

Roerich And Devikarani Roerich Estate (Acquisition And Transfer) Act, 1996

019 of 1996

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Roerich And Devikarani Roerich Estate (Acquisition And Transfer) Act, 1996

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Act 19 of 1996.- Ever since Dr. Svetoslav Roerich and Smt. Devikarani Roerich fell ill and were confined to private living in a city hotel, vested interests started damaging the identity of the property comprised in their estate, popularly known as Tataguni estate and tried to usurp possession of the said property. The artifacts and art objects, carving and important paintings are deteriorating due to lack of attention. The rich forestry on the land is getting depleted on account of the impracticability of taking preventive measures in the absence of clear title in respect of the property. The valuable jewellery and artifacts are being sold underground and appropriated by persons who by virtue of their employment association were close to the Roerichs. It is therefore considered necessary that the Roerich and Devikarani Roerich estate be acquired in public interest and transferred to a Trust to be established under the Act in order to secure proper management of the said estate, so as to preserve the valuable tree growth,

paintings, art objects and carvings and to establish an Art Gallery-cum-Museum. Accordingly a draft of the Roerich and Devikarani Roerich Estate (Acquisition and Transfer) Ordinance, 1992 was sent to the Government of India for obtaining the previous instructions of the President to the ordinance. The Government of India had now informed that they have no objection to the proposed legislation and has advised to introduce it as a Bill. The Bill among other things provides for the following:- (i) Acquisition of the Roerich and Devikarani Roerich Estate; (ii) Payment of a sum of Rs. 5 crores for the vesting of the estate in the Government; (iii) Appointment of Commissioner of payment for the purpose of disbursing the amount; (iv) Transfer of the estate to a Board of Trustees established for the purpose of administration and management of the estate. Hence the Bill. (Obtained from L.A.Bill No. 18 of 1996. File No. LAW 28 L.G.N. 92.) Amending Act 19 of 2001.- Constitutional validity of the Roerich and Devikarani Roerich Estate (Acquisition and Transfer) Act, 1996 is questioned before the Karnataka High Court in writ petition No. 32560 of 1996. In order to provide a more adequate and effective machinery in the Act for disbursement of amount to the owners, transferees and other interested persons in the Estate it is considered necessary to amend the said Act,- (i) to empower the Commissioner of payment to refer the matter to the Civil Court in case of doubt or dispute as to the right of owners, transferees or other interested persons in the estate to receive the whole or part of the amount referred to in sections 7 and 8; and (ii) to make disbursement of amount in accordance with the decision of the Court. Hence the Bill. (Vide L.C. Bill No. 1 of 2001 File No. SAMVYASHAE 35 SHASANA 2001) (First published in the Karnataka Gazette Extraordinary dated 18th November, 1996) (Received the assent of the President on Fifteenth day of November, 1996) (As amended by Act 19 of 2001) An Act to provide for acquisition of Roerich and Devikarani Roerich Estate in Public interest and for transfer to a trust established under the Act and in order to secure the proper management of the said Estate so as to preserve the valuable tree growth, paintings, art objects and carvings and to establish an Art-Gallery-cumMuseum and for matters connected therewith or incidental thereto. WHEREAS it is necessary to provide for acquisition of Roerich and Devikarani Roerich Estate in public interest and for transfer to a trust established under the Act and in order to secure the proper management of the estate so as to preserve the valuable tree growth, paintings, art objects and carvings and for

establishment of an Art-Gallery-cum-Museum and for matters connected therewith or incidental thereto; AND whereas for the purpose hereinbefore stated, it is expedient to provide for the acquisition and transfer of Roerich and Devikarani Roerich Estate by legislation; BE it enacted by the Karnataka State Legislature in the Forty-seventh year of the Republic of India as follows:-

CHAPTER 1 PRILIMINARY

1. Short Title And Commencement :-

(1) This Act may be called the Roerich and Devikarani Roerich Estate (Acquisition and Transfer) Act, 1996.

(2) It shall come into force on such 1 [date] 1 as the State government may by notification in the Official Gazette appoint and different dates may be appointed for different provisions of this Act.

1. Act came into force on 21.11.1996

2. Definitions :-

In this Act, unless the context otherwise requires,-

(a) "appointed day" means the date of coming into force of this Act or any provisions thereof;

(b) "Board" means Board of Trustees established under section 21 of this Act;

(c) "Commissioner" means Commissioner of payment appointed under section 12 of this Act;

(d) "Executive Officer" means Executive Officer appointed under section 23 of this Act;

(e) "owners" means deceased Dr. Svetoslav Roerich and deceased Mrs.Devikarani Roerich to whom the land specified in Schedule-I belonged and includes any person who claims title to such lands as their heir or legal representative;

(f) "Roerich and Devikarani Roerich Estate" means the lands specified in Schedule-I and which belonged to deceased Dr.Svetoslav Roerich and deceased Mrs. Devikarani Roerich or both or belongs to any transferee and includes all other movable properties found and buildings situated on such lands and belonging to the owners or transferees;

(g) "Schedule" means Schedule to this Act;

(h) "specified date" means such date as the State Government may for the purpose of any provisions of this Act, by notification, specify;

(i) "transferee" means a person to whom any land specified in Schedule- 1 has been alienated by the owners by way of sale, gift, mortgage, lease or otherwise on or after the 1st day of January, 1991;

(j) "year" means the year commencing on the first day of April.

CHAPTER 2 TRANSFER AND VESTING OF THE ESTATE

3. Transfer And Vesting Of The Estate In The State Government :-

On the appointed day, the Roerich and Devikarani Roerich Estate (hereinafter referred to as the "Estate"), and the rights, title and interest of the owners and transferees in relation to the Estate, shall, by virtue of this Act stand transferred to and shall vest absolutely in the State Government.

4. General Effect Of Vesting :-

(1) The Estate shall be deemed to include all assets, rights, leaseholds, powers, authorities and privileges and all property, movable and immovable, including buildings, jewellery, painting, art works and all other rights and interests in or arising out of such property, as were immediately before the appointed day in the ownership, possession, power or control of the owners or transferees and all books of accounts, registers and other documents of whatever nature relating thereto.

(2) All properties aforesaid, which have vested in the State Government under section 3 shall, by virtue of such vesting be freed and discharged from any trust, obligation, mortgage, lease, charge, lien and all other encumbrances affecting them and any attachment, injunction or decree or order of any court or any authority restricting the use of such property, in any manner shall be deemed to have been withdrawn.

(3) Every mortgage of any property which has vested under this Act, in the State Government and every person holding any charge, lease, lien or other interest in or in relation to, any such property shall give within such time and in such manner as may be prescribed, an intimation to the Commissioner of such mortgage, lease, charge, lien or other interest.

(4) For the removal of doubts, it is hereby declared that the mortgagee of any property referred to in sub-section (3) or any other person holding any charges, lease, lien or other interest in or in relation to any such property shall be entitled to claim in

accordance with his rights and interest payment of the mortgage money or other dues in whole or in part out of the amount specified in section 7 and also out of the amount determined under section 8 but no such mortgage, charge, lien or other interest shall be enforceable against any property which has vested in the State Government.

(5) If, on the appointed day, any suit, appeal or other proceeding of whatever nature in relation to any property which has vested in the State Government under section 3 instituted or preferred by or against the owners or transferees is pending the same shall not abate, be discontinued or be in any way prejudicially affected by reason of the transfer of the Estate or anything contained in this Act but the suit, appeal or other proceeding may be continued, prosecuted and enforced by or against the State Government or where the Estate is directed under section 6 to vest in the Board by or against the Board.

5. Owners Or Transferees To Be Liable For Certain Prior Liabilities :-

(1) Every liability of the owners or transferees in relation to the Estate in respect of any period prior to the appointed day, shall be the liability of such owners or transferees, as the case may be, and shall be enforceable against them and not against the State Government or where the Estate is directed under section 6 to vest in the Board, against the Board.

(2) For the removal of doubts it is hereby declared that,-

(a) save as otherwise expressly provided in this section or in any other section of the Act, no liability of the owners or transferees in relation to the Estate in respect of any period prior to the appointed day shall be enforceable against the State Government or where the Estate is directed under section 6 to vest in the Board, against the Board;

(b) no award, decree or order of any court, tribunal or other authority in relation to the Estate passed after the appointed day in respect of any matter, claim or dispute in relation to any matter which arose before that day shall be enforceable against the State Government or where the Estate is directed under section 6 to vest in the Board, against the Board;

(c) no liability incurred by the owners or transferees before the appointed day, for the contravention of any provision of any law for the time being in force shall be enforceable against the State

Government or where the Estate is directed under section 6 to vest in the Board, against the Board.

6. Power Of State Government To Direct Vesting Of The Estate In The Board :-

(1) Notwithstanding anything contained in sections 3 and 4, the State Government shall direct by notification, that the Estate which was vested in the State Government under section 3, shall instead of continuing to vest in the State Government, vest in the Board with effect from the appointed day.

(2) Where the right, title and interest in relation to the Estate vest in the Board under sub-section (1) the Board shall on and from the date of such vesting be deemed to have become the owner in relation to such Estate and all the rights and liabilities of the State Government under the Act on and from the date of such vesting be deemed to have become the rights and liabilities of the Board.

7. Amount To Be Given To Owners, Transferees And Other Interested Persons :-

For the transfer to and vesting in the Government of the Estate under section 3 and the right, title and interest in relation to the Estate, the Government shall pay an amount of rupees five hundred lakhs by depositing the same with the Commissioner and the said amount shall be paid to the owners, transferees or such other persons entitled thereto in the manner specified in Chapter IV.

8. Payment Of Further Amounts :-

(1) The amount specified in section 7 shall carry simple interest at the rate of four percent per annum for the period commencing on the appointed day and ending on the date on which payment of such amount is made by the State Government to the Commissioner.

(2) The amount determined in accordance with the provisions of sub-section (1) shall be given by the State Government to the owners, transferees and such other persons entitled thereto, as the case may be, in addition to the amount specified in section 7.

(3) For the removal of doubts it is hereby declared that the liability of the owners or transferees in relation to the Estate which has vested in the State Government under section 3 shall be discharged from out of the amount referred to in section 7 and also from out of

the amounts determined under sub-section (1) in accordance with the rights and interest of the creditors of the owners or transferees, as the case may be.

CHAPTER 3 MANAGEMENT OF THE ESTATE

9. Management Of The Estate :-

The general superintendence, direction, control and management of the Estate, the right, title and interest in relation to the Estate which has vested in the State Government under section 3 shall where a direction has been made by the State Government under sub-section (1) of section 6, vest in the Board and thereupon the Board shall be entitled to exercise, to the exclusion of all other persons all such powers and do all such things as the Board is authorised to exercise and do in relation to the Estate.

10. Duties Of Persons In-Charge Of Management Of The Estate :-

(1) On the vesting of the management of the Estate in the Board all persons incharge of the management of the Estate immediately before such vesting shall be bound to deliver to the Board all assets, books of accounts, registers or other documents in their custody relating to the Estate.

(2) The State Government may issue such directions as it may deem desirable in the circumstances of the case to the Board and the Board may also, if it is considered necessary so to do, apply to the State Government at any time for instructions as to the manner in which the management of the Estate shall be conducted in relation to any other matter arising in the course of such management.

11. Duty Of Persons To Account For Assets. Etc., In Their Possession :-

(1) Any person who has, on the appointed day, in his possession or under his control, any assets, books, documents and other paper relating to the Estate which has vested in the State Government or in the Board under this Act and which belong to the owners or transferees or would have so belonged if the Estate had not vested in the State Government or the Board shall be liable to account for the said assets, books, documents and other papers to the State Government or the Board or such person or persons as the State Government or the Board may specify in this behalf.

(2) The State Government or the Board may take or cause to be taken all necessary steps for securing possession of the Estate which has vested in the State Government or the Board under this Act.

(3) The owners or transferees, as the case may be, shall, within such period as the State Government may allow in this behalf, furnish to the State Government a complete inventory of all properties and assets, as on the appointed day, pertaining to the Estate which has vested in the State Government under section 3, and for this purpose, the State Government or the Board shall afford to the owners or transferees all reasonable facilities.

CHAPTER 4 COMMISSIONER OF PAYMENTS

12. Appointment Of Commissioner Of Payments :-

(1) The State Government shall, for the purpose of disbursing the amount payable under section 7 and 8 by notification in the Official Gazette appoint a Commissioner of payments.

(2) The State Government may appoint such other persons as it may think fit to assist the Commissioner and thereupon the Commissioner may authorise one or more of such persons also to exercise all or any of the powers exercisable by him under this Act and different persons may be authorised to exercise different powers.

(3) Any person authorised by the Commissioner to exercise any of the powers exercisable by the Commissioner may exercise those powers in the same manner and with the same effect as if they have been conferred on that person directly by this Act and not by way of authorisation.

(4) The salaries and allowances of the Commissioner and other persons appointed under this section shall be defrayed out of the Consolidated Fund of the State.

13. Payment By The State Government To The Commissioner :-

(1) The State Government shall within thirty days from the specified date, deposit, in cash, with the Commissioner, for payment to the owners or transferees and other interested persons,-

(a) an amount equal to the amount specified in section 7; and

(b) an amount equal to the amount payable under section 8.

(2) A deposit account shall be opened by the State Government in favour of the Commissioner in the public account of the State, and every amount paid under this Act to the Commissioner shall be deposited by him to the credit of the deposit account and the said deposit account shall be operated by the Commissioner.

(3) Records shall be maintained by the Commissioner in respect of the Estate in relation to which payments have been made to him under this Act.

(4) The interest accruing on the amount standing to the credit of the deposit account referred to in sub-section (2) shall enure to the benefit of the owners, transferees and other interested persons.

14. Certain Powers Of The State Government And The Board :-

(1) The State Government or the Board, as the case may be, shall be entitled to receive upto the appointed day to the exclusion of all other persons any money due in respect of the Estate which has vested in the State Government or the Board, and realised after the appointed day, notwithstanding that the realisation pertains to a period prior to the appointed day.

(2) The State Government or the Board, as the case may be, may make a claim to the Commissioner with regard to every payment made by the State Government or the Board after the appointed day for discharging any liability of the owners or transferees in relation to the Estate, in respect of any period prior to the appointed day and every such claim shall have priority in accordance with the priorities attached under this Act to the matters in relation to which such liability has been discharged by the State Government or the Board.

(3) Save as otherwise provided in this Act, the liabilities of the owners or transferees in relation to the Estate in respect of any transaction prior to the appointed day which have not been discharged on or before the appointed day shall be the liabilities of the owners or transferees as the case may be.

15. Claims To Be Made To The Commissioner :-

Every person having a claim with regard to any of the matters specified in Schedule II in relation to the Estate before the appointed day shall prefer such claim before the Commissioner within thirty days from the specified date:

Provided that if the Commissioner is satisfied that the claimant was prevented by sufficient cause from preferring the claim within the

said period of thirty days, he may entertain the claim within a further period of thirty days and not thereafter.

16. Priority Of Claims :-

The claims made under section 15 shall have priorities in accordance with the following principles, namely:-

- (a) Category I shall have precedence over all other categories and Category II shall have precedence over category-III and so on;
- (b) the claims specified in each of the categories shall rank equally and be paid in full, but if the amount is insufficient to meet such claims in full, they shall abate in equal proportions and be paid accordingly; and
- (c) the question of discharging any liability with regard to a matter specified in a lower category shall arise only if surplus is left after meeting all the liabilities specified in the immediately higher category.

17. Examination Of Claims :-

- (1) On receipt of the claims made under section 15, the Commissioner shall arrange the claims in the order of priorities specified in Schedule II and examine the same in accordance with such order of priorities.
- (2) If, on examination of the claims, the Commissioner is of opinion that the amount paid to him under this Act is not sufficient to meet liabilities specified in any lower category he shall not be required to examine the claims in respect of such category.

18. Admission Or Rejection Of Claims :-

- (1) After examining the claims with reference to the priorities specified in Schedule II, the Commissioner shall fix a certain date on or before which every claimant shall file the proof of his claim.
- (2) Not less than fourteen days notice of the date so fixed shall be given by advertisement in one issue of a daily newspaper in the English language having wide circulation in the country and one issue of a daily newspaper in the Kannada language, having wide circulation in the State and every such notice shall call upon the claimant to file the proof of his claim with the Commissioner within the time specified in the advertisement.
- (3) Every claimant, who fails to file the proof of his claim within the time specified by the Commissioner shall be excluded from the disbursement made by the Commissioner.

(4) The Commissioner shall after such investigation as may, in his opinion, be necessary and after giving the claimant a reasonable opportunity of being heard, determine the nature and extent of such claim and by order in writing admit or reject the claim in whole or in part. The Commissioner shall also decide any dispute as to the person or persons who are entitled to the amount and any dispute as to who are the legal representatives of any deceased claimant.

(5) The Commissioner shall have the power to regulate his own procedure in all matters arising out of the discharge of his functions, and shall, for the purpose of making an investigation under this Act, have the same powers as are vested in a Civil Court under the Code of Civil Procedure, 1908 while trying a suit, in respect of the following matters, namely:-

(a) summoning and enforcing the attendance of any witness and examining him on oath;

(b) the discovery and production of any document;

(c) the reception of evidence on affidavits;

(d) the issuing of any commission for the examination of witness.

(6) Any investigation before the Commissioner shall be deemed to be a judicial proceeding within the meaning of sections 193 and 228 of the Penal Code and the Commissioner shall be deemed to be a Civil Court for the purpose of section 195 and Chapter XXVI of the Code of Criminal Procedure, 1973.

(7) A claimant, who is dissatisfied with the decision of the Commissioner may prefer an appeal against the decision to the District Court within the local limits of whose jurisdiction the Estate is situate.

19. Disbursement Of The Amount By The Commissioner To The Claimants :-

After admitting a claim under this Act the amount due in respect of such claim shall be paid by the Commissioner to the person or persons to whom such amount is due and on such payment, the liability in relation to the Estate in respect of such claims shall stand discharged.

19A. Disbursement Of Amount To The Owners, Transferees And Other Interested Persons :-

(1) If out of the amount paid to him in relation to the estate, there is a balance left after meeting the liabilities specified in Schedule-II, the Commissioner shall disburse such balance to the owners,

transferees and other interested persons.

(2) Before making any payment to the owners, transferees and other interested persons in proportion to their interest in the Estate, the Commissioner shall satisfy himself as to the right of such owners, transferees and other interested persons to receive the whole or any part of such amount and in the event of there being a doubt or dispute as to the right of such owner, transferee or other interested persons to receive the whole or any part of the amount referred to in section 7 and 8, including appointment of the amount among them, the Commissioner shall refer the matter to the Court and make disbursement in accordance with the decision of the Court.

(3) The court shall decide the appointment of amount among the owners, transferees and other interested persons in relation to the estate having due regard to the value on the appointed day, of the property forming part of the estate.

(4) Notwithstanding anything contained in this Act evidence shall be admissible to establish the court right, title and interest of the owners, transferees or other interested persons in relation to the estate.

Explanation: In this section Court in relation to the estate means the principal court of original jurisdiction within the local limits of whose jurisdiction the estate is situated.

20. Undisbursed Or Unclaimed Amount To Be Deposited To The General Revenue Account :-

Any amount paid to the Commissioner which remains undisbursed or unclaimed on the date immediately preceding the date on which the office of the Commissioner is finally wound up, shall be transferred by the Commissioner, to the General Revenue Account of the State Government: but a claim to any amount so transferred may be preferred to the State Government by the person entitled to such payment and shall be dealt with as if such transfer had not been made and the order, if any, for payment of the claims being treated as an order for the refund of revenue.

21. The Board Of Trustees :-

(1) There shall be a Board of Trustees for the administration and management of the Estate, consisting of the following:-

1. The Chief Secretary to Government ... Chairman of Karnataka.
2. The Principal Secretary to Government, ... Member Revenue

department, Government of Karnataka.

3. The Secretary to Government, ... Member Department of Law, Government of Karnataka.

4. The Secretary to Government, .. Member Incharge of Forest Department, Government of Karnataka.

5. The Secretary to Government, Agriculture and Horticulture Department, ... Member Government of Karnataka.

6. The Secretary to Government, Kannada and Culture Department, ... Member Government of Karnataka.

7. A person to represent the State Lalitha Kala Academy to be ... Member nominated by the State Government.

8. Secretary, Department of Culture, Government of India or his representative ... Member

9 . Foreign Secretary, Ministry of External ... Member Affairs, Government of India or his representative.

10. Ambassador of the Russian ... Member Federation in Delhi.

11. Head of the Culture Department of the Embassy of the Russian Federation or his successor in office ... Member

12. Prof.A.A.Kutsenkov, Director, Centre of Indiological Studies, Russian Academy of Sciences or ... Member his successor in office.

13. Mr.V.V.Anisimov, Vice-President, Russian Indian Arts Club, Moscow, or his successor in office. ... Member

14. A person to represent the Karnataka Chitrakala Parishat, to be nominated by the State Government. ... Member

15. The Executive Officer. ... Member-Secretary

(2) The Board shall meet at such time, at such place and shall conduct its business in such manner as may be prescribed.

22. Powers And Duties Of The Board :-

Subject to the rules made under this Act, the powers and duties of the Board shall be,-

(a) to administer and manage the Estate;

(b) to establish and maintain Art Gallery-cum-Museum in the name of Dr.S.Roerich and Mrs. Devikarani Roerich;

(c) to lay-out and maintain public park and to preserve tree growth in the Estate;

(d) to cultivate and protect linaloe crop in the Estate;

(e) to take all necessary steps for collection of paintings and Art pieces and other literary works of Dr.S.Roerich and Mrs. Devikarani Roerich;

(f) to levy, subject to such condition as the State Government may impose, fees for entry into the public parks and Museum-cum-Art

Gallary; and

(g) to do such other acts as may be prescribed and as are incidental or conducive to the efficient administration of the Estate by the Board.

23. Appointment Of Executive Officer And Other Officers :-

(1) The State Government shall appoint an Executive Officer to the Board and such number of other officers as it considers necessary to assist him.

(2) The salary and other allowances payable to the Executive Officer, and other Officers appointed under sub-section (1) shall be met out of the fund of the Board.

(3) The Executive Officer and other officers appointed by the State Government shall be deemed to be public servants within the meaning of section 21 of the Penal Code.

24. Powers And Duties Of The Executive Officer And Other Officers :-

(1) Subject to such restrictions and conditions as may be laid down by the State Government in the rules or in any general or special order and subject to the general control of the Board, the Executive Officer,-

(a) shall have power to manage the affairs of the Board;

(b) shall be responsible for the proper custody of all properties, records, jewels, moneys, paintings, funds, and other valuable belongings of the Board;

(c) shall arrange for the proper collection of the income and for the incurring of the expenditure of the Board.

(2) The Executive Officer may, in case of emergency direct execution of any work or doing of any act which is not provided for in the budget of the year and the immediate execution or the doing of which is, in his opinion necessary for the preservation of the properties of the Board and may direct that the expenses of executing such work or the doing of such act shall be paid from the Fund of the Board:

Provided that the Executive Officer shall report forthwith to the Board any action taken by him under this sub-section and reasons therefor.

(3) The Executive Officer may delegate any of the powers conferred or duties imposed on him by or under this Act to any officer appointed under section 23 to assist him, subject to such restriction

and control as the Board may, by general or special order, lay down and also subject to such limitations and conditions, if any, as may be specified in the order of delegation.

(4) The Board may delegate to the Executive officer such of its powers, duties or functions as may be prescribed.

25. Suits And Other Legal Proceedings By Or Against Board

:-

In all suits and other legal proceedings by or against the Board the pleadings shall be signed and verified by the Executive Officer and all process in such suits and proceedings shall be issued to, or served on the Executive Officer.

26. Fund :-

(1) There shall be a fund called the Board Fund which shall be administered by the Board.

(2) The following shall form part of, or be paid into, the Board Fund, namely.-

(i) the income from Estate or proceeds of any property vested in the Board;

(ii) all fees and charges paid to, or levied by or on behalf of, the Board under this Act;

(iii) all grants and contributions made by the State Government or any other authority;

(iv) all contributions and donations made by any person;

(v) sums raised by way of loan by the Board with the previous sanction of the State government;

(vi) any other sums.

27. Power To Borrow :-

The Board may, with the previous sanction of the State Government and subject to such conditions as may be prescribed borrow any sum for the purpose of this Act.

28. Utilisation Of The Fund :-

The Fund may be utilised for all or any of the following purposes, namely:-

(i) maintenance, management and administration of the Estate;

(ii) laying out and maintenance of public park;

(iii) establishment and maintenance of Art Gallery-cum-Museum;

(iv) preservation of tree growth in the Estate;

(v) for cultivation of linaloe crop;

(vi) for payment of salaries and allowances of Executive Officer and

other officers appointed under section 23;
(vii) for any other purpose as may be prescribed.

29. Audit :-

(1) The State Government shall annually appoint an auditor to audit the accounts of the Board and fix the remuneration which shall be paid to such auditor from the Board Fund. The auditor shall send his report to the State Government.

(2) The State Government shall send a copy of the audit report to the Board and it shall be the duty of the Board to remedy, within such time as may be specified by the State Government any defects or irregularities pointed out by the auditor and report the same to the State Government.

30. Budget :-

(1) The Executive Officer shall, every year, prepare within such time and in such form as may be prescribed, a budget and estimated receipts and expenditure of the Board for the following year and place it before the Board which may approve it without modification or with such modification as it deems fit.

(2) A copy of the budget passed by the Board shall be forwarded to the State Government not less than two months before the end of the year previous to that for which the budget is prepared.

CHAPTER 5 CHAPTER V

CHAPTER 6 MISCELLANEOUS

31. Act To Have Overriding Effect :-

The provisions of this Act shall have effect notwithstanding anything inconsistent therewith contained in any other law for the time being in force or in any instrument having effect by virtue of any law other than this Act or in any decree or order of any court, tribunal or any other authority.

32. Contract To Cease To Have Effect Unless Ratified By Board :-

Every contract entered into by the owners or the transferees, in relation to the Estate which has vested in the State Government under section 3 and in force immediately before the appointed day, shall on and from the expiry of thirty days from the appointed day, cease to have effect unless such contract is, before the expiry of that period, ratified in writing by the Board and in ratifying such

contract, the Board may make such alteration or modification therein, as it may think fit:

Provided that the Board shall not omit to ratify a contract and shall not make any alteration or modification in a contract,-

(a) unless it is satisfied that such contract is unduly onerous or has been entered into in bad faith or is detrimental to the interest of the Board:

(b) except after giving to the parties to the contract a reasonable opportunity of being heard and except after recording in writing its reasons for refusal to ratify the contract or for making any alteration or modification therein.

33. Protection Of Action Taken In Good Faith :-

(1) No. suit, prosecution or other legal proceeding shall lie against the State Government or the Board or any Officer or other employee of the State Government or the Board or other person authorised by the State Government or the Board for anything which is in good faith done or intended to be done under this Act.

(2) No suit or other legal proceeding shall lie against the State Government or the Board or any officer or other employee of the State Government or the Board or other person authorised by the State Government or the Board for any damage caused or likely to be caused by anything which is in good faith done or intended to be done.

34. Penalties :-

Any person who,-

(a) having in his possession or custody or control any property forming part of the Estate wrongfully withholds such property from the State Government or the Board; or

(b) wrongfully obtains possession or retains any property forming part of the Estate; or

(c) wilfully withholds or fails to furnish to the State Government or the Board or to any person or body of persons specified by the State Government or the Board, as the case may be, any document or inventory relating to the Estate which may be in his possession, custody or control; or

(d) wrongfully removes or destroys any property forming part of the Estate; or

(e) prefers any claim under this Act which he knows or has reasonable cause to believe to be false or grossly inaccurate; shall be punishable with imprisonment for a term which may extend to

two years or with fine which may extend to ten thousand rupees or with both.

35. Offences By Companies :-

(1) Where any offence under this Act has been committed by a company every person, who, at the time the offence was committed was in charge of the business of the company, as well as the company shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly:

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

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

Explanation.- For the purpose of this section,-

(a) "company" means any body corporate and includes a firm or other association of individuals;

(b) "director" in relation to a firm, means a partner in the firm.

36. Revision :-

The State Government may call for and examine the records of the Board or the Executive Officer in respect of any proceedings to satisfy itself as to the regularity of such proceedings or correctness, legality or propriety of a decision or an order passed therein.

(2) If it appears to the State Government that the decision or order should be modified, annulled or reversed, it may pass orders accordingly.

(3) The State Government shall not pass any order affecting any party under sub-section (2) without giving him an opportunity of being heard.

(4) The State Government may stay the execution of any decision or order of the nature referred to in sub-section (1) pending the exercise of its powers under sub-section (2).

37. Power To Make Rules :-

(1) The State Government may by notification, make rules for carrying out all or any of the purposes of this Act.

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

(a) the time within which and the manner in which an intimation referred to in sub-section (3) of section 4 shall be given;

(b) the convening of meetings and the transaction of business of the Board under section 21;

(c) the restrictions and conditions subject to which Executive Officer may exercise his powers and perform his duties under section 24;

(d) the conditions subject to which the Board may borrow any sum under section 27;

(e) other purposes for which the fund may be utilised under section 28;

(f) the preparation of the budget estimates of the Board;

(g) the audit of the accounts of the Board and the particulars to be contained in the audit report;

(h) the recovery of amounts payable to the auditors appointed by the State Government;

(i) the maintenance and custody of the accounts, records and the documents of the Board;

(j) any other matter which is required to be, or may be prescribed.

(3) Every rule made by the State Government under this Act shall be laid, as soon as may be after it is made before each House of the State Legislature, while it is in session for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, 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 previously done under that rule.

38. Power To Remove Difficulties :-

If any difficulty arises in giving effect to the provisions of this Act the State Government may, by order, not inconsistent with the provisions of this Act, remove the difficulties:

Provided that no such order shall be made after the expiry of a

period of two years from the appointed day.

SCHEDULE 1

SCHEDULE I

[(See section 2(e), (f) and (i)]

DETAILS OF LANDS HELD BY Mrs. DEVIKA RANI ROERICH AND Dr.S.ROERICH IN BANGALORE SOUTH TALUK KNOWN AS TATGUNNI ESTATE.

Name of Sy. Extent in Acres Extent in Hecteres Village Hobli No. Gross Kharab Net Gross Kharab Net

1. Land held by Smt. Devika Rani Roerich

(1)Uttarahalli Uttara 15/1 11.05 11.00 0.05 4.50 4.45 0.05 Manavarthi halli 15/3C 39.09 0.37 38.12 15.87 0.37 15.50 kaval 15/4 9.20 0.20 9.00 3.84 0.20 3.64 16/2 13.30 0.39 12.31 5.56 0.39 5.17

(2) B.M.Kaval Kengeri 127 0.25 - 0.25 0.25 - 0.25 128 59.15 0.25 58.30 24.02 0.25 23.77 130 91.32 0.16 91.16 37.15 0.16 36.99 225.16 14.17 210.39 91.19 5.82 85.37

II. Land held by Sri S. Roerich

(1) Uttarahalli Uttara 38 100.00 - 100.00 40.46 - 40.46 Manavarthi halli 14 18.17 - 18.17 7.46 - 7.46 kaval (12) 15/2 21.25 0.25 21.00 8.75 0.25 8.50 15/3B 37.08 10.22 26.26 15.05 4.27 10.78 15/3D 10.25 0.21 10.04 4.30 0.21 4.09 16/1 3.12 0.20 12.32 5.38 0.20 5.18

(2) B.M.Kaval Kengeri 124 14.05 2.33 11.12 5.72 1.14 4.58 126 23.28 0.10 23.18 9.59 0.10 9.49

(3) Agara Kengeri 57 0.17 - 0.17 0.17 - 0.17 61 (Part) 4.00 - 4.00 1.62 - 1.62 243.17 15.11 228.06 98.50 6.17 92.33

III. Out of the extent of lands specified in Sl.No. I and II the following lands have been sold to K.T. Plantations Private Limited having its registered office situated at No.9, Vinayaka Buildings, Sampige Road, I Cross, Malleshwaram,Bangalore-560 003.

(1) B.M.Kaval Kengeri 124 14.05 2.33 11.12 5.72 1.14 4.58 126 23.28 0.10 23.18 9.59 0.10 9.49

(2) Agara Kengeri 57 0.17 0.00 0.17 0.17 - 0.17 61 (Part) 3.15 - 3.15 1.37 - 1.37

(3) Uttarahalli Uttara Manavarthi halli 38 100.00 - 100.00 40.46 - 40.46 kaval (12) 141.25 3.03 138.22 57.31 1.24 56.07

SCHEDULE 2

SCHEDULE II

(See Sections 15, 16,17 and 18)

Order of priorities for the discharge of liabilities in relation to the Estate.

CATEGORY I

Wages, Salaries and other dues payable to the employees of the Estate.

CATEGORY II

Principal amount of secured loans advanced by,-

(i) the Central Government.

(ii) the State Government.

(iii) Banks.

(iv) Public Financial Institutions.

(v) Others.

CATEGORY III

Principal amount of unsecured loans advanced by.-

(i) the Central Government.

(ii) the State Government.

(iii) Banks.

(iv) Public Financial Institutions.

CATEGORY IV

(a) Any dues payable to the Karnataka Electricity Board or other State Government or Semi-Government Institutions for supply of goods or services:

(b) Arrears of interest on loans and advances or other dues falling under category II or III.

CATEGORY V

(a) Revenue, taxes, cesses, rates or other dues to the Central or State Governments and local authorities.

(b) Any other loans or dues.