Ļ¯ೆೇಷ ªೋಜÍ ಪಗೆÎ□ೆ

¨sÁUÀ– 01 2025¥ÀÄµÀå11 1946) . 01
4ಅPart – IVA BENGALURU,WEDNESDAY, 01, JANUARY, 2025PUSHYA, 11, SHAKAVARSHA, 1946) No.01

GOVERNMENT OF KARNATAKA

No.UDD 280 BBS 2023

Karnataka Government Secretariat, Vikasa soudha,
Bengaluru, Date:01-01-2025

NOTIFICATION

Whereas the draft of the Bruhat Bengaluru Mahanagara Palike (Estate Management) Rules, 2024 was published as required by sub-section (1) of section 316 of the Bruhat Bengaluru Mahanagara Palike Act, 2020 (Karnataka Act 53 of 2020) vide Notification No. UDD 280 BBS 2023(E), dated:20.07.2024, in part IV-A of the Karnataka Extra-ordinary Gazette dated:20.07.2024, inviting objections and suggestions from all persons likely to be affected thereby within thirty days from the date of its publication in the official Gazette.

And whereas, the objections and suggestions received in this regard have been considered by the Government.

Now, therefore, in exercise of the powers conferred by section 316 read with sections 66, 67 and 130 of the Bruhat Bengaluru Mahanagara Palike Act, 2020 (Karnataka Act 53 of 2020), the Government hereby makes the following rules, namely:-

(1)

RULES

1.Title, commencement and application.- (1) These rules may be called the Bruhat Bengaluru Mahanagara Palike (Estate Management) Rules, 2024.

(3) These rules shall be applicable for the purposes of estate management under Chapter XI of the Bruhat Bengaluru Mahanagara Palike Act, 2020.

2. Definitions.- (1) In these rules, unless the context otherwise requires,-

(a)“Act” means the Bruhat Bengaluru Mahanagara Palike Act, 2020 (Karnataka Act 53 of 2020); and

(b) “Estate of BBMP” means the immovable properties under the ownership, control and management of the Bruhat Bengaluru Mahanagara Palike.

(2) All other words and expressions used herein but not defined shall have the same meaning as assigned to them in the Act.

3.Management of the estate.- (1) The Estate Department of the Bruhat Bengaluru Mahanagara Palike shall be responsible for implementation of these rules under overall superintendence, direction and control of the Chief Commissioner, subject to the provisions of the Act and other applicable laws for time being in force. The Zonal Commissioners shall be responsible for implementation and obedience of these rules at Zonal level.

(2) Only such estate of the Bruhat Bengaluru Mahanagara Palike, either land or building or both, which is neither at present needed for own or public use by the Bruhat Bengaluru Mahanagara Palike, nor such a use is visualised, may be sold or leased by the Bruhat Bengaluru Mahanagara Palike.

(3)Every sale or lease by the Bruhat Bengaluru Mahanagara Palike shall be by public tender or auction through e-procurement portal, subject to exceptions provided in these rules.

4.List of immovable properties.- (1)The list of immovable properties of the Bruhat Bengaluru Mahanagara Palike shall be maintained by the Chief Commissioner through Estate Department of the Bruhat Bengaluru Mahanagara Palike.

(2) A copy of the same shall be maintained by the Zonal Commissioners for the immovable properties in their respective Zones. The same shall be updated as per provisions of the Act by the Zonal Commissioners and conveyed to the Chief Commissioner for his approval.

(3) The list of the immovable properties of the Bruhat Bengaluru Mahanagara Palike shall be published on the web site of the Bruhat Bengaluru mahanagara

Palike immediately after publication of these rules and, thus, placed in public domain and the same shall be updated from time to time.

5.Sale of immovable properties.- (1)The sale of immovable properties of the Bruhat Bengaluru Mahanagara Palike shall be only to the departments of the State or the Central Government or Public Sector Undertakings or organizations or bodies owned by the State or Central Government and not to anyone else and with prior sanction of the Government.

(2)The sale shall be at the guidance value of the property as per the notification issued by the Revenue Department, from time to time, under section 45B of the Karnataka Stamp Act, 1957 (Karnataka Act 34 of 1957):

Provided that the State Government reserves the right to give rebate on the same either partially or fully in public interest.

6.Lease of immovable properties.- (1)The Chief Commissioner may lease immovable properties of the Bruhat Bengaluru Mahanagara Palike for a term not exceeding five years with the previous sanction of the concerned Standing Committee. The sanction may be accorded by the Standing Committee as a class or group or all the properties of the Bruhat Bengaluru Mahanagara Palike as may be deemed proper.

(2)The Chief Commissioner may lease immovable properties of the Bruhat Bengaluru Mahanagara Palike for a term for more than five years but not exceeding fifteen years, with the previous sanction of the Council. The sanction may be accorded by the Council as a class or group or all the properties of the Bruhat Bengaluru Mahanagara Palike as may be deemed proper.

(3)The Chief Commissioner may lease immovable properties of the Bruhat Bengaluru Mahanagara Palike for a term for more than fifteen years but not exceeding thirty years, only with the prior approval of the Government.

(4)No lease beyond a term of thirty years shall be given for the immovable properties of the Bruhat Bengaluru Mahanagara Palike.

(5)One extension of a lease which may have been given under any mode hereinbefore, including concession granted for construction, refurbishment, maintain, operate and transfer basis etc., may be given for maximum one more term, not exceeding the term or period of the last lease or the last extended-lease, as the case may be, but, subject to upper limit of ninety nine years in this regard. The authority to approve the extension shall be same as specified under these rules for grant of fresh lease for the same term or period:

Provided that in case of properties whose lease has already expired but the lessee continues to be in possession, without any extension, then extension under these rules may be given from the date of notification of these rules for a term not

exceeding the term or period of the last valid lease or the last extended-lease. The unauthorized occupation period until the date of notification of these rules shall be regularized on the same terms and conditions as for the expired lease.

Provided further that no extension shall be given unless the lessee has paid all, complete and up-to-date dues of the Bruhat Bengaluru Mahanagara Palike.

Examples:

(i)An immovable property is leased to A for a term of five years and is nearing expiry, then A can obtain an extension for one more term of five years.

(ii)An immovable property leased to B for a term of twelve years but the same got expired and was given an extension of three terms. Now, B is eligible for one more extension for three years.

(iii)An immovable property leased to C for a term of seven years but the same got expired and C continued without extension unauthorizedly. Now, C is eligible for one more extension for seven years from the date of notification of these rules.

(6)In case a present on-going lease has a term period of more than thirty years, then, with prior permission of the Government, the Bruhat Bengaluru Mahanagara Palike may give another renewal of the lease for a term period not exceeding thirty years.

(7)At the end of the lease term or extended lease term, if any, the immovable property shall stand automatically vested back to the Bruhat Bengaluru Mahanagara Palike, free of all encumbrances.

(8)The lease of immovable properties of the Bruhat Bengaluru Mahanagara Palike may be given at the minimum reserved One Time Deposit (OTD) only to/for,- (i)The State Government;

(ii)The Central Government;

(iii)Non-profit Homes for the old or destitute or differently-abled persons; (iv)Religious purposes or mathas and Not-for-Profitorganizations for education and health purposes; and

(v)Such other category or class of persons as the Bruhat Bengaluru Mahanagara Palike may decide with prior approval of the Government.

Provided that the State Government reserves the right to give rebate on the applicable One Time Deposit (OTD) as well as the applicable monthly rent or lease amount, either partially or fully in public interest.

(9)In case of extension of a lease under these rules, the lessee shall be required to deposit the minimum reserved One Time Deposit to the Bruhat Bengaluru Mahanagara Palike, as interest free deposit to obtain the extension.

(10)In every other case the lease of the immovable properties of the Bruhat Bengaluru Mahanagara Palike shall be given, based on the public tender or auction through e-procurement portal on the interest free deposit that the bid winner shall keep with the Bruhat Bengaluru Mahanagara Palike and the monthly rent payable by the lessee shall be subject to increase at the rate of 10% per three years from the date of signing of the agreement of the lease or the date of notification of these rules, whichever is later:

Provided that, any existing and subsisting leases shall continue to operate as per the terms and conditions of the existing agreements and the same are saved.

(11)Any unauthorized occupation of the immovable property of the Bruhat Bengaluru Mahanagara Palike shall be evicted as per the provisions of the Karnataka Public Premises (Eviction of Unauthorized Occupants) Act, 1974.

7.Public tender or auction through e-procurement portal for grant of lease of immovable properties.- (1)The Special Commissioner in-charge of the markets or estate or the Zonal Commissioners may cause to put to public tender or auction of the immovable properties, through e-procurement portal.

(2)The public tender or auction through e-procurement portal shall be on the interest free One Time Deposit (OTD) that the tender or auction winner shall keep with the Bruhat Bengaluru Mahanagara Palike throughout the period of the lease.

(3)The One Time Deposit (OTD) is refundable to the lessee, without any interest, after the vacation of the property upon completion of the lease term or the termination lease as per the provisions of the Act, rules and the lease agreement: Provided that the One Time Deposit (OTD) shall not be refunded for a period of one year from the date of signing of the agreement of the lease.

(4)A single eligible bidder can bid for as many immovable properties as he wishes.

(5)Sub-letting of the immovable property by the lessee shall not be permitted.

(6)There shall be a minimum reserved One Time Deposit (OTD) for each immovable property, called the Tender or Auction Upset Price, below which the tender or auction shall not be approved.

(7)The tender or auction upset price or the minimum reserved One Time Deposit (OTD) for each estate or property of the Bruhat Bengaluru Mahanagara Palike, according to section 45B of the Karnataka Stamp Act, 1957 (Karnataka Act 34 of 1957) shall be as follows,-

(a)Lease term not exceeding five years: Not less than 5% (Five percent) of Guideline Value of the property being leased out;

(b)Lease term from five to fifteen years: Not less than 7.5% (Seven and Half percent) of Guideline Value of the property being leased out; and

(c)Lease term from fifteen to thirty years: Not less than 10% (Ten percent) of Guideline Value of the property being leased out.

(8)The Guideline Value shall take into consideration the value of both land and the building while determining the above minimum reserved One Time Deposit (OTD). The basic formula for the minimum reserved One Time Deposit (OTD) shall

be the Guidance Value multiplied by Plinth and/or plot Area of the property being leased out.

(9)The auction shall be done for each individual immovable property capable being leased out and the bidder who bids the highest One Time Deposit (OTD) shall be the tender or auction winner.

(10)The tender or auction bidders shall deposit required earnest Money Deposit or the Bid Security in e-procurement portal as per the provisions of the Karnataka Transparency in Public Procurement Act, 1999 (Karnataka Act 19 of 2000).

(11) The tender or auction winner shall deposit the winning One Time Deposit (OTD) amount with the Bruhat Bengaluru Mahanagara Palike, with in fifteen days from the date of declaration of tender or auction as successful and issuance of Letter of Intent or Offer Letter, failing which the bid shall be rejected for default and the bidder shall be treated as defaulter and the Earnest Money Deposit or the Bid security amount deposited shall automatically stand forfeited, without any encumbrance on the property, for the default and such defaulter shall stand barred from bidding for a period of one year from the date of order of forfeiting the Earnest Money deposit or the Bid security.

(12) The monthly rental or the monthly lease payable for the immovable property shall be as follows,-

(A)Buildings or Shopping complexes other than centrally air-conditioned: (a)Street Facing Properties on the Ground Floor at 0.25% (one-fourth percent)of the of the Guideline value of the estate or property being leased as per the latest notification issued by the Revenue Department under section 45 of the Karnataka Stamp Act, 1957 (Karnataka Act 34 of 1957).

(b)Properties facing the street but on basement at 90% of the amount payable for the Street Facing Properties on the Ground Floor.

(c)Properties not facing the street but on the ground floor at 90% of the amount payable for the Street Facing Properties on the Ground Floor.

(d)Properties on the first floor at 75% of the amount payable for the Street Facing Properties on the Ground Floor.

(e)Properties on the second floor at 65% of the amount payable for the Street Facing Properties on the Ground Floor.

(f)Properties on the third or higher floor at 55% of the amount payable for the Street Facing Properties on the Ground Floor.

(B)Buildings or Shopping complexes which are centrally air-conditioned: (a)Properties on the Ground Floor at 0.25% (one-fourth percent)of the of the Guideline value of the estate or property being leased as per the notification issued by the Revenue Department from time to time under section 45B of the Karnataka Stamp Act, 1957 (Karnataka Act 34 of 1957).

(b)Properties on basement at 90% of the amount payable for the Properties on the Ground Floor.

(c)Properties on the first floor at 90% of the amount payable for the Properties on the Ground Floor.

(d)Properties on the second floor at 75% of the amount payable for the Properties on the Ground Floor.

(e)Properties on the third or higher floor at 65% of the amount payable for the Properties on the Ground Floor.

(C)Open or vacant lands shall be liable to pay monthly rental or monthly lease amount equal to 0.15% of the Guideline value of the estate or property being leased as per the notification issued by the Revenue Department from time to time under section 45B of the Karnataka Stamp Act, 1957 (Karnataka Act 34 of 1957).

(D)In case of extension of an existing lease or an expired lease under these rules, the lessee shall pay the monthly rent or monthly lease amount equal to 15% (fifteen percent) more than the last monthly rent amount payable by him in the previous lease or the monthly rent amount payable as per the applicable clauses (A), (B) or (C), whichever is lower:

Provided that, such monthly rent or lease amount shall be liable to increase at a rate of 10% (ten percent) per three years from the date of extension of the lease.

(13) The tender or auction shall be in compliance with the Karnataka Transparency in Public Procurement Act, 1999 (Karnataka Act 19 of 2000) and the rules made thereunder. The tender or auction shall be on-line through e-Procurement Portal of the Government.

(14) The advertisement for tender or auction shall contain details such as type of tender or auction, tender or auction details, immovable property and minimum tender or auction upset price, contact details of the tender or auction inviting authority and the tender or auction time period for bidding shall be at least fifteen days and published in at least one English and one Kannada newspaper with wide circulation in Bengaluru and Karnataka. Additionally, the copies thereof shall be pasted in the Notice Board of the Zonal Office and sent to all other Zonal Offices and all the offices of the Revenue officer and Assistant Revenue officer for display in their respective office notice boards. The advertisement shall also be put on the website of the Bruhat Bengaluru Mahanagara Palike.

(15) Any person eligible to participate in the tender or auction shall participate in the tender or auction online in e-procurement portal.

(16) The lessee shall not sublet the leased or rented properties, except when specifically permitted and included as part of the agreement by the Bruhat Bengaluru Mahanagara palike.

(17) The Special commissioner in-charge of markets or estate or the Zonal Commissioner shall make detailed proceedings of the tender or auction with the name and all relevant details of the tender or auction winners for each immovable property and submit to the Chief Commissioner for approval and the specified

agreement as per type of use and category of the immovable property, shall be entered into, after the approval thereof, with the tender or auction winner.

8.Procedure for renewal of an expiring lease.- (1) The lessee gets no inherent right beyond the term of his lease and the policy to extend an existing lease shall be at the sole discretion of the Bruhat

Bengakru Mahanagara Palike and the extension may not be given in case the property or land is needed for the Bruhat Bengaluru Mahanagara Palike's own use or any other public purpose.

(2)The Bruhat Bengaluru Mahanagara Palike may choose to proceed to lease the property as it exists or after demolition (in part or full) and reconstruction. The existing lessee shall give in writing his option to seek one extension, without going through tender or auction process, at any time but, at least two months before the expiry of his on-going lease or in case of an expired lease, within six months from the date of notification of these rules. Failure to give option in writing within the specified time limits shall be treated that the existing lessee does not wish to opt for extension of lease without tender or auction process and the property shall be auctioned free from all encumbrances. In case, the present lessee with an existing lease chooses to apply for another lease of a term equal to term of the existing lease, then the existing lease shall be shot-closed on the date from which the extended lease term starts.

Illustration 1:

(a)A has a lease of a shop for five years starting from 1.4.2020 and is in its fourth year in 2024.

(b)A's lease ends on 31.3.2025.

(c)At any time on or before 31.1.2025-which is two months before the date of expiry of the current lease, A may seek extension of the lease up to another five years term, which is the tenure of his existing lease, for the shop from the Bruhat Bengaluru Mahanagara Palike.

(d) If he seeks extension on 10.6.2024 for another term of five years and if the Bruhat Bengaluru Mahanagara Palike grants extension for five years term on 15.7.2024, then the present lease shall automatically deemed to have been short closed on 14.7.2024 and the extension lease for five years shall be with effect from 15.7.2024 until 14.7.2029. No further extension shall be given to the extended lease after 14.7.2029, but A shall be eligible to participate in the open tender or auction, to win the rights for another lease or renting of the same or any other Bruhat Bengaluru Mahanagara Palike property or shop.

Iluustartion 2:

(a)A had a lease of a shop for three years starting from 1.4.2018 and it expired on 31.3.2021, but, A continued to be in occupation without getting any extension of his lease.

(b)A continues to be in occupation even now and is actually running the business for which the lease was given.

(c)A is in unauthorized occupation of the shop and has not paid the rents in these years.

(d)A is eligible to apply for one extension of the expired lease with in three months of notification of these rules.

(e)A shall pay up to date rent and interest and penalties, if any, and only then A shall be eligible to be considered for one extension.

(f)If A pays all the rent and interest for previous arrears and other dues to the Bruhat Bengaluru Mahanagara Palike upto date, then A shall be eligible for one extension of three years term, which is same as the last validly held lease term, with effect from issuance of the extension order by the Bruhat Bengaluru Mahanagara Palike.

(g)The intervening period of unauthorized occupation shall be regularized upon payment of all and complete dues up to date and when the order extending the lease for three years is passed.

(h) In case the extension order is issued on 19.7.2024 for three years, then the same shall be valid until 18.7.2027. No further extension shall be given to the extended lease after 18.7.2027, but, A shall be eligible to participate in the open tender or auction, to win the rights for another lease or renting of the same or any other Bruhat Bengaluru Mahanagara Palike property or shop.

(3)In case the Bruhat Bengaluru Mahanagara Palike decides to lease the properties as they exist, then the Special Commissioner in-charge of markets or estate or the Zonal Commissioner shall start the process of re- tender or auction following the procedure under rule 7, at least three months in advance

from the date of expiry of the lease, so as to complete the process of selection of the new lessee before the expiry of the existing lease term, for such shops for which the existing lessee does not opt to get one extension of the lease. In case of plan of reconstruction, the tender or auction of the new property may be done at any suitable time after the vacation and demolition.

(4)In case the existing Lessee opts for participation in the open tender or auction then the regular procedure as applicable for a fresh lease and tender or auction shall be applicable. However, in case an existing lessee opts for one extension, then the Lessee shall deposit One Time deposit (OTD) equal to 100% of the minimum prescribed One Time Deposit (OTD) for such a property. The Lessee shall deposit 100% of the Minimum OTD amount within fifteen days of approval of the extension by the Bruhat Bengaluru Mahanagara Palike.

(5)In case of failure to deposit, the approval of extension shall stand automatically withdrawn for default and the Lessee shall be treated as defaulter and the property shall be put to open tender or auction and the lessee shall lose the right to get extension. However, such a lessee shall be eligible for bidding or participation in open tender or auction.

9.General provisions.- Every lease and lessee shall observe and obey the following, namely:-

(i)The leased property shall be used for the purpose it is leased and in conformity and compliance with the specified terms and conditions;

(ii)Non-payment of monthly lease or rent amount shall be major breach of lease conditions and the lease shall be terminated with a seven days notice by the Special Commissioner in-charge of markets and estate or the Zonal commissioner; (iii)Appeal on any notice or order with respect to a leased property or with respect to payable rent or lease amount by the Zonal Commossioner shall lie to the Special Commissioner in-charge of Markets and estate, under whose section the management of the Bruhat begaluru mahanagara palike property falls. The second appeal on notice or order of the Special commissioner in-charge of Markets and estate shall lie to the Chief commissioner:

Provided that, the Chief Commissioner may suo motu or on any application may call for any case and pass appropriate orders as revision on any notice or order of the Special commissioner in-charge of Markets and estate or the Zonal Commissioner or otherwise, after affording an opportunity to hear the persons likely to be affected.

(iv)The unpaid amounts due to be paid with respect to any property from a lessee may be recovered, apart from the liability for cancellation of the lease, by the Zonal Commissioner or the Special Commissioner in-charge of Markets and estate, in a manner mutatis-mutandis as applicable for recovery of the property tax dues including by way of distraint or seizure and sale of movable properties, attachment of immovable properties and bank accounts and distress sale of immovable properties of the lessee.

10.Failure to lease out properties during the open tender or auction.- (1)In case of failure to get any successful bid for any property during a tender or auction, the tender or auction for such properties shall be done for second time with due notice and publicity with same terms and conditions as specified for the first open tender or auction.

(2)In case of failure to get any successful bid for any property during the second tender or auction as well, the tender or auction shall be done for third time with due notice and publicity and the minimum refundable One Time Deposit (OTD) amount or the tender or auction upset price shall be made 90% of the tender or auction upset price for the concerned property during the first open tender or auction.

(3)In case of failure to get any successful bid for any property during the third tender or auction as well, the tender or auction shall be done fourth time with due notice and publicity and the minimum refundable One time deposit (OTD) amount or the tender or auction Upset Price shall be made 80% of the tender or auction Upset Price for the concerned property during the first open tender or auction.

R.N.I. No. KARBIL/2001/47147 POSTAL REGN. No. RNP/KA/BGS/2202/2017-19 Licensed to post without prepayment WPP No. 297

(4)However, in case of failure of tender or auction even in the fourth time tender rth time h
or auction, the matter shall be reported to Chief Commissioner with details and the details
further decision shall be taken by the Chief Commissioner. les, 17% d

11.Reservation- (1)In case of leasing out of shops under these rules, 17% of the 7% for n
same shall be reserved for the members of the Scheduled Caste and 7% for the members tender
of the Scheduled Tribe. The allotment shall be through an open tender or auction under therwise
these rules among the said category of persons who are otherwise eligible. les shall

(2)A reservation of 2% of the shops being leased out under these rules shall be shall be
made for the persons with disability of not less than 40%. The same shall be through an tegory of
open tender or auction under these rules among the said category of persons who are he
otherwise eligible.

,

By Order and in the name of the nt
Governor of Karnataka
(NANDAKUMAR B.)
Under Secretary to Government,
Urban Development Department
(BBMP-2 and Coordination).

ಮುದಿಕರು²ಾಗೂಪಿ□ಾಶಕರು:- ಸಂಕಲ£ೋ□ಾಗಳ, ಕ£ೋ□ಟಕ¤ಾಜಿಪತಿ,
ಸ□ಾ□ಕ□ೆೀಂದಿಮುದಿ□ಾಲಯ, ¦ೆಂಗಳ□ರು

THAMMAIAH