



LAWS OF SARAWAK

—
ONLINE VERSION
—

LAND CUSTODY AND DEVELOPMENT AUTHORITY ORDINANCE, 1981

[Ord. No. 4/81]

Incorporating all amendments up to 30th November, 2014

Prepared and Compiled by

STATE ATTORNEY-GENERAL'S CHAMBERS
SARAWAK

**LAND CUSTODY AND DEVELOPMENT AUTHORITY
ORDINANCE, 1981**

[Ord. No. 4/81]

Date Passed by Dewan Undangan Negeri	25th June, 1981
Date of Assent	29th June, 1981
Date of Publication in <i>Gazette</i> ...	30th June, 1981

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**LAND CUSTODY AND DEVELOPMENT AUTHORITY
ORDINANCE, 1981**

[Ord. No. 4/81]

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(Date of commencement 20.11.85)

The Authority established under section 3 of this Ordinance shall after the commencement of the amending Ordinance (Ord. No. 9/1985) be known in Bahasa Malaysia as "Lembaga Pembangunan dan Lindungan Tanah" or "PELITA" in its abbreviated form; and all references to the "Authority" in this Ordinance or in any written law shall be construed as "Lembaga Pembangunan dan Lindungan Tanah (Land Custody and Development Authority)".

The name of the Authority in Bahasa Malaysia as provided shall not affect any rights or obligations of the Authority subsisting immediately before the commencement of the amending Ordinance No. 9 of 1985 or render defective any legal proceedings by or against it.

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**LAND CUSTODY AND DEVELOPMENT AUTHORITY
ORDINANCE, 1981**

[Ord. No. 4/81]

An Ordinance to establish a corporate body by the name of the Land Custody and Development Authority to assist owners of land to promote and carry out development projects or schemes in certain areas in Sarawak and for purposes connected therewith.

[1st September, 1981]

[Swk. L.N. 40/81]

Enacted by the Legislature of Sarawak—

PART I

PRELIMINARY

Short title and commencement

1. This Ordinance may be cited as the Land Custody and Development Authority Ordinance, 1981, and shall come into force on such date as the Minister may by notification in the *Gazette** appoint.

Interpretation

2.—(1) In this Ordinance—

“Authority” means the Land Custody and Development Authority established under section 3;

“Chairman” means the Chairman of the Authority;

“Development Agreement” means any of the documents referred to in section 11(3)(a) entered into by the Authority and any owner of land within a Development Area or any other party for the purpose of development in a Development Area and shall include any memorandum or other documents signed by an owner of land signifying his consent under section 11(2)(b) to have his land developed in accordance with the provisions of the Ordinance;

[Add. Cap. A150/2011]

“Development Area” means the area of land designated under section 11 to be a Development Area for the purposes of this Ordinance;

“Government” means the State Government of Sarawak;

[Add. Cap. A150/2011]

“member” means a member of the Authority and includes the Chairman;

“Minister” means the Minister for the time being charged with the responsibility for the Land Custody and Development Authority or, where no Minister is assigned the responsibility for the Authority, the Chief Minister;

“owner” means, in relation to land,—

(a) the registered proprietor of the land as defined in section 2 of the Land Code [*Cap. 81(1958 Ed.)*]; or

(b) any native lawfully occupying Native Customary Land as defined in section 2 of the Land Code [*Cap. 81(1958 Ed.)*]; or

(c) any person deemed a native under section 3(2) of the Ordinance or under section 9(1)(d) of the Land Code [*Cap. 81(1958 Ed.)*] for the purpose of holding, dealing, occupying or developing any Native Area Land, or any Native Customary Land which is to be issued with title, within a Development Area.”

[Sub. Cap. A150/2011]

(2) In this Ordinance a reference to the Yang di-Pertua Negeri shall be construed as a reference to the Yang di-Pertua Negeri acting in accordance with the advice of the Majlis Mesyuarat Kerajaan Negeri or of a member thereof acting under the general authority of the Majlis.

PART II

ESTABLISHMENT AND ADMINISTRATION

Establishment of the Authority

3.—(1) There is hereby established a body corporate by the name of “Land Custody and Development Authority” with perpetual succession and a common seal and which may sue and be sued in its own name.

[Am. Ord. No. 9/85.]

(1A) The Authority may, subject to and for the purposes of this Ordinance, enter into contracts and may acquire, purchase, take, hold and enjoy movable and immovable property of every description, and subject to any written law affecting the same may convey, assign, surrender and yield up, charge, mortgage, demise, reassign, transfer or otherwise dispose of, or deal with, any movable or immovable property or any interest therein vested in the Authority upon such terms as the Authority seems fit and do all other matters or things incidental or appertaining to a body corporate.

[Ins. Ord. No. 9/85.]

(2) The Authority and any company incorporated by the Authority under section 10(1)(c) wherein the controlling shares are held by or registered in the name of the Authority shall for the purposes of the Land Code [*Cap. 81(1958 Ed.)*], be deemed to be a Native of Sarawak.

[Ins. Cap. A150/2011]

(3) The Authority shall consist of the following persons who shall be appointed by the Minister—

- (a) a Chairman;
- (b) not more than two Deputy Chairmen; and

[Am. Cap. A165/2014]

- (c) not more than thirteen other members:

Provided that the first Chairman to be appointed under this subsection shall be the Chief Minister.

(4) A certificate signed by the Chairman that a company has been incorporated by the Authority under section 10(1)(c) and that its controlling shares are held by or registered in the name of the Authority shall be conclusive evidence that the company is deemed a native under subsection (2) for the purposes of the Land Code [*Cap. 81(1958 Ed.)*].

[Add. Cap. A150/2011]

(5) A member of the Authority shall, subject to such conditions as the Minister may specify in the instrument appointing him, hold office for a term not exceeding three years and is eligible for reappointment from time to time.

(6) A member of the Authority who is not a member of the public service may be paid by the Authority such remuneration and allowances as may be determined by the Minister.

(7) During the temporary incapacity from illness or any other cause or during the temporary absence from the State of the Chairman, Deputy Chairman or any member, the Minister may appoint another person to be a temporary Chairman, Deputy Chairman or member, as the case may be.

[Am. Ord. No. 9/85.]

(8) The Authority may request any person (not being a member of the Authority) to attend any meeting of the Authority for the purpose of assisting or advising it on any matter under discussion but such person so attending shall have no right to vote at the said meeting.

[Ins. Ord. No. 9/85.]

Office of the Authority

4. The Authority shall have its head office in Kuching, and may open branches and appoint agents and correspondents throughout Sarawak.

Appointment and duties of General Manager and Deputy

5.—(1) The Authority may, with the approval of the Minister, employ and appoint a General Manager and a Deputy General Manager on such terms and conditions and for such period as the Authority may determine.

(2) The General Manager shall be responsible for the day to day administration and management of the affairs of the Authority and may, subject as is expressly stated in this Ordinance, give decisions and exercise all powers and do all acts which may be exercised or done by the Authority.

(3) The General Manager shall be the principal executive officer of the Authority and be responsible for the preparation and execution of programmes, schemes or projects, for the carrying out of the decisions of the Authority, for the issue of policy guidance or of elucidation of decisions of the Authority and for the supervision and control over the implementation of such decisions, and may participate without the right to vote in any meeting of the Authority.

(4) The General Manager shall be answerable to the Authority for his acts and decisions and shall perform such other or further duties as the Authority may from time to time determine.

(5) The Deputy General Manager shall be responsible to the General Manager and shall perform such duties as the Authority may from time to time determine, or as the General Manager may from time to time direct.

Direction of the Minister

6. The Minister may issue directives not inconsistent with the provisions of this Ordinance to the Authority regarding the policy to be pursued by the Authority and any such directive shall become binding on the Authority which shall forthwith take all steps necessary or expedient to give effect thereto.

Meetings of the Authority

7.—(1) At every meeting of the Authority, the Chairman or, in the absence of the Chairman, the Deputy Chairman, shall preside, but in the absence of both the Chairman and the Deputy Chairman, unless the members present at the meeting elect one of their members to preside thereat, the meeting shall be deemed to be postponed.

[Am. Ord. No. 9/85.]

(2) The Chairman shall summon meetings of the Authority as often as required but not less frequently than once in three months.

(3) Four members may requisition a meeting of the Authority.

(4) Five members present at a meeting of the Authority shall form a quorum.

(5) All decisions at a meeting of the Authority shall be adopted by a simple majority of votes of members present and voting:

Provided that if upon any question the votes are equally divided, the Chairman or the person presiding shall have a casting vote.

Disclosure of interest

8.—(1) A member having, directly or indirectly by himself or his partner, any interest in any company or undertaking with which the Authority proposes to make any contract or having interest in any such contract or in any matter under discussion by the Authority shall disclose the nature of his interest at the first meeting of the Authority at which he is present after the relevant facts have come to his knowledge.

(2) A disclosure under subsection (1) shall be recorded in the minutes of the Authority and, after disclosure, the member—

(a) shall not take part in any deliberation or decision of the Authority with respect to that contract; and

(b) shall be discharged for the purpose of constituting a quorum of the Authority for any such deliberation or decision.

(3) No act or proceeding of the Authority shall be questioned on the ground of the contravention by a member of the provisions of this section.

PART III
FUNCTIONS, POWERS AND BUSINESS
OF THE AUTHORITY

Objects and functions of the Authority

9. The objects and functions of the Authority shall be—

(a) to formulate and carry out in any area which has been declared to be a Development Area under section 11 projects and schemes for—

(i) development, redevelopment, settlement and resettlement of land;

(ii) economic and social development;

(iii) residential, commercial, agricultural and industrial development;

[Am. Ord. No. 9/85.]

(b) to act as trustee or managing agent for any owner of land within a Development Area, and to assist the owners of such land to facilitate or enhance the development thereof towards achieving better economic usage so as to realize their economic potentials.

[Sub. Cap. A150/2011]

(c) to co-ordinate, manage and supervise such activities whether or not the undertaking in question is carried on on any land owned by or vested in the Authority in a Development Area;

(d) to provide loans, advances and other credit facilities for development;

(e) to provide facilities and amenities to owners for the development and settlement of their land in a Development Area;

(f) to act, in transactions relating to land within the Native Area Land or Native Customary Land, as a purchaser of last resort of such land; and

(g) to undertake such other functions as the Yang di-Pertua Negeri may from time to time direct.

Powers of the Authority

10.—(1) Subject to subsection (2), the Authority shall have power to do all things expedient or reasonably necessary or incidental to the discharge of the objects and functions of the Authority and, in particular, but without prejudice to the generality of the foregoing—

(a) to initiate preliminary studies of possible development areas in the State and make—

(i) plans for carrying out rehabilitation programmes and improvement schemes;

(ii) plans for the improvement of lands and buildings;

(iii) plans for the relocation of persons (including families, business concerns and others) displaced by a development or redevelopment project;

(iv) plans outlining development and settlement activities; and

(v) preliminary surveys to determine if the undertaking and carrying out of such projects and schemes are feasible;

(b) to carry on such activities in association with the Government, any public or local authority, any corporation, any company, any body or any person or as managing agents or otherwise on their behalf, or to enter into any arrangement with

any such bodies or persons for sharing profits, union of interests, co-operation, joint venture or reciprocal concession;

(c) to appoint or employ agents or to establish or promote the establishment of companies, corporations or other bodies to carry on any of the aforesaid activities either under the control or partial control of the Authority or independently;

(d) to establish corporations or associations consisting of the owners or persons having interests in the land;

(e) to give assistance to any public authority, company, corporation or other body or person appearing to the Authority to have facilities for the carrying on of any such activities, including financial assistance by the taking up of share or loan capital or by loan or otherwise;

(f) to control, co-ordinate or supervise the management of the land in a Development Area or land owned by or vested in the Authority or for which it has become responsible and may cause to be carried out or may undertake any of the aforesaid activities for the improvement or development of such land as it deems fit;

(g) to purchase, sublease or otherwise acquire land or any rights or interest therein and otherwise deal with property, movable or immovable irrespective of the title thereof;

(h) to invest any property belonging to the Authority in such manner as it thinks fit (and whether alone or in association with others) in the acquisition, development or management of land used or to be used for residential, agricultural, commercial or industrial purposes;

[Am. Ord. No. 9/85.]

(i) to consult with, co-ordinate and assist the activities of persons or organisations engaged in carrying out development in a Development Area;

(j) to sell, purchase, acquire or sublease land for the purpose of housing, agriculture, trade or industry or for general economic development or for social amenities;

[Am. Ord. No. 9/85.]

(k) to facilitate and provide land for the establishment or expansion of projects to which this section applies;

(l) to make and guarantee loans to an officer or employee of the Authority—

(i) for the purchase, erection, alteration, renovation or enlargement of a house in which he resides or intends to reside, under standing orders approved by the Authority;

(ii) to discharge a mortgage or encumbrances on such a house; or

(iii) for such other purposes as the Authority may approve;

(m) to guarantee, within such limits as shall be fixed by the Minister, any loans made by any bank or other financial source to any applicant approved by the Authority for any purpose for which the Authority might itself have granted such loan;

(n) to do anything and to enter into any transaction (whether or not involving expenditure, borrowing in accordance with this Ordinance, granting of loans or investment of money, the acquisition, use and disposal of any movable or immovable property, including rights) which in its opinion is calculated to facilitate the proper discharge of its functions or is incidental or conducive thereto.

(2) In the exercise of the powers conferred by subsection (1), the Authority shall comply with the direction given by the Minister under section 6 and any plan or scheme for the development of any Development Area drawn up or devised or approved by the Government.

[Sub. Cap. A150/2011]

Development Area

11.—(1) Where it appears to the Minister that any area should be developed to improve or enhance its economic usage and potentials or generally, to facilitate the economic and social development or progress of the people residing in that area and the vicinity thereof, the Minister may by order in the *Gazette* declare such area of land (whether alienated or unalienated or Native Customary Land) to be a Development Area for the purposes of this Ordinance.

[Sub. Cap. A150/2011]

(2) Where an area has been declared a Development Area pursuant to subsection (1), the Authority shall—

(a) notify owners of land within the Development Area of any scheme or plan approved by the Government for the development thereof and provide such information or particulars pertaining to the development thereof :

(i) by publishing a notice thereof in one newspaper circulating in Sarawak;

(ii) by exhibiting a notice thereof at the notice board of the District Office and Sub-District Office for the area where the land is situate; and

(iii) in such other manner as the Authority thinks necessary or appropriate;

(b) seek the consent in writing of the owners of land within a Development Area to have their lands developed in accordance with the said scheme or plan; and

(c) take such steps or action as may be appropriate or necessary to implement the scheme or plan approved by the Government for the Development Area, including but not limited to, having the Development Area or any part thereof surveyed by a Surveyor licensed under the Land Surveyors Ordinance, 2001 [*Cap. 40*].

(3)(a) Where the owners have given their consent to the development of their lands in accordance with the said scheme or plan, the Authority shall enter into an agreement, a trust deed or other necessary documents with the owners of the land or any other parties for the development thereof.

(b) Where any owner of land does not give his consent for the development of his land, the Authority may exclude the land from the scheme or plan approved for the Development Area.”;

Upon an area being declared to be a Development Area, it shall be the duty of the Authority to prepare with all practicable speed a draft scheme in respect of all lands within such Development Area. The scheme may, in particular, make provision for all or any of the following matters :

(a) areas within which special trades and industries may be carried on or which are reserved exclusively for residential, agricultural or other purposes;

[Am. Ord. No. 9/85.]

(b) land intended to be acquired by purchase or by compulsory acquisition;

(c) land intended to be developed on joint venture, union of interests and reciprocal concession;

(d) set out the facilities provided by the Authority and its terms and conditions.

(4) The Minister may at any time by order in the *Gazette* alter, replace or extend any Development Area.

(5) As from the date of coming into force of the declaration made under subsection (1), no dealing affecting any land within a Development Area or any change of the category or use of any such land, may be effected, without the prior consent of the Minister.

[Add.Cap. A150/2011]

(6) For the purpose of subsection (5), the word “dealing” shall have the same meaning assigned to it under section 2 of the Land Code [*Cap. 81 (1958 Ed.)*].

[*Add.Cap. A150/2011*]

“ Powers of the Authority to develop land on behalf of owners in a Development Area.

12.—(1) Where consent of the owners of land in a Development Area has been obtained and upon the due execution of the Development Agreement by the owners of the land and the Authority and any other persons who may be parties thereto, the Authority or any person authorized by the Authority shall be entitled to enter upon and remain in occupation of any land over which consent has been given within the Development Area for the purposes of developing the same and carry out all activities incidental thereto, in accordance with the Development Agreement and the scheme or plan approved by the Government for the development of the Development Area.

(2) In the development of the land described in subsection (1) and in carrying out all activities incidental thereto, the Authority shall be deemed to be an agent of the Government and the provisions of section 29(2) of the Government Proceedings Act 1956 [*Act 359*] shall apply to the Authority.

(3) Where there is any dispute or difference between any of the parties to any Development Agreement, such dispute or difference shall be resolved in the manner as follows—

(a) by mediation to be undertaken by a person, who is qualified to act as Mediator, appointed by the State Attorney-General after consultation with the relevant parties to the Development Agreement;

(b)(i) If the Mediator appointed pursuant to paragraph (a) shall certify that the dispute or difference cannot be resolved by him, such dispute or difference shall be referred to arbitration in accordance with the provisions of the Arbitration Act 2005 [*Act 646*].

(ii) The Arbitrator shall be appointed by the Director of the Kuala Lumpur Regional Centre for Arbitration, and the Arbitrator's decision shall be final and binding upon the parties.

(4) The provisions of subsection (3) shall be deemed to have been incorporated into and form an integral part of any Development Agreement whether the Development Agreement was entered into before or after the date of coming into force of the provisions of subsection (2).

(5) Any action, claim, suit or proceedings filed in any court of law after the date of coming into force of this section, without compliance with the provisions pertaining to mediation and arbitration under subsection (3), shall be stayed.

[Sub. Cap. A150/2011]

Power to vest

13. The Yang di-Pertua Negeri may by order published in the *Gazette* vest in the Authority, for purposes of carrying out any of the functions of the Authority, the management and control of any property, movable or immovable which is vested in the Government. Any such property vested in the Authority which ceases to be used for the purposes stated in the vesting order shall revert to the Government without payment of compensation.

Powers to establish corporations or other bodies

14.—(1) The Authority may, with the consent of the Minister, from time to time by order published in the *Gazette* establish a corporation or other body by such name as the Authority may think fit to carry out and have the charge, conduct and management of any project, scheme or enterprise which has been planned or undertaken by the Authority in the execution of its duties or discharge of its functions.

(2) The corporation or other body established by the Authority under this section shall be managed in accordance with such

regulations and directions as may, from time to time, be made by the Authority.

Compulsory acquisition of land

15.—(1) Where it is not possible to develop any land by arrangement or agreement with the owner, the Authority may, with the approval of the Minister, acquire such land by compulsory acquisition for the purpose of carrying out any of its functions under this Ordinance.

(2) Where land over which native customary rights are exercised is required for the purposes of this Ordinance, such rights may be extinguished in accordance with section 5 of the Land Code [*Cap. 81 (1958 Ed.)*].

(3) The purpose for which land is acquired pursuant to the provisions of this section shall be deemed to be a public purpose under the Land Code.

(4) When such land is to be acquired compulsorily under subsection (1), an order shall be published in the *Gazette* declaring that the land described in the order shall be compulsorily acquired at the expiration of the period of three months from the date of the publication of such order, and a copy of the order shall be served on the Director of Lands and Surveys and on the owner and occupier of such land, if such owner or occupier cannot be found, a copy of the order shall be fixed on some conspicuous part of such land.

(5) Upon the expiration of such period, such land shall vest in the Authority free of all encumbrances and the Register kept under the Land Code [*Cap. 81 (1958 Ed.)*], in which the title to such land is registered, shall be rectified accordingly.

(6) Compensation shall be payable by the Authority in respect of any land compulsorily acquired under subsection (1).

(7) In assessing the compensation payable in respect of any land or building or any interest therein proposed to be acquired compulsorily pursuant to subsection (1) the estimate of the value of the building or land shall be based upon the fair market value thereof at the date of publication of the declaration under subsection (4), due regard being had to the nature and condition of the property, the probable duration of the building in its existing state, and the state of repair thereof, without giving any allowance in respect of the compulsory purchase or other matters :

Provided that when assessing the compensation payable in respect of any land or building situated within a Native Area Land to which the declaration relates, compensation shall be based in the fair market value that would have been obtainable if the land or building were situated within a mixed zone land.

(8) The expenses and compensation in respect of any land acquired or customary rights extinguished pursuant to the provisions of this section shall be paid by the Authority.

(9) If the person to whom compensation is offered under subsection (7) is aggrieved by the amount thereof, he may request that the matter be referred by the Authority for the determination of the High Court and sections 56 to 59, 62 to 72 and 76 to 78 of the Land Code shall *mutatis mutandis* apply for the purpose of determining the amount of compensation to be awarded.

Application by persons who require land for development purposes

16.—(1) Any person engaged in or about to engage in any land development project or scheme within a Development Area who requires land for the establishment and carrying on of his business may make application in writing in the prescribed form to the Authority.

(2) Provision may be made by regulations under this Ordinance with respect to the procedure to be followed in connection with the submission and the terms and conditions of approval of such application.

Sublease

17. The Authority may with the approval of the Minister sublease any land owned by or vested in the Authority on such terms and conditions as it thinks fit.

PART IV

FINANCE

Fund of the Authority

18. For the purpose of this Ordinance, there is hereby established a Fund to be administered and controlled by the Authority —

(a) into which shall be paid—

(i) such sums as may be appropriated from time to time for the purposes of the Authority by the Dewan Undangan Negeri;

(ii) such sums as may from time to time be borrowed by the Authority for the purpose of meeting any of its obligations or discharging any of its functions;

(iii) all monies earned by the operation of any project, scheme or enterprise financed from the Fund;

(iv) all monies earned or arising from any property, investment, mortgage, charges or debentures acquired by or vested in the Authority; and

(v) all other sums or property which may in any manner become payable to, or vested in, the Authority in respect of any matter incidental to its powers and duties;

(b) out of which shall be defrayed—

(i) all expenses incurred by the Authority in the administration of this Ordinance;

(ii) the salaries, fees, allowances or remuneration of the members, officers, agents, servants and technical or other advisers of the Authority;

(iii) all expenditure (including capital expenditure) incurred by the Authority in carrying out its functions;

(iv) monies for the repayment of any loan made to the Authority;

(v) monies for the purposes of granting loans; and

(vi) paying any other expenses lawfully incurred by the Authority in the execution of its functions under this Ordinance.

Borrowing powers

19.—(1) Subject to subsection (2), the Authority may borrow sums required by it for meeting any of its obligations or discharging any of its functions.

(2) The power of the Authority to borrow shall be exercisable only with the approval of, and subject to such conditions as may be imposed by, the Minister. Any approval given in any respect for the purposes of this section may be either general or limited to a particular borrowing or otherwise.

Power to make loans

20. Subject to such conditions as it may deem fit to impose in particular cases, the Authority may, out of its funds and resources, make loans in accordance with this Ordinance in that behalf in the execution of its duties or in the discharge of its functions under section 9.

Expenditure and preparation of estimates

21.—(1) The expenses of the Authority up to such amount as may be authorised by the Minister for any one year shall be defrayed out of the Fund.

(2) The Authority shall in every year cause to be prepared in a form to be approved by the State Financial Secretary a budget to be forwarded to the Minister not later than the 31st day of August containing estimates of income and expenditure of the Authority for the ensuing year and such other particulars as the State Financial Secretary may require.

(3) The estimates of income and expenditure of the Authority for each development project or enterprise shall be prepared separately and apart.

(4) The Minister may approve or disallow any item or portion of any item shown in the budget, and shall return the budget as amended by him to the Authority.

(5) The Authority may at any time submit to the Minister a supplementary estimate for any one year and the Minister may allow the whole or any part of the additional expenditure included therein.

Accounts and audit

22.—(1) The Authority shall keep proper accounts and other records in respect of its operation and shall prepare a statement of accounts in respect of each financial year of the Authority.

(2) The form of the accounts and of the statement shall be such as to cause the provision of separate information as respect each of the main activities or functions of the Authority. Accounts of moneys for each project or enterprise shall be kept separate and apart.

(3) The accounting records of the Authority shall distinguish between capital and revenue transactions.

(4) Moneys received by way of loans shall be shown separately in the books and accounts and in the balance sheet of the Authority.

(5) The accounts of the Authority shall be audited annually by the Auditor General or any person authorized by him in that behalf.

[Am. Ord. No. 9/85.]

(6) After the end of such financial year, and as soon as the accounts of the Authority have been audited, the Authority shall cause a copy of the statement of accounts to be transmitted to the Minister together with a copy of any observations made by the Auditor General or other auditor appointed under subsection (5) on any statement or on the accounts of the Authority.

(7) The Minister shall cause a copy of every such statement and observation to be laid before the Dewan Undangan Negeri.

Reserve fund

23. The Authority shall establish and manage a reserve fund within the Fund.

Investment

24. The assets of the Authority shall, in so far as they are not required to be expended by the Authority under this Ordinance, be invested in such manner as the Minister may approve.

Power to make advances

25. The Government may, upon the recommendations of the Minister, make advances to the Authority, either by way of grant or by way of loan, or partly in one way and partly in the other, and upon such terms and subject to such conditions as the Government may think fit for the purpose of assisting the Authority to perform any function which it is empowered to perform by virtue of this Ordinance.

Appointment of committees and delegation of powers

26.—(1) The Authority—

(a) shall appoint a Finance Committee for regulating and controlling the finances of the Authority; and

(b) may from time to time appoint such number of other committees, either of a general or special nature for the purpose of examining and reporting upon any matter, or performing any act, which in the judgment of the Authority would be more conveniently performed by means of a committee;

from among its own members or other persons who are not members of the Authority and consisting of such number of members or other persons as the Authority may think fit.

(2) The Authority may, subject to such conditions or restrictions as it thinks fit, delegate to any such committee or the Chairman or the General Manager or other officers of the Authority any of the powers, functions and duties by this Ordinance vested in the Authority, except the power to make subsidiary legislation or to borrow money or to raise loans by the issue of bonds and debentures; and any power, function or duty so delegated may be exercised or performed by such committee, or the Chairman or the General Manager or such other officer in the name and on behalf of the Authority.

PART V

OFFICERS AND EMPLOYEES OF THE AUTHORITY

Appointment of officers, employees or agents, etc.

27.—(1) The Authority may appoint and employ such number of executive officers and such other officers and employees as it may consider necessary for the efficient conduct of the business of the Authority.

(2) Officers and employees of the Authority shall hold office for such period or periods, receive such salaries and allowances and be subject to such other terms and conditions of service as may be determined by the Authority with the approval of the Minister.

(3) All officers and employees of the Authority shall be under the general control of the General Manager.

(4) The Authority may employ and pay agents and technical advisers including advocates and solicitors, bankers, stock-brokers,

surveyors or valuers or other persons, to transact any business or to do any act required to be transacted or done in the execution of its duties or for the better carrying into effect of the purposes of this Ordinance.

Standing orders

28.—(1) The Authority may make standing orders for the following matters :

- (a) the terms and conditions of service of its officers and employees;
- (b) the pensions or other superannuation benefits of its officers and employees;
- (c) the conduct and management of its activities.

(2) Unless otherwise provided, a reference in this Ordinance to an officer of the Authority shall include reference to the General Manager, the Deputy General Manager and any executive officer.

Personal immunity

29. No member, officer or employee of the Authority thereof or any other person whomsoever acting under the direction of the Authority shall be personally liable for any act or default of the Authority done or omitted to be done in good faith and without negligence in the course of the operations of the Authority.

Public Authorities Protection

30. The Public Authorities Protection Act 1948 [*Act 198*] shall apply to any action, suit, prosecution or proceedings against the Authority or against any member, officer, employee or agent of the Authority in respect of any act, neglect or default done or committed by him in such capacity.

Public servants

31. All members, officers and employees of the Authority while discharging their duties as such, shall be deemed to be public servants within the meaning of the Penal Code [*Act 574*].

Obligation of secrecy

32.—(1) Except for the purpose of this Ordinance or of any criminal proceedings under this Ordinance, no member, officer or employee of the Authority shall disclose any information which has been obtained by him in the course of his duties and which has not been published pursuant to this Ordinance.

(2) Any person contravening the provisions of subsection (1) shall be guilty of an offence: Penalty, imprisonment for six months or a fine of one thousand ringgit.

PART VI
GENERAL

Power to make regulations

33. The Authority may with the approval of the Yang di-Pertua Negeri make such regulations as may be expedient or necessary for the better carrying out of the provisions of this Ordinance and, in particular, such regulations may provide for—

- (a) the regulation of the development of land in accordance with proper planning;
- (b) the classes of use of land and buildings or parts thereof;
- (c) controlling and restricting the distribution of land for development;
- (d) regulating and controlling the development of land in a Development Area and the conduct and administration of such land;
- (e) regulating the distribution, sale and use of flats, houses or buildings;

(f) matters in connection with shares, stock, bonds, debentures or debenture stock issued under this Ordinance;

(g) the manner in which and the terms and conditions on which grants, advances or loans may be granted by the Authority to owners, occupiers or sublessees for the purposes of effectively carrying out development;

(h) the procedure for calling, hearing, determining and recording claims and compensation under this Ordinance;

(hh) the procedure for the conduct of any mediation or arbitration provided under section 12(3) of this Ordinance;

[Sub. Cap. A150/2011]

(i) defining the relations of the Authority with the owner or occupier of the land for the purpose of development;

(j) the manner in which and the terms and conditions on which land in a Development Area may be developed;

(k) prescription of forms or the imposition of fees; and

(l) prescribing anything that may be, or is required to be, prescribed under this Ordinance.

Annual report

34. The Authority shall, not later than the 30th day of June of each year, cause to be made and transmitted to the Minister, a report dealing with the activities of the Authority during the preceding year and containing such information relating to the proceedings and policy of the Authority.

Civil proceedings

35. Notwithstanding any written law, in any civil proceedings by or against the Authority, any officer of the Authority, illfully in that behalf by special or general direction of the Authority, may, on behalf of the Authority, institute, appear in and conduct such proceedings and may make and do all appearances, acts and applications in respect of such proceedings.

Power of entry

36.—(1) Any person willfully in that behalf in writing by the Authority may, on the production of such written authority, enter at all reasonable hours upon any land or building in a Development Area and there make such inspection, examination, investigation, survey or all other acts as may be necessary for enforcing or carrying out the provisions of this Ordinance :

Provided that no person shall enter into any building, or into or upon any enclosed yard, court or garden attached to any dwelling-house, unless with the consent of the occupier thereof, without previously giving such occupier at least seven days' notice in writing of his intention to do so.

(2) Every person who willfully obstructs or interferes with any person in the lawful exercise of any power conferred by this section shall be guilty of an offence : Penalty, a fine of five hundred ringgit or imprisonment of one year or both.

[Sub. Cap. A150/2011]

**LAND CUSTODY AND DEVELOPMENT AUTHORITY
ORDINANCE, 1981**

[Ord. No. 4/81]

LIST OF AMENDMENTS

<i>Amending Law</i>	<i>Short title</i>	<i>In force from</i>
Cap. A150/2011	Land Custody and Development Authority (Amendment) Ordinance, 2011	15.10.2012 [Swk. L.N. 123/2012]
Cap. A165/2014	Land Custody and Development Authority (Amendment) Ordinance, 2014	1.1.2015 [Swk. L.N. 2/2015]