

Banglore Development Authority Act, 1976

Chapter 5 - Property and Finance

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

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

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

Section 38 - Power of Authority to lease, sell or transfer property

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

Section 38A - Grant of area reserved for civic amenities etc.

1[38A. Grant of area reserved for civic amenities etc.

(1) The Authority shall have the power to lease, sell or otherwise transfer any area reserved for civic amenities for the purpose for which such area is reserved.

(2) The Authority shall not sell or otherwise dispose of any area reserved for public parks and playgrounds and civic amenities, for any other purpose and any disposition so made shall be null and void :

Provided that where the allottee commits breach of any of the conditions of allotment, the Authority shall have right to resume such site after affording an opportunity of being heard to such allottee.]

1. Inserted by Act 17 of 1984 and substituted by Act 18 of 1991 w.e.f. 21.4.1984.

Section 38B - Power of authority to make bulk allotment

1[38B. Power of authority to make bulk allotment

Notwithstanding anything contained in this Act or development scheme sanctioned under this Act, the Authority may, subject to any restriction, condition and limitation as may be prescribed, make bulk allotment

by way of sale, lease or otherwise of any land which belongs to it or is 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 organisation owned or controlled by the Central Government or the State Government ;or

(iv) to any housing co-operative society registered under the Karnataka Co-operative Societies Act, 1959 (Karnataka Act 11 of 1959) ; or

(v) to any society registered under the Karnataka Societies Registration Act, 1960 (Karnataka Act 17 of 1960) ; or

(vi) to a trust created wholly for charitable, educational or religious purpose :

Provided that prior approval of the Government shall be obtained for allotment of land to any category listed above.

1. Section 38B and 38c inserted by Act 17 of 1994 w.e.f. 20.12.1975.

Section 38C - Power of authority to make allotment in certain cases

1 [38C. Power of authority to make allotment in certain cases

Notwithstanding anything contained in this Act or in any other law or any development scheme sanctioned under this Act, or [2](#) [the City of Bangalore Improvement Act, 1945] where the Authority or the erstwhile Board of Trustees for the improvement of the City of Bangalore has already passed a resolution to reconvey in favour of any person any site formed in the land which belong to them or vested in or acquired by them for the purpose of any development scheme and on the ground that it is not practicable to include such site for the purpose of the development scheme, the Authority may allot such site by way of sale or lease in favour of such person subject to the following conditions:-

(a) the allottee shall be liable to pay any charges as the Authority may levy from time to time ;
and

(b) the total extent of the site allotted under this section together with the land already held by the allottee shall not exceed the ceiling limit specified under section 4 of the Urban Land (Ceiling and Regulation) Act, 1976.][3](#)

1. This section was Amended by Act 1 of 2000 and it was repealed by ordinance 4 of 2000 without bringing the Amendment into force.

2. Substituted by Act 22 of 2000 w.e.f. 29.11.2000.

3. Sections 38B and 38C inserted by Act 17 of 1994 w.e.f. 20.12.1975.

Section 39 - Power of Authority to borrow

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

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

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

(4) Every debenture shall be signed by the [1](#)[Commissioner] and one other member of the Authority.

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

1. Substituted by Act 18 of 1981 w.e.f. 30.12.1980.

Section 40 - Development Fund and the items to be credited to such fund

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

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

(a) any amount borrowed under section 39;

[1](#)[(aa) the property tax levied and collected under section 28B;]

(b) such sums as may be placed by the Government at the disposal of the Authority from time to time for the purpose of this Act ;

(c) such contributions as the Corporation or a local authority may, from time to time, be called upon by the Government to make after consideration by the Government of the relief or addition to the Municipal resources accruing or likely to accrue as the result of development schemes undertaken by the Authority ; and

(d) subject to the provisions of section 26, betterment tax and other sums due and paid to or recovered by the Authority under the provisions of this Act.

1. Inserted by Act 6 of 1993 w.e.f. 20.12.1975.

Section 41 - Application of the Bangalore Development Fund

(1) The said fund shall be held by the Authority in trust and shall be applied by it, subject to the general or special orders of the Government, in payment of the charges incidental to the carrying out of the purposes of this Act including the cost of maintaining, keeping in repair, lighting and cleansing of streets and the cost of maintaining drainage and sanitary arrangement and water supply, under section 28A.

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

(a) the cost, if any, of maintaining a separate establishment for the collection of the rents and profits and other proceeds of the property vested or vesting in or acquired by the Authority under this Act ;

(b) the cost of petty and other establishments, not being part of the scheduled staff, necessary for the supervision of properties or other revenue purposes ;

(c) the cost of management including the salaries and allowances of the scheduled staff and all incidental expenses ; and

(d) all payments made by the Authority in respect of rates and taxes levied under the City of Bangalore Municipal Corporation Act, 1949 upon lands and buildings vested in the Authority and not subject to exemption.

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

Section 42 - Laying of annual estimate of income and expenditure

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

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

1. Substituted by Act 18 of 1981 w.e.f. 30.12.1980.

Section 43 - Authority to approve or amend such estimate

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

Section 44 - Estimates to be submitted to Government for sanction

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

Section 45 - Supplementary estimates may be prepared and submitted when necessary

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

Section 46 - Provisions regarding expenditure

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

Provided that in any case of unforeseen circumstances a sum not exceeding ten thousand rupees may be expended though not so included and in such a case the [1](#) [Commissioner] shall forthwith report to the Government the circumstances in which the expenditure was incurred and the source from which it is proposed to be met:

Provided further that any such expenditure shall be included in a supplementary estimate to be approved and sanctioned in the manner laid down in section 45.

1. Substituted by Act 18 of 1981 w.e.f. 30.12.1980.

Section 47 - Accounts and audit

[1](#)[47. Accounts and audit

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

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

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

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

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

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

1. Sections 47 and 47A substituted by Act 17 of 1984 w.e.f. 21.4.1984.

Section 47A - Reports

The Authority 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. Every such report shall be laid before each House of the State Legislature, as soon as may be, after it is received by the Government.][1](#)

1. Sections 47 and 47A substituted by Act 17 of 1984 w.e.f. 21.4.1984.

Section 48 - Power of auditor to require production of documents and attendance of persons concerned

(1) The Auditor may,-

(a) require in writing the production of such vouchers, statements, returns, correspondence, notes or other documents in relation to the accounts as he may think fit;

(b) require in writing any salaried servant of the Authority accountable for or having the custody or control of such vouchers, statements, returns, correspondence, notes or other documents or of any property of the Authority or any person having directly or indirectly by himself or his partner any share or interest in any contract with or under the Authority to appear in person before him at the office of the Authority and answer any question ;

(c) in the event of clarification being required on any specific point from the Chairman or any officer or member in writing, require such person to furnish the clarification on such point.

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

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

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