accordingly to the corporation, municipal council, municipal committee or municipal body, <sup>2</sup>[x x x]<sup>2</sup>, <sup>4</sup>[town panchayat or the Grama panchayat]<sup>4</sup> or the <sup>1</sup>[mandal panchayat]<sup>1</sup>, as the case may be.

1. Substituted by Act 8 of 1988 w.e.f. 1.5.1988.
2. Omitted by Act 8 of 1988 w.e.f. 1.5.1988.
3. Inserted by Act 8 of 1988 w.e.f. 1.5.1988.
4. Substituted by Act 24 of 2016 w.e.f. 28.07.2016.

(2) Where the corporation, municipal council, municipal committee, or municipal body, <sup>2</sup>[x x x]<sup>2</sup>, <sup>3</sup>[town panchayat or the Grama panchayat]<sup>3</sup> or <sup>1</sup>[mandal panchayat]<sup>1</sup> concurs, such street, square or other land or part thereof shall vest in the Board.

1. Substituted by Act 8 of 1988 w.e.f. 1.5.1988.
2. Omitted by Act 8 of 1988 w.e.f. 1.5.1988.
3. Substituted by Act 24 of 2016 w.e.f. 28.07.2016.

(3) Where there is any dispute, the matter shall be referred to the State Government. The State Government shall, after hearing the corporation, municipal council, municipal committee or municipal body, <sup>2</sup>[x x x]<sup>2</sup>, <sup>3</sup>[town panchayat or the Grama panchayat]<sup>3</sup> or <sup>1</sup>[mandal panchayat]<sup>1</sup> concerned, decide the matter. The decision of the State Government shall be final. If the State Government decides that such street, square or land shall vest in the Board, it shall vest accordingly.

1. Substituted by Act 8 of 1988 w.e.f. 1.5.1988.
2. Omitted by Act 8 of 1988 w.e.f. 1.5.1988.
3. Substituted by Act 24 of 2016 w.e.f. 28.07.2016.

(4) Nothing in this section shall affect the rights or powers of the corporation, municipal council, municipal committee or municipal body, <sup>2</sup>[x x x]<sup>2</sup>, <sup>3</sup>[town panchayat or the Grama panchayat]<sup>3</sup> or <sup>1</sup>[mandal panchayat]<sup>1</sup> in or over any drain or water work in such street, square or land.

1. Substituted by Act 8 of 1988 w.e.f. 1.5.1988.
2. Omitted by Act 8 of 1988 w.e.f. 1.5.1988.
3. Substituted by Act 24 of 2016 w.e.f. 28.07.2016.

**26. Compensation in respect of land vested in the Board.**—(1) Where any land vests in the Board under the provisions of section 25 and the Board makes a declaration that such land shall be retained by the Board only until it reverts in the corporation, the municipal council, municipal committee, or municipal body, the <sup>2</sup>[x x x]<sup>2</sup>, <sup>3</sup>[town panchayat or the Grama panchayat]<sup>3</sup>, or the <sup>1</sup>[mandal panchayat]<sup>1</sup>, as the case may be, as part of a street or an open space under section 29, no compensation shall be payable by the Board to the corporation, the municipal council, municipal committee, or municipal body, the <sup>2</sup>[x x x]<sup>2</sup>, <sup>3</sup>[town panchayat or the Grama panchayat]<sup>3</sup>, or the <sup>1</sup>[mandal panchayat]<sup>1</sup> in respect of that land.

1. Substituted by Act 8 of 1988 w.e.f. 1.5.1988.
2. Omitted by Act 8 of 1988 w.e.f. 1.5.1988.
3. Substituted by Act 24 of 2016 w.e.f. 28.07.2016.

(2) Where any land vests in the Board under section 25 and no declaration is made under sub-section (1) in respect of the land, the Board shall pay to the corporation, the municipal council, municipal committee or municipal body, <sup>2</sup>[x x x]<sup>2</sup>, <sup>3</sup>[town panchayat or the Grama panchayat]<sup>3</sup>, or <sup>1</sup>[mandal panchayat]<sup>1</sup>, as the case may be, as compensation, a sum equal to the value of such land.

1. Substituted by Act 8 of 1988 w.e.f. 1.5.1988.

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2. Omitted by Act 8 of 1988 w.e.f. 1.5.1988.

(3) If, in any case where the Board has made a declaration in respect of any land under sub-section (1), the Board retains or disposes of the land contrary to the terms of the declaration so that the land does not revest in the corporation, the municipal council, municipal committee or municipal body, the <sup>2</sup>[x x x]<sup>2</sup>, <sup>3</sup>[town panchayat or the Grama panchayat]<sup>3</sup>, or <sup>1</sup>[mandal panchayat]<sup>1</sup>, as the case may be, the Board shall pay to the corporation, the municipal council, municipal committee or municipal body, the <sup>2</sup>[x x x]<sup>2</sup>, <sup>3</sup>[town panchayat or the Grama panchayat]<sup>3</sup>, or the <sup>1</sup>[mandal panchayat]<sup>1</sup>, compensation in respect of such land in accordance with the provisions of sub-section (2).

1. Substituted by Act 8 of 1988 w.e.f. 1.5.1988.

2. Omitted by Act 8 of 1988 w.e.f. 1.5.1988.

3. Substituted by Act 24 of 2016 w.e.f. 28.07.2016.

## **27. Power of Board to turn or close public street <sup>1</sup>[or divert nala]<sup>1</sup> vested in it.—**

(1) The Board may turn, divert, discontinue the public use of, or permanently close, any public street <sup>1</sup>[or divert nala]<sup>1</sup> vested in it or any part thereof.

(2) Whenever the Board discontinues the public use of, or permanently closes, any public street vested in it or any part thereof, it shall, as far as practicable, provide some other reasonable means of access to be substituted in lieu of the use, by those entitled, of the street or part thereof and pay reasonable compensation to every person who is entitled, otherwise than as a mere member of the public to use such street or part as a means of access and has suffered damage from such discontinuance or closing.

(3) In determining the compensation payable to any person under sub-section (2), the Board shall make allowance for any benefit accruing to him from the construction, provision or improvement of any other public street at or about the same time that the public street or part thereof, on account of which the compensation is paid is discontinued or closed.

(4) When any public street vested in the Board is permanently closed under sub-section (1), the Board may sell or lease so much of the same as is no longer required.

1. Inserted by Act 24 of 2016 w.e.f. 28.07.2016.

**28. Reference to Tribunal in case of dispute under section 26 or section 27.—**If there is any dispute as to whether any compensation is payable under section 26 or section 27 or as to the amount of compensation payable under section 26 or section 27, as the case may be, the matter shall be referred to the Tribunal.

**29. Vesting in the corporation, municipal council, municipal committee or other municipal body, <sup>1</sup>[x x x]<sup>1</sup>, <sup>4</sup>[town panchayat or Grama panchayat]<sup>4</sup> or <sup>2</sup>[mandal panchayat]<sup>2</sup> of streets laid out or altered and open space provided by the Board under housing scheme <sup>3</sup>[or land development scheme]<sup>3</sup>.— (1) Whenever the State Government is satisfied,—**

1. Omitted by Act 8 of 1988 w.e.f. 1.5.1988.

2. Substituted by Act 8 of 1988 w.e.f. 1.5.1988.

3. Inserted by Act 8 of 1988 w.e.f. 1.5.1988.

4. Substituted by Act 24 of 2016 w.e.f. 28.07.2016.

(a) that any street laid out or altered by the Board has been duly levelled, paved, metalled, flagged, channelled, sewered and drained in the manner provided in

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- the programme sanctioned by the State Government under section 20, and
- (b) that such lamps, lamp-posts and other apparatus as the corporation, the municipal council, the municipal committee or other municipal body, the <sup>1</sup>[x x x]<sup>1</sup>, <sup>4</sup>[town panchayat or Grama panchayat]<sup>4</sup> or <sup>2</sup>[mandal panchayat]<sup>2</sup>, as the case may be, considers necessary for the lighting of such streets and as ought to be provided by the Board have been so provided, and

1. Omitted by Act 8 of 1988 w.e.f. 1.5.1988.

2. Substituted by Act 8 of 1988 w.e.f. 1.5.1988.

- (c) that water and other sanitary convenience have been duly provided in such street,

the State Government may declare the street to be a public street, and the street shall thereupon vest in the corporation, municipal council, municipal committee or other municipal body, <sup>1</sup>[x x x]<sup>1</sup>, <sup>4</sup>[town panchayat or Grama panchayat]<sup>4</sup> or <sup>2</sup>[mandal panchayat]<sup>2</sup>, as the case may be.

1. Omitted by Act 8 of 1988 w.e.f. 1.5.1988.

2. Substituted by Act 8 of 1988 w.e.f. 1.5.1988.

(2) When any open space for purposes of ventilation or recreation has been provided by the Board in executing any housing scheme <sup>1</sup>[or land development scheme]<sup>1</sup>, it shall on completion be transferred to the local authority concerned, by resolution of the Board, and shall thereupon vest in, and be maintained at the expense of, the local authority.

1. Inserted by Act 8 of 1988 w.e.f. 1.5.1988.

(3) If any difference of opinion arises between the Board and the corporation, municipal council, municipal committee or other municipal body, <sup>1</sup>[x x x]<sup>1</sup>, <sup>4</sup>[town panchayat or Grama panchayat]<sup>4</sup> or <sup>2</sup>[mandal panchayat]<sup>2</sup>, in respect of any matter referred to in the foregoing provisions of this section, the matter shall be referred to the State Government whose decision shall be final.

1. Omitted by Act 8 of 1988 w.e.f. 1.5.1988.

2. Substituted by Act 8 of 1988 w.e.f. 1.5.1988.

**30. Other duties of the Board.**—It shall be the duty of the Board to take measures with a view to expediting and cheapening construction of buildings and the Board may for that purpose do all things for,—

- (a) unification, simplification and standardisation of building materials;
- (b) encouraging prefabrication and mass production of house components;
- (c) organising or undertaking the production of building materials required for the housing schemes;
- (d) encouraging research for discovering cheap building materials and evolving new methods of economic construction;
- (e) securing a steady and sufficient supply of workmen trained in the work of construction of buildings.

**31. Reconstitution of plots.**—A <sup>1</sup>[housing scheme, land development scheme or a labour housing scheme]<sup>1</sup> may provide—

1. Substituted by Act 8 of 1988 w.e.f. 1.5.1988.

- (a) for the formation of a reconstituted plot by the alteration of the boundaries of an original plot;

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(b) with the consent of the owners that two or more original plots each of which is held in ownership in severalty or in joint ownership shall, with or without alteration of boundaries, be held in ownership in common as a reconstituted plot; and

(c) for the allotment of a plot to any owner dispossessed of land in furtherance of the housing scheme <sup>1</sup>[or land development scheme]<sup>1</sup>.

1. Inserted by Act 8 of 1988 w.e.f. 1.5.1988.

**32. Schemes entrusted to Board by Government, etc.**—(1) The provisions of sections 18 to 24 (both inclusive) shall not be applicable to any <sup>1</sup>[housing scheme, land development scheme or labour housing scheme]<sup>1</sup> entrusted to the Board by the State Government except to such extent and subject to such modifications as may be specified in any general or special order made by the State Government, and every such order shall be published in the official Gazette.

1. Substituted by Act 8 of 1988 w.e.f. 1.5.1988.

(2) Notwithstanding anything contained in this Act, the Board shall not be competent to carry on any trading or financing activity for profit, whether in the execution of any scheme undertaken by, or entrusted to it, or otherwise.

**<sup>1</sup>[32A. Board and the Housing Commissioner to exercise powers and functions under the Karnataka Acts 22 of 1964, 14 of 1977 and <sup>2</sup>[14 of 1993]<sup>2</sup>.—** <sup>2</sup>[(1) After the completion of any housing scheme or land development scheme till the layout is handed over to the concerned Corporation, City Municipal Council, Town Municipal Council, Town Panchayat or a Grama panchayat, as the case may be, under section 29,-

(a) the powers and functions of the Municipal Corporation, City Municipal Council, Town Municipal Council, Town Panchayat or a Grama panchayat or standing committee by whatever name called, under the Karnataka Municipalities Act, 1964 (Karnataka Act No. 22 of 1964) or the Karnataka Municipal Corporations Act, 1976 (Karnataka Act 14 of 1977) or the words the Karnataka Gram Swaraj and Panchayat Raj Act, 1993 (Karnataka Act 14 of 1993) shall be exercised by the Board; and

(b) the powers and functions of the Commissioner of Corporation, Chief Officer of the Municipal Council, town panchayat or Panchayat Development Officer or the Secretary of the Grama Panchayat as the case may be shall be, exercised and discharged by the Housing Commissioner.

(c) The Board shall collect the maintenance and other charges from the allottees or purchasers till handing over of layout to the local authority after the completion of housing scheme or land development scheme. The maintenance and other charges shall be such as may be decided by the Board. ]<sup>2</sup>

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

(3) The Board or the Housing Commissioner may delegate any of the powers exercisable and functions that may be discharged by it or him under sub-section (1) to any officer or servant of the Board.

(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 Board or the Housing Commissioner, as the case may be.]<sup>1</sup>

1. Section 32A inserted by Act 8 of 1988 w.e.f. 1.5.1988.

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2. Substituted by Act 24 of 2016 w.e.f. 28.07.2016.



## CHAPTER IV

### ACQUISITION AND DISPOSAL OF LAND

**<sup>1</sup>[33. Power to purchase land, lease, exchange or procuring by agreement.-** (1) The Board may enter into an agreement for purchase of the Land from any person or take on lease or exchange any land required for the purposes of a housing scheme or land development scheme or any interest in such land or for compensating the owners of any such right in respect of any deprivation or interference therewith subject to such terms and conditions as may be prescribed. Provided that Subject to such rules, as may be prescribed, the

previous approval of the State Government is necessary in case of purchase or exchange or sharing basis of land in lieu of compensation in respect of project involving land worth more than rupees two hundred and fifty lakhs or lease for more than ten years.

(2) The Board may take steps for compulsory acquisition of any land or any interest therein through the State Government required for the execution of a housing scheme or land development scheme in accordance with the procedure provided in the Right to fair compensation and transparency in land acquisition, rehabilitation and resettlement Act, 2013 (Central Act 30 of 2013).

(3) The Board may procure land by purchase or exchange or sharing of land in lieu of compensation subject to such rules as may be prescribed provide link roads, for water resources, sewage treatment plants, providing infrastructure like roads, power, water civic amenities in the execution of a housing scheme or land development scheme, construction projects and urban infrastructure purposes even when such procurement is on behalf of Government agencies.]<sup>1</sup>

1. Substituted by Act 24 of 2016 w.e.f. 28.07.2016.

**34. Betterment charges.—**(1) When by the making of a housing scheme <sup>1</sup>[or land development scheme]<sup>1</sup> any land in the area comprised in the scheme will in the opinion of the Board be increased in value, the Board in framing the scheme may declare that betterment charges shall be payable by the owner of the land or any person having an interest therein in respect of the increase in value of the land from the execution of the scheme.

1. Inserted by Act 8 of 1988 w.e.f. 1.5.1988.

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

(3) Such betterment charges shall also be leviable in respect of any land not comprised in the scheme but adjacent to the area comprised in the scheme.

(4) Notwithstanding anything contained in sub-sections (1) and (3), in respect of any land used for agricultural purposes at the time of the execution of the schemes the betterment charges shall be leviable by the Board in accordance with such procedure as may be prescribed, only after such land is used, or converted for use, for non-agricultural purposes.

**35. Notice to persons liable for betterment charges.—**(1) The Board shall give notice in the prescribed form to any person who is the owner of or has interest in the land in respect of which the betterment charges are to be levied and shall give such person an opportunity to be heard.

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(2) After hearing such person or if such person fails to appear after the expiry of the period within which such person is required to appear before the Board, the Board shall proceed to assess the amount of betterment charges.

(3) Where the assessment of betterment charges proposed by the Board is accepted by the person concerned within the period prescribed, the assessment shall be final.

(4) If the person concerned does not accept the assessment proposed by the Board, the matter shall be referred to the Tribunal.

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

**36. Agreement for payment of betterment charges.**—(1) Any person liable to pay betterment charges in respect of any land may at his option, instead of paying the same to the Board, execute an agreement with the Board to leave the payment outstanding as a charge on his interest in the land, subject to the payment in perpetuity of interest at such rate as may be prescribed.

(2) Every payment due from any person in respect of betterment charges and every charge referred to in sub-section (1) shall, notwithstanding anything contained in any other enactment and notwithstanding the execution of any mortgage or charge, created either before or after the commencement of this Act be the first charge upon the interest of such person in such land.

**37. Recovery of betterment charges.**—All sums payable in respect of any land by any person in respect of betterment charges under section 34 or by any person under an agreement under section 36 shall be recoverable on behalf of the Board as an arrear of land revenue.

**38. Power to dispose of land.**—Subject to any rules made by the State Government under this Act, the Board may retain, lease, sell, exchange or otherwise dispose of, any land, building or other property vesting in it and situate in the area comprised in any housing scheme <sup>1</sup>[or land development scheme]<sup>1</sup> sanctioned under this Act.

1. Inserted by Act 8 of 1988 w.e.f. 1.5.1988.

**39. Disputes regarding reconstitution of plots.**—(1) Where by the making of a housing scheme <sup>1</sup>[or a land development scheme]<sup>1</sup>, any plots comprised in the area included in the scheme are reconstituted or any person is dispossessed, the Board shall after making such inquiry as it thinks fit award to the person affected by such reconstitution or dispossession such compensation as it deems reasonable. If the person is dissatisfied with the decision of the Board in the matter, he may inform the Board accordingly. The Board shall thereupon refer the matter to the Tribunal.

1. Inserted by Act 8 of 1988 w.e.f. 1.5.1988.

(2) The Tribunal shall then after making an inquiry determine the amount of compensation and direct the Board to pay the same to the person entitled.

## CHAPTER V

### TRIBUNAL

**40. Tribunal.**—The Tribunal shall be the District Judge having jurisdiction in the area concerned.

**41. Duties of the Tribunal.**—The Tribunal shall,—

- (a) decide whether any compensation is payable under section 26;
- (b) decide the amount of compensation in matters referred to it under section 28;
- (c) decide disputes relating to betterment charges referred to it under section 35;

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(d) decide disputes and the amount of compensation to be awarded under section 39; and

(e) decide such other matters as may be prescribed by the rules made in this behalf.

**42. Powers of and procedure before Tribunal.**—(1) In making enquiries the Tribunal shall have and exercise, as far as may be, the same powers and follow the same procedure as under the Code of Civil Procedure, 1908.

(2) Every order made by the Tribunal for the payment of money and for the delivery of the possession or removal of any structure shall be enforced by the District Court as if it were the decree of the said Court.

(3) The proceedings before the Tribunal shall be deemed to be judicial proceedings within the meaning of sections 193 and 228 of Indian Penal Code.

**43. Decision of Tribunal to be final.**—The decision of the Tribunal on any matter referred to it under this Act shall, subject to the provision of section 44, be final.

**44. Appeal to the High Court.**—The Board or any person aggrieved by a decision of the Tribunal may within three months from the date of the decision, or such further time as the High Court may for sufficient cause allow, appeal to the High Court and the High Court shall pass such orders on the appeal as it thinks fit.

## CHAPTER VI

### POWER TO EVICT PERSONS FROM BOARD PREMISES.

**45. Power to evict certain persons from Board premises.**—(1) If the competent authority is satisfied,—

(a) that the person authorised to occupy any Board premises has,—

(i) not paid rent lawfully due from him in respect of such premises for a period of more than two months, or

<sup>1</sup>[(ia) not paid any of the instalments of loan due from him to the Board in respect of such premises for a period of more than two months from the due date, or]<sup>1</sup>

<sup>1</sup>. Inserted by Act 8 of 1988 w.e.f. 1.5.1988.

(ii) sub-let, without the permission of the Board, the whole or any part of such premises, or

(iii) otherwise acted in contravention of any of the terms, express or implied, under which he is authorised to occupy such premises, or

(b) that any person is in unauthorised occupation of any Board premises,

-the competent authority may, notwithstanding anything contained in any law for the time being in force, by notice served (i) by post, or (ii) by affixing a copy of it on the outer door or some other conspicuous part of such premises, or (iii) in such other manner as may be prescribed, order that person as well as any other person who may be in occupation of the whole or any part of the premises, shall vacate them within one month from the date of the service of the notice:

Provided that no such order shall be passed unless the person has been afforded an opportunity to show cause why such order should not be made.

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

(3) If a person, who has been ordered to vacate any premises under sub-clause (i) <sup>1</sup>[or (ia)]<sup>1</sup> or (iii) of clause (a) of sub-section (1), within thirty days of the date of service of

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the notice or such longer time as the competent authority may allow, pays to the Board the rent in arrears <sup>1</sup>[or any instalment of loan in arrears]<sup>1</sup> or carries out or otherwise complies with the terms contravened by him to the satisfaction of the competent authority, as the case may be, the competent authority shall, in lieu of evicting such person under sub-section (2), cancel its order made under sub-section (1) and thereupon such person shall hold the premises on the same terms on which he held them immediately before such notice was served on him.

1. Inserted by Act 8 of 1988 w.e.f. 1.5.1988.

**46. Power to recover <sup>2</sup>[rent, damages, instalments of loan or other dues]<sup>2</sup> as arrears of land revenue.**—(1) Subject to any rules made by the State Government in this behalf and without prejudice to the provisions of section 45, where any person is in arrears of rent payable in respect of any Board premises <sup>1</sup>[or any arrears of instalment of loan or other dues payable to the Board]<sup>1</sup>, the competent authority may, by notice served (i) by post, or (ii) by affixing a copy of it on the outer door or some other conspicuous part of such premises, or (iii) in such other manner as may be prescribed, order that person to pay the same within such time not being less than thirty days as may be specified in the notice. If such person refuses or fails to pay the arrears of rent <sup>1</sup>[or arrears of instalments of loan or other dues]<sup>1</sup> within the time specified in the notice, such arrears may be recovered as arrears of land revenue <sup>1</sup>[or by distraint and sale of movable property of the defaulter, by such officer, in such manner and in accordance with such procedure as may be prescribed]<sup>1</sup>.

1. Inserted by Act 8 of 1988 w.e.f. 1.5.1988.

2. Substituted by Act 8 of 1988 w.e.f. 1.5.1988.

(2) Where any person is in unauthorised occupation of any Board premises, the competent authority may, in the prescribed manner, assess such damages on account of the use and occupation of the premises as it may deem fit, and may by notice served (i) by post, or (ii) by affixing a copy of it on the outer door or some other conspicuous part of such premises, or (iii) in such other manner as may be prescribed, order that person to pay the damages within such time as may be specified in the notice. If any person refuses or fails to pay the damages within the time specified in the notice, the damages may be recovered from him as arrears of land revenue.

**47. Rent to be recovered by deductions from salary or wages in certain cases.**—(1) Without prejudice to the provisions of section 45 any person who is an employee of the State Government or a local authority and who has been allotted any Board premises, may execute an agreement in favour of the State Government providing that the State Government or the local authority, as the case may be, under or by whom he is employed, shall be competent to deduct from the salary or wages payable to him such amount as may be specified in the agreement and to pay the amount so deducted to the Board in satisfaction of the rent due by him in respect of the Board premises allotted to him.

(2) On the execution of such agreement, the State Government or local authority, as the case may be, shall, if so required by the Board by requisition in writing, make the deduction of the amount specified in the requisition from the salary or wages of the employees specified in the requisition in accordance with the agreement and pay the amount so deducted to the Board.

**48. Appeal.**—(1) Any person aggrieved by an order of the competent authority under section 45 or section 46, may, within thirty days from the date of the service of the notice

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under section 45 or section 46, as the case may be, prefer an appeal to the District Judge of the District in which the premises of the Board are situated or such other judicial officer in that District of not less than ten years' standing as the State Government may designate in this behalf:

Provided that the appellate officer may entertain the appeal after the expiry of the said period of thirty days, if he is satisfied that the appellant was prevented by sufficient cause from filing the appeal in time.

(2) Where an appeal is preferred under sub-section (1), the appellate officer may stay the enforcement of the order of the competent authority for such period and on such conditions as he deems fit.

(3) Every appeal under this section shall be disposed of by the appellate officer as expeditiously as possible.

**49. Finality of orders.**—Save as otherwise expressly provided in this Act, every order made by a competent authority or appellate officer under this Chapter shall be final and shall not be called in question in any original suit, application or execution proceedings.

## CHAPTER VII

### FINANCE, ACCOUNTS AND AUDIT

**50. Board's fund.**—(1) The Board shall have a fund called the Housing Board Fund.

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

<sup>1</sup>[(3) x x x]<sup>1</sup>

1. Omitted by Act 8 of 1988 w.e.f. 1.5.1988.

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

(5) Except as otherwise directed by the State Government, all moneys and receipts specified in the foregoing provisions and forming part of the fund of the Board shall be deposited in the Reserve Bank of India or in any Scheduled Bank or invested in such securities as may be approved by the State Government.

<sup>1</sup>[(6) x x x]<sup>1</sup>

1. Omitted by Act 10 of 1974 w.e.f. 3.11.1973.

**Explanation.**—For the purposes of this section, the Reserve Bank of India shall mean the Reserve Bank of India constituted under the Reserve Bank of India Act, 1934, and a Scheduled Bank shall mean a bank included in the Second Schedule to the said Act.

**51. Application of the fund.**—All property, the Housing Board Fund, and all other assets vesting in the Board shall be held and applied by it, subject to the provisions and for the purposes of this Act.

**52. Expenditure in case of urgency, etc.**—(1) Where in the opinion of the Board circumstances of extreme urgency have arisen, it shall be lawful for the Board to make for the purposes of this Act in any year, expenditure not exceeding <sup>1</sup>[rupees <sup>2</sup>[fifty lakhs]<sup>1</sup>]<sup>2</sup>, notwithstanding the fact that such expenditure has not been included in its annual programme or supplementary programme sanctioned by the State Government or the variation of the programme made under section 23.

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(2) Where any sum is expended under circumstances of extreme urgency as provided in sub-section (1), a report thereof indicating the source from which it is proposed to meet the expenditure shall be made by the Board as soon as practicable to the State Government.

(3) The Board may, within the budget sanctioned by the State Government, approve appropriations not exceeding <sup>1</sup>[rupees <sup>2</sup>[fifty lakhs]<sup>1</sup>]<sup>2</sup>, from one sub-head to another and from one minor head to another under the same major head and submit a statement of such re-appropriations to the State Government.

1. Substituted by Act 8 of 1988 w.e.f. 1.5.1988.
2. Substituted by Act 24 of 2016 w.e.f. 28.07.2016.

**53. Subventions and loans to the Board.**—(1) The State Government may from time to time make subventions to the Board for the purposes of this Act on such terms and conditions as the State Government may determine.

(2) The State Government may from time to time advance loans to the Board on such terms and conditions not inconsistent with the provisions of this Act as the State Government may determine.

**54. Power of Board to borrow.**—<sup>1</sup>[(1) Subject to the provisions of the Act and to such conditions as may be prescribed, the Board may from time to time borrow money required to carry out the purpose of this Act from any Scheduled Bank or a Corporation owned or controlled by the Government of India or the State Government]<sup>1</sup>.

1. Substituted by Act 8 of 1988 w.e.f. 1.5.1988.

(2) The rules made by the State Government for the purposes of this section may empower the Board to borrow by the issue of debentures and to make arrangements with bankers.

(3) All debentures issued by the Board shall be in such form as the Board, with the sanction of the State Government may from time to time determine.

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

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

<sup>1</sup>[(6) The Board shall be competent to mortgage by way of security any of its properties for loan obtained from the Housing and Urban Development Corporation, New Delhi or from any Scheduled Bank or from any other recognised Housing Financial Institutions.]<sup>1</sup>

1. Inserted by Act 8 of 1988 w.e.f. 1.5.1988.

<sup>1</sup>[**54A. Mode of repaying loan.**—Every loan obtained by the Board shall be repaid within the period and in the manner agreed upon by the Board,—

- (a) from a sinking fund established for the purpose under section 54B; or
- (b) from money borrowed for the purpose; or
- (c) partly from the sinking fund established under section 54B and partly from the money borrowed for the purpose.

**54B. Establishment of a sinking fund.**—(1) The Board may establish a sinking fund for the purpose of repayment of loans borrowed by it.

(2) The amounts to be paid into the sinking fund and the mode of payment shall be as

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may be prescribed.

(3) All moneys paid into the sinking fund shall be invested in Government securities or fixed deposits with Scheduled Bank]<sup>1</sup>.

1. Sections 54A and 54B Inserted by Act 8 of 1988 w.e.f. 1.5.1988.

**55. Account and audit.**—(1) The Board shall cause to be maintained proper books of accounts and such other books as the rules under this Act may require and shall prepare in accordance with such rules an annual statement of accounts.

(2) The Board shall cause its accounts to be audited annually by such persons as the State Government may direct.

(3) As soon as the accounts of the Board have been audited, the Board shall send a copy thereof together with a copy of the report of the auditor thereon to the State Government; and shall cause the accounts to be published in the prescribed manner and place copies thereof on sale at a reasonable price. <sup>1</sup>[The audited accounts and the report shall be laid before each House of the State Legislature, as soon as may be after they are received by the State Government.]<sup>1</sup>

1. Inserted by Act 8 of 1988 w.e.f. 1.5.1988.

(4) The Board shall comply with such directions as the State Government may after perusal of the report of the auditor think fit to issue.

**56. Concurrent and special audits of accounts.**— (1) Notwithstanding anything contained in section 55, the State Government may order that there shall be concurrent audit of the accounts of the Board by such person as it thinks fit. The State Government may also direct a special audit to be made by a Chartered Accountant appointed by it of the accounts of the Board relating to any particular transaction or a class or series of transactions or to a particular period.

(2) When an order is made under sub-section (1), the Board shall present or cause to be presented for audit such accounts and shall furnish to the person appointed under sub-section (1) such information as the said person may require for the purpose of audit.

## CHAPTER VIII

### LABOUR HOUSING

**57. Interpretation.**—(1) For the purposes of this Chapter,—

(a) 'employee' means any person who is employed for hire or reward to do any work skilled or unskilled, manual or clerical, in any factory as defined in the Factories Act, 1948, or in any mine as defined in the Mines Act, 1952, or in any textile mill, or in any iron and steel works, or in any tobacco manufactory; and also includes any person declared by notification by the State Government to be an employee for the purposes of this Chapter;

(b) 'employer' means any person who employs whether directly or through another person, or whether on behalf of himself or any other person, one or more employees, and includes,—

(i) in a factory, the owner or occupier of the factory and includes the managing agent of such owner or occupier, the legal representative of a deceased owner or occupier and where a person has been named as a manager of the factory under clause (f) of sub-section (1) of section 7 of the Factories Act, 1948, the person so named;

(ii) in any employment under any local authority, the person appointed by such authority for the supervision and control of employees or where no person is appointed, the chief executive officer of the local authority;

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(iii) in any other case, any person responsible for the supervision and control of the establishment;

(c) 'wages' shall have the same meaning as in the Payment of Wages Act, 1936;

(d) 'working class' includes mechanics, artisans, labourers and others working for wages, hawkers, persons not working for wages but working at some trade or handicraft without employing others, except members of their own family and persons other than domestic servants whose income in any case does not exceed on an average one hundred and twenty-five rupees a month, and the families of any such persons who may be residing with them.

(2) In determining for the purposes of this Chapter, whether a house is fit for human habitation, regard shall be had to the extent, if any, to which by reason of disrepair or sanitary defects, the house falls short of any municipal bye-laws or laws in operation in the area in which such house is situated, or of any other provision of law for the time being in force in such area dealing with the construction and drainage of new buildings and the laying out and the construction of new streets or of general standard of housing accommodation for working classes in such area.

**58. Duty of the Board to undertake labour housing schemes.**—(1) It shall be the duty of the Board to provide for the welfare of labour by providing proper houses for employees as near as possible to their place of work of such types and designs in accordance with such schemes as the State Government may approve.

(2) The Board may, in addition to preparing and carrying out schemes for the provision of suitable housing accommodation for employees, promote measures directed towards,—

- (i) the provision of gardens, playgrounds and recreational facilities;
- (ii) the improvement of public health and sanitation;
- (iii) provision of water supplies and facilities for washing;
- (iv) the provision of transport to and from work;

and may incur in respect of such measures expenditure from the fund of the Board within such limits as may be prescribed by the State Government.

**59. Provisions regarding housing accommodation.**—(1) The occupation by any employee of any housing accommodation provided by the Board shall be subject to compliance by that person at all times with such conditions relating to his occupation of such accommodation as may be prescribed.

(2) Before any person occupies any such accommodation, he shall be furnished with a copy of the conditions referred to in sub-section (1), and if he so desires the said conditions shall be read over to him in a language which he understands; and the Board shall cause to be published in such manner as it thinks best adapted for informing the persons concerned any changes which may from time to time be made in the said conditions.

(3) If in the opinion of the Board any person in occupation of any such accommodation fails or ceases to comply with any of the conditions referred to in sub-section (1) it may, by notice in writing, require him to vacate the accommodation on or before such date, not being less than thirty days after the service of the notice; and the occupation of such accommodation by such person or any dependent of his after the date so specified shall be unlawful and such person or dependent may be evicted accordingly from such accommodation in accordance with the provisions of Chapter VI.

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(4) There shall be payable in respect of the occupation of any such accommodation as aforesaid rent at such rate as may be prescribed taking into consideration,-

- (i) the cost of construction of the accommodation, and
- (ii) the cost of maintenance of the accommodation.

(5) (i) All rent payable in respect of the occupation of such accommodation as aforesaid shall in the first instance be paid by the employer of the employee occupying the accommodation.

(ii) Notwithstanding anything contained in any other enactment but subject to the provisions of any regulations, if any, under this Act, the employer shall be entitled to recover the rent paid by him under clause (i) by deductions from the wages of the employee concerned, and not otherwise.

**60. Housing accommodation to be in good habitable condition.**—(1) It shall be the duty of the Board to keep the housing accommodation under its control in a good habitable condition.

(2) Where the State Government or any local authority or any court notified by the State Government in this behalf, upon consideration of any representation or of a report from any of its officers or other information received by it, is satisfied that any housing accommodation under the control of the Board is in any respect not in a good habitable condition, it may, unless it is satisfied that it is not capable at a reasonable expense of being brought to a habitable condition, serve upon the Board a notice requiring it, within such reasonable time, not being less than twenty-one days as may be specified in the notice, to execute the works specified in the notice, and stating that in the opinion of the State Government, the local authority or the court, as the case may be, those works will bring the house to a good habitable condition.

(3) (a) The Board may, within twenty-one days of the service of the notice under sub-section (2) by a local authority or a court, appeal to the State Government or where the notice is served by the State Government apply to it for a review and no proceedings shall be taken by the State Government or the local authority or the court, as the case may be, to enforce the notice before the appeal or the application for review, as the case may be, has been finally determined.

(b) The State Government may, on such appeal or application for review, make an order either confirming or quashing or varying the notice, and such order of the State Government shall be final and conclusive.

(4) If a notice served on the Board under sub-section (1) is not complied with, then, after the expiration of the time specified in the notice or, if an appeal or an application for review has been made against the notice and upon that appeal or application for review the notice has been confirmed with or without variation, after the expiration of twenty-one days from the final determination of the appeal or application for review, or of such longer period as the State Government, in determining the appeal or application for review, may fix, the State Government or the local authority or the court, as the case may be, may itself cause the work required by the notice, or by the notice as varied by the State Government, to be done.

(5) Any expenses incurred by the State Government or a local authority or a court under sub-section (4), together with interest at six percent per annum, from the date when a demand for the expenses is served until payment, may be recovered from the Board summarily as if the notice of demand were a decree of a civil court, and any civil court of competent jurisdiction shall execute such notice of demand as if it were a decree

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of such court.

**61. Duty of the Board to inspect working class houses.**—It shall be the duty of the Board to cause an inspection to be made from time to time of houses occupied by working class people and the areas in which such houses are located with a view to ascertaining whether such houses are fit for human habitation and whether such areas are maintained in a proper condition so as to ensure the safety, health and well-being of working class people.

**62. Powers of the Board in respect of houses occupied by working class people.**—The Board may exercise the powers and perform the functions of a local authority in accordance with the provisions of section 60 in respect of houses occupied by working class people of which any person other than the Board is the owner, and the provisions of the said section shall thereupon apply to such houses as if the Board were a local authority and the owner of such houses were the Board.

**63. Power of the Board to acquire insanitary houses, etc.**—(1) If the Board is satisfied that any house occupied by working class people is unfit for human habitation and not capable at a reasonable expense of being rendered so fit or that in any of the cities or towns which the State Government may, by notification specify, any area contains fifty or more working class houses and at least one-third of the working class houses in such area are overcrowded or unfit for human habitation and not capable at a reasonable expense of being rendered so fit or so arranged as to be uncongested, the Board may, with the sanction of the State Government, acquire such house or such area and take action as hereinafter provided.

(2) The Board may, subject to the sanction of the State Government, demolish and reconstruct any house acquired under sub-section (1) and may, subject to a like sanction, demolish and reconstruct houses in any area acquired under sub-section (1) or otherwise layout and use the area for providing any amenities for employees as the State Government may approve.

**64. Compensation for house unfit for human habitation.**—Where any land is acquired by the Board under sub-section (1) of section 63, the compensation payable in respect thereof shall be determined in accordance with the <sup>1</sup>[the Right to fair compensation and transparency in land acquisition, rehabilitation and resettlement Act, 2013 (Central Act 30 of 2013)]<sup>1</sup>, subject to the condition that the compensation to be paid for a house unfit for human habitation and not capable at reasonable expense of being rendered so fit, shall be the value of the land as a site cleared of the building.

<sup>1</sup>. Substituted by Act 24 of 2016 w.e.f. 28.07.2016.

**65. Maintenance of public streets by the Board.**—(1) Where in connection with housing operations of the Board, new buildings are constructed or existing buildings reconstructed or public streets and roads are laid out and constructed or reconstructed in accordance with plans and specifications approved by the State Government, the provisions of any municipal or other law relating to buildings or roads shall not, so far as they are inconsistent with the plans and specifications so approved, apply to those buildings and streets, and notwithstanding the provision of any other Act, any public street or road laid out and constructed in accordance with those plans and specifications may be maintained by the Board.

(2) In respect of the Cities of Bangalore, Mysore and such other areas as may be notified by State Government, the State Government shall not approve for the purposes

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of sub-section (1) any plans and specifications inconsistent with the provisions of any law relating to buildings or roads in force in the cities of Bangalore, Mysore and such other areas as may be notified by State Government except after consultations with the municipal authorities for the cities and areas on the general question of the relaxation of such provisions in connection with housing operations.

**66. Conditions relating to housing accommodation provided by employers.—**

Notwithstanding any provision of law for the time being in force, if any employer has provided housing accommodation for his employees, such employer and employees shall comply with such provisions as may be prescribed regulating, (i) the occupation of such accommodation, (ii) the rents payable for such occupation, (iii) the proper maintenance of such accommodation, (iv) the rights and liabilities of the employer and the employees in respect of such accommodation, and (v) the circumstances in which such employees can be evicted from such accommodation.

**67. Conditions relating to housing accommodation provided by employers after commencement of Act.—**Save as otherwise provided by this Act, after the commencement of this Act, where any employer provides housing accommodation for his employees, such housing accommodation shall comply, and be in accordance, with such conditions and provisions as may be prescribed.

**68. Rent payable by employer recoverable as arrear of land revenue.—**If any employer fails or neglects to pay any rent which under this Act he is liable to pay, the amount so payable may be recovered as if it were an arrear of land revenue.

## CHAPTER IX

### MISCELLANEOUS

**69. Reports.—**The Board shall, before such date and in such form and at such intervals as may be prescribed, submit to the State Government a report on such matters as may be prescribed, and the State Government shall cause such report to be published in the Official Gazette. Every such report which shall include cases where the opinion of the Public Service Commission has not been accepted under the second proviso to sub-section (4) of section 10, shall be laid before each House of the State Legislature, as soon as may be, after it is published.

**70. Other statements and returns.—**The Board shall also submit to the State Government such statistics, returns, particulars or statements in regard to any proposed or existing <sup>1</sup>[housing schemes, land development schemes or labour housing schemes]<sup>1</sup> at such times and in such form and manner as may be prescribed or as the State Government may from time to time direct.

<sup>1</sup> Substituted by Act 8 of 1988 w.e.f. 1.5.1988.

**<sup>1</sup>[70A. Housing Commissioner to furnish returns and reports etc., to the State Government.—**The Housing Commissioner shall furnish to the State Government such reports and returns at such intervals as the State Government may by order direct.

**70B. Power of Board to require returns, reports, production of documents, etc.—**(1) The Board may require the Housing Commissioner to furnish it with,—

(a) any return, statement, estimate, statistics or other information regarding any matter pertaining to the administration of this Act;

(b) a report on any such matter; and

(c) a copy of any document in his charge.

(2) The Housing Commissioner shall comply with every requisition without

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unreasonable delay.]<sup>1</sup>

1. Sections 70A and 70B Inserted by Act 10 of 1974 w.e.f. 3.11.1973.

**71. Power of entry.**—<sup>1</sup>[The Housing Commissioner or any person either generally or specially authorised by him or the Board]<sup>1</sup> in this behalf may, with or without assistants or workmen, enter into or upon any land, in order,—

1. Substituted by Act 10 of 1974 w.e.f. 3.11.1973.

- (a) to make any inspection, survey measurement, valuation inquiry;
- (b) to take levels;
- (c) to dig or bore into the sub-soil;
- (d) to set boundaries and intended lines of work;
- (e) to make such levels, boundaries and lines of works and cutting trenches; or
- (f) to do any other thing;

whenever it is necessary to do so, for any of the purposes of this Act or any rules made or scheme sanctioned thereunder:

Provided that,—

- (i) no such entry shall be made between sunset and sunrise;
- (ii) no dwelling house and no public building which is used as a dwelling place, shall be so entered, except with the consent of the occupier thereof, and without giving the said occupier at least twenty-four hours' previous written notice of the intention to make such entry;
- (iii) sufficient notice shall in every instance be given, even when any premises may otherwise be entered without notice, to enable the inmates of any apartment occupied by women to remove themselves to some part of the premises where their privacy will not be disturbed;
- (iv) due regard shall always be had, so far as may be compatible with the exigencies of the purposes for which the entry is made, to the social and religious usages of the occupants of the premises entered.

**72. Notice of suit against Board.**—No person shall commence any suit against the Board <sup>1</sup>[,Housing Commissioner, Chief Engineer, Secretary]<sup>1</sup> or against any officer or servant of the Board or any person acting under the orders of the Board, for anything done or purporting to be done in pursuance of this Act, without giving to the Board <sup>1</sup>[,Housing Commissioner, Chief Engineer, Secretary]<sup>1</sup> officer or servant or person concerned two months' previous notice in writing of the intended suit and of the cause thereof, nor after six months from the date of the act complained of.

1. Inserted by Act 10 of 1974 w.e.f. 3.11.1973.

**73. Triennial valuation of assets and liabilities of the Board.**—The Board shall triennially have a valuation of its assets and liabilities made by a valuer appointed with the approval of the State Government:

Provided that it shall be open to the State Government to direct a valuation to be made at any time it may consider necessary.

**74. Power to make rules.**—(1) The State Government may, by notification and subject to the condition of previous publication, make rules for carrying out the purposes of this Act.

(2) In particular and without prejudice to the generality of the foregoing power, such rules may be made for all or any of the following purposes, namely:—

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(a) the allowances <sup>1</sup>[of the Chairman and other members]<sup>1</sup> and remuneration and conditions of service under section 6;

1. Substituted by Act 10 of 1974 w.e.f. 3.11.1973.

(b) the manner and form in which contracts shall be entered into under section 15; (c) the form of annual housing programme, <sup>1</sup>[and land development programme]<sup>1</sup> budget and schedule of staff of officers and servants, particulars of housing schemes <sup>1</sup>[or land development schemes]<sup>1</sup> and other particulars to be contained in the programme under section 19;

1. Inserted by Act 8 of 1988 w.e.f. 1.5.1988.

- (d) the form of notice under section 35;
- (e) the rate of interest under section 36;
- (f) other matters to be decided by the Tribunal under section 41;
- (g) the forms of notice under sections 45 and 46 and any other manner in which they may be served;
- (h) the procedure to be followed in taking possession of any Board premises under section 45;
- (i) the manner in which damages under section 46 may be assessed;
- (j) the manner in which appeals may be preferred under section 48 and the procedure to be followed in such appeals;
- (k) the conditions subject to which the Board may borrow any sum under section 54;
- (l) the manner of preparation, maintenance and publication of accounts under section 55;
- (m) the date before which, the form in which, the interval at which and the matters on which reports shall be submitted under section 69;
- (n) the time at which and the form and manner in which statistics, returns, particulars and statements shall be submitted under section 70;
- (o) the manner in which the Board shall be superseded and reconstituted under section 86;
- (p) specifying the bye-laws contravention of any of which shall be an offence; and
- (q) any other matter which is to be or may be prescribed under this Act.

**75. Rules and Notifications to be laid before the State Legislature.**—Every rule made under this Act and every notification issued under section 88 shall be laid as soon as may be after it is made or issued, 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 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 notification or both Houses agree that the rule or notification should not be made or issued, the notification or the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so however that any such modification or annulment shall be without prejudice to the validity of anything done under that rule or notification.

**76. Regulations.**—The Board may from time to time with the previous sanction of the State Government, by notification, make regulations consistent with this Act and with any rules made under this Act,—

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- (a) for the management and use of buildings constructed under any housing scheme;
- (b) the principles to be followed in allotment of tenements and premises;
- (c) for regulating its procedure and the disposal of its business.

**<sup>1</sup>[76A. Power of the Board to make bulk allotment.-** Notwithstanding anything contained in this Act or land development scheme sanctioned under this Act, the Board may, subject to such restrictions, conditions and after limitation as may be prescribed, make bulk allotment with prior approval of the Government by sale, lease or otherwise of sites developed, houses or flats constructed by it or belonging to it or vested in it or acquired by it for the purpose of any development scheme,-

- (i) to the State Government; or
- (ii) to the Central Government; or
- (iii) to any corporation, body or organization owned or controlled by the central Government or State Government.]<sup>1</sup>

1. Inserted by Act 24 of 2016 w.e.f. 28.07.2016

**77. Power to make bye-laws.**—(1) The Board may make bye-laws, not inconsistent with this Act and the rules and regulations, which may be necessary or expedient for the purpose of carrying out its duties and functions under this Act.

(2) No bye-law made by the Board shall come into force until it has been confirmed by the State Government with or without modification.

(3) All bye-laws made under this section shall be published in the official gazette.

**78. Penalty for contravention of bye-laws.**—Whoever contravenes a bye-law made under section 77 the contravention of which is prescribed as an offence shall, on conviction, be punished with imprisonment for a term which may extend to one month or with fine which may extend to five hundred rupees or with both.

**79. Penalty for obstructing, etc.**—If any person,—

- (a) obstructs any person with whom the Board has entered into a contract, in the performance or execution by such person of his duty or of anything which he is empowered or required to do under this Act, or
- (b) removes any mark set up for the purpose of indicating any level or direction necessary to the execution of works authorised under this Act,

he shall, on conviction, be punished with imprisonment for a term which may extend to one month or with fine which may extend to five hundred rupees or with both.

**80. Authority for prosecution.**—Unless otherwise provided, no court shall take cognisance of any offence punishable under this Act except on the complaint of, or upon information received from, the Board or some person authorised by the Board by general or special order in this behalf.

**81. Certain persons to be public servants.**—The competent authority and all members, officers and servants of the Board shall be deemed, when acting or purporting to act in pursuance of any of the provisions of this Act, to be public servants within the meaning of section 21 of the Indian Penal Code.

**82. Protection of action taken under this Act.**—No suit, prosecution or other legal

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proceeding shall lie against any person for anything which is in good faith done or purported to be done under this Act.



**83. Removal of doubt regarding non-applicability of the <sup>1</sup>[Karnataka]<sup>1</sup> Rent Control Act, 1961.**—For the removal of doubt, it is hereby declared that the <sup>1</sup>[Karnataka]<sup>1</sup> Rent Control Act, 1961,—

(a) shall not apply to any house belonging to or vesting in the Board under or for the purposes of this Act;

(b) shall not apply as against the Board to any tenancies or other like relationship created by the Board in respect of such house, but

(c) shall apply to any house let to the Board.

1. Adapted by the Karnataka Adaptations of Laws Order, 1973 w.e.f. 01.11.1973.

**84. Government's power to give directions to Board.**—The State Government may give the Board such directions as in its opinion are necessary or expedient for carrying out the purposes of this Act, <sup>1</sup>[x x x]<sup>1</sup>, and it shall be the duty of the Board to comply with such directions.

1. Omitted by Act 10 of 1974 w.e.f. 3.11.1973.

<sup>1</sup>[85. x x x]<sup>1</sup>

1. Omitted by Act 10 of 1974 w.e.f. 3.11.1973.

**86. Default in performance of duty.**—(1) If the State Government is satisfied that the Board 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 State Government, the Board fails or neglects to perform such duty within the period so fixed for its performance, it shall be lawful for the State Government, notwithstanding anything contained in section 6, to supersede and reconstitute the Board in the prescribed manner.

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

**87. Dissolution of the Board.**—(1) The State Government may, by notification, declare that with effect from such date as may be specified in the notification, the Board shall be dissolved:

Provided that no such declaration shall be made by the State 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 Board shall vest in and be realisable by the State Government;

(b) all liabilities enforceable against the Board shall be enforceable against the State Government to the extent of the properties, funds and dues vested in and realised by the State Government.

(3) Nothing in this section shall affect the liability of the State Government in respect of loans or debentures guaranteed under sub-section (5) of section 54.

**<sup>1</sup>[87A. Control by the State Government.**—(1) The State Government shall have general administrative control and supervision over all the activities and affairs of the Board.

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(2) The State Government may call for the records of any proceedings of the Board, the Housing Commissioner or any officer subordinate to the Board, for the purpose of satisfying itself as to the correctness, legality or propriety of such proceedings and may pass such order with respect thereto as it thinks fit.<sup>1</sup>

1. Section 87A inserted by Act 10 of 1974 w.e.f. 3.11.1973.

**88. Removal of difficulties.**—(1) If any difficulty arises in giving effect to the provisions of this Act, in consequence of the transition to the said provisions from the provisions of the Acts in force immediately before the commencement of this Act, the State Government may, by notification, make such provisions as appear to it to be necessary or expedient for removing the difficulty.

(2) If any difficulty arises in giving effect to the provisions of this Act (otherwise than in relation to the transition from the provisions of the Acts in force before the commencement of this Act), the State Government may, by notification, make such provisions, not inconsistent with the purposes of this Act, as appear to it to be necessary or expedient for removing the difficulty.

**89. Repeal and savings.**—From the date of establishment of the Board under this Act,—

(a) the Mysore Housing Board Act, 1955 (Mysore Act XX of 1955); the Mysore Labour Housing Act, 1949 (Mysore Act XXVIII of 1949); the Hyderabad Housing Board Act, 1956 (Hyderabad Act XLVI of 1956); and the Bombay Housing Board Act, 1948 (Bombay Act LXIX of 1948) shall stand repealed;

(b) the properties, rights and liabilities of the Mysore Housing Board established under the Mysore Housing Board Act, 1955, shall vest in the Board and the moneys at the credit of the Board's fund constituted under the said Act, and the moneys at the credit of the Mysore labour Housing Fund constituted under the Mysore Labour Housing Act, 1949, shall stand transferred to the Housing Board Fund constituted under this Act; and

(c) subject to the provisions of the preceding clause, the provisions of sections 6 and 24 of the <sup>1</sup>[Karnataka]<sup>1</sup> General Clauses Act, 1899 (<sup>1</sup>[Karnataka]<sup>1</sup> Act III of 1899), shall be applicable in respect of the repeal of the Acts specified in clause (a).

1. Adapted by the Karnataka Adaptations of Laws Order, 1973 w.e.f. 01.11.1973.

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## NOTIFICATIONS

### I

**Bangalore, dated the 20th January, 1965 [No. PHS 51 PHB/63(2)] Subject.**—

Karnataka Housing Board Act, 1963—Passes orders bringing the Act into force. **S.O. 1930.**—

In exercise of the powers conferred by sub-section (3) of Section 1 of the Karnataka Housing Board Act, 1962 (Karnataka Act 10 of 1963), the Government of Karnataka hereby appoints the 27th day of January 1965, as the date on which the said Act shall come into force.

By Order and in the name of the Governor of Karnataka,  
(K. KHADER MOHIEDDIN)  
*Under Secretary.*

### II

**Bangalore dated 30th day of April, 1988 [No. HUD 92 KHB 88]**

[Act 10 of 1963]

In exercise of the powers conferred by Section 1(2) of the Karnataka Housing Board (Amendment) Act, 1988 (Karnataka Act 8 of 1988) the Government of Karnataka hereby appoint 1st May 1988 as the day on which the Karnataka Housing Board (Amendment) Act 1988 shall come into force.

By Order and in the name of the Governor of Karnataka,  
(R. ASWARTHANARAYANA RAO)  
*Under Secretary to Government, Housing & Urban  
Development Department (H).*

### III

#### **Bangalore, dated 28th December 1999 [No DOH 349 KHB 99]**

In exercise of the powers conferred by sub-section (2) of section 1 of the Karnataka Housing Board (Amendment) Act, 1998 (Karnataka Act No.13 of 1999), the Government of Karnataka hereby appoint 31st day of December 1999 as the day on which the said Act shall come into force.

By Order and in the name of the Governor of Karnataka,  
(D. KRISHNAIAH)  
*Under Secretary to Government,  
Housing Development.*

\* \* \* \*

[Act 10 of 1963]



**KARNATAKA ACT NO. 24 OF 2016**

(First Published in the Karnataka Gazette Extra-ordinary on the Twenty Eighth day of July, 2016)

**THE KARNATAKA HOUSING BOARD (AMENDMENT) ACT, 2016**

(Received the assent of the Governor on the Twenty Seventh day of July, 2016)

An Act further to amend the Karnataka Housing Board Act, 1962.

Whereas it is expedient further to amend the Karnataka Housing Board Act, 1962 (Karnataka Act 10 of 1963) for the purposes hereinafter appearing;

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

**1. Short title and commencement.-** (1) This Act may be called the Karnataka Housing Board (Amendment) Act, 2016.

(2) It shall come into force at once

Sections 2, 3, 6, 7, 8, 10, 15, 17, 19, 20, 25, 26, 27, 29, 32A, 33, 52, 64 and new section 76A are incorporated in the Principal Act.

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