



**URBAN DEVELOPMENT SECRETARIAT**

**NOTIFICATION**

**No. UDD 283 BEMRUPRA 2015, Bengaluru, Date: 04.03.2017**

Whereas the draft of the Karnataka Town and Country Planning (Benefit of Development Rights) Rules, 2016 was published as required by sub section (1) of Section 74 of the Karnataka Town and Country Planning Act, 1961 (Karnataka Act 11 of 1963) in Notification No. UDD 283 BEMRUPRA 2015 dated 09.02.2016 in Part IV-A of the Karnataka Gazette extraordinary Number 229 dated 9<sup>th</sup> February 2016 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 said Gazette was made available to the public on 9<sup>th</sup> February, 2016.

And whereas, objections or suggestions have been received and considered by the State Government;

Now, therefore, in exercise of the powers conferred by Section 74 and read with section 14B of the Karnataka Town and Country Planning Act, 1961, (Karnataka Act 11 of 1963), the Government of Karnataka hereby makes the following rules, namely.-

**RULES**

**1. Title and commencement.-** (1) These rules may be called the Karnataka Town and Country Planning (Benefit of Development Rights) Rules, 2016.

(2) They shall come into force from the date of their publication in the official Gazette.

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

(a) 'Act' means the Karnataka Town and Country Planning Act, 1961 (Karnataka Act 11 of 1963);

(b) 'Appellate Authority' means the Authority specified in rule 8;

(c) 'Appendix' means appendix to these rules;

(d) 'Authorized Building' means building for which approval has been obtained from the competent Authority;

(e) 'Form' means forms appended to these rules;

(f) 'Existing Building' means an approved building under construction or completed building on the date of commencement to these rules;

(g) 'Government' means the State Government.;

(h) 'Licensing Authority' means the Authority competent to approve the building plan;

(i) 'Market Value' means the value determined as per the guidance value of land in accordance with Section 45B of the Karnataka Stamp Act, 1957.

The value of the plot for the land use as published under the Stamp Act, shall be considered.

(j) 'Originating Plot' means the plot in which Development Right originated due to surrender of 'Area'; and

(k) 'Receiving Plot' means the plot in which Development Right or Transfer of Development Rights is utilized

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

**3. Notifying 'Area' for public purpose.-** (1) In a Local Planning Area listed at **Appendix-I** if any Public Authority requires any "Area" for public purpose, it shall notify the same in **Form-I** stating the facts of the Area required by the authority specifying the limits of the Area along with the statement specifying the land which is required to be acquired in lieu of compensation under the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (Central Act 30 of 2013) and entitled to be granted Development Rights in the Official Gazette and in one or more newspapers circulating within the Local Planning Area as the Public Authority deems fit.

(2) The Public Authority intending to obtain Development Rights in favour of owners under sub-section (4) of Section 14B of the Act shall within six months from the date of notifying the 'Area' apply to the Planning authority in **Form-II** for Development Right Certificate with relevant

documents such as, list of land owners who have given the option letter, ownership documents, photograph of the existing building etc., along with the Deposition Amount, where applicable, to the Planning Authority.

(3) The Planning Authority under sub-section (5) of section 14 B of the Act shall publish in **Form -III** within thirty days of remittance of Deposition Amount by the Public Authority the list of owners who have opted for Development Rights in lieu of monetary compensation inviting objections and suggestions from the public within a period of thirty days from the date of its publication in one or more daily newspapers circulated within the Local Planning area.

(4) The Planning Authority under sub-section (9) of section 14 B of the Act shall consider and verify the objections and suggestions received under sub-rule (3) above and inform the Public Authority the quantum of Development Rights that the owners are entitled to. The Public Authority shall obtain the registered **relinquishment deed** in **Form-XII** from the eligible land owners who have consented for Development Rights so offered after verifying the relevant documents as per **Form-IV** in favour of the Public Authority for issue of Development Right Certificate within fifteen days and intimate the same to the Planning Authority.

(5) On receipt of the information from the Public Authority having execution of relinquishment deeds from the eligible land owners, the Planning Authority shall grant the Development Rights in **Form V** through Public Authority within thirty days from the date of information received from the Public Authority. The details of the Development Rights so issued shall be uploaded on the website of the Planning Authority.

**4. Terms and Conditions for grant of Development Rights.-** (1) The Public Authority shall publish an annual programme for granting Development Rights for any public purpose as specified under sub section(1) of section 14B of the Act.

(2) Development Right Certificate or Transferable Development Rights shall be issued under the seal of the Planning Authority and under the signature of the Chief Executive Officer of the Planning Authority in **Form V and VI** respectively after due entry in the Development Rights Certificate register specified in **Form-X**

(3) The Development Right Certificate shall contain details of;

- (a) extent of the land area surrendered by the land owner in square meter, dimensions of the Area surrendered showing the boundaries of the surrendered Area;
- (b) extent of building area demolished or surrendered by the land owner in square meter;
- (c) number of floors of the building area demolished or surrendered;
- (d) type of construction of building area demolished or surrendered;
- (e) address of the surrendered property including survey number or khatha number or ward number or PID number of the property and approved plan of such building;
- (f) GPS co-ordinates of the surrendered property.
- (g) land use of the surrendered property in the approved Master plan;
- (h) notional land area credit in square meter of the land area surrendered in figures and words;
- (i) notional land area credit in square meter of the building area surrendered in figures and words;
- (j) total Development Rights credited: Notional land for surrendered land Area and Notional land for Building area surrendered;
- (k) market value of the surrendered land;
- (l) valuation amount of the building area surrendered or demolished;
- (m) photograph of the land owner signature and thumb impression;
- (n) notification published in Form-I by the Public Authority; and
- (o) notification published in Form-III by the Planning Authority.

(4) The eligible additional floor area based on the Notional land may be utilized in the remaining portion of the original plot after surrendering the portion of land or building Area to the Public Authority, irrespective of the road width subject to the condition that the maximum additional Floor Area Ratio shall not exceed 0.6 times the ordinarily permissible Floor Area Ratio in the remaining plot.

(5) The Development Right Certificate shall not be valid for use on receivable plot or plots abutting a road of less than 9 meters within the Local Planning Area.

(6) If the Notional land area is transferred to another plot, additional Floor Area Ratio of the receiving plot shall not exceed 0.60 times of ordinarily permissible Floor Area Ratio.

(7) Parking provision shall comply with the requirements of the Approved Zoning Regulations for the additional area to be utilized as Transferable Development Rights.

(8) **Setback relaxation:**

(a) **In Originating plots**

**(i) With building below 15.0 m. height** -In the originating plot where there is no option for increasing the setback area in case of loading of the Development Rights on the existing building, the available existing side and rear setbacks shall be considered as the permitted setback in case of the final height of the building is below 15.0 m. after loading of the development rights.

In case of road widening the available front setback shall be the permitted setback after road widening.

**(ii) With building above 15.0m.-** In case the height of the building is 15.0m and above, due to utilization of Development Rights on the existing building, setbacks shall be followed as under,-

(a) Relaxation in setback and coverage in the remaining plot after surrender shall not exceed beyond twenty five percent of the prescribed setback proportionate to the quantum of the Development Rights utilized as explained below;

**Example:(1)** Those who load maximum TDR (to achieve 60% of the permissible FAR) will get 25% relaxation in the overall setback prescribed in the Zonal Regulations.

**Example:(2)** Similarly, in the cases where, 75% of the allowed TDR is utilized, (75% of 0.6 times) then 75% out of 25% of the prescribed setback will be the relaxation in setback.

i.e.,  $0.75$  (75% of the TDR loaded) X 25% (maximum relaxation of setback relaxation allowed)

= $0.75$  X 25%

=18.75% of the overall setback as per Zonal Regulations.

Hence, for 75% loading of the allowed TDR, one can get 18.75%of relaxation in the overall setback. The setback relaxation can be calculated as per the above example for the different proportion (percentage) of TDR utilized.

(b) For buildings with 15 Meters and above height the No objection Certificate from Fire Force Department shall be produced.

(c) In case of Road widening the available front setback shall be treated as the permitted setback after road widening.

**(iii) On vacant land:** When the originating plot itself becomes the receiving plot the terms and conditions applicable to the plot size after deducting the surrendered area and the setback relaxation shall be as per sub-rule (8)(b).

**(b) Transfer of Development Rights at Receiving Plots,-**

(i) The Development Rights shall be utilized over and above the ordinarily permissible Floor Area Ratio at the receiving plot which is either vacant or has an existing building. In case if the applicant utilizes Floor Area Ratio less than the permissible Floor Area Ratio to avail the benefit of relaxation of set back by utilizing the Transferable Development Rights, in such cases the additional Floor Area Ratio shall be 0.6 times the actual Floor Area Ratio utilized within the permissible Floor Area Ratio.

(ii) Relaxation in setback and coverage may be permitted for the buildings in the receiving plots utilizing Transferable Development Rights and this relaxation shall be proportionate to the quantum of the Transferable Development rights utilized and in any case shall not exceed beyond twenty five percent of the prescribed setback as explained below:

**Example:(1)** Those who load maximum TDR (to achieve 60% of the permissible FAR) will get 25% relaxation in the overall setback prescribed in the Zonal Regulations.

**Example:(2)** Similarly, in the cases where, 75% of the allowed TDR is utilized, (75% of 0.6 times) then 75% out of 25% of the prescribed setback will be the relaxation in setback.

i.e.,  $0.75$  (75% of the TDR loaded) X 25% (maximum relaxation of setback relaxation allowed)

= $0.75$  X 25%

=18.75% of the overall setback as per Zonal Regulations.

Hence, for 75% loading of the allowed TDR, one can get 18.75% of relaxation in the overall setback. The setback relaxation can be calculated as per the above example for the different proportion (percentage) of TDR utilized.

**Note.-** A Transferable Development Right when utilized in respect of an existing building, the existing all round setbacks shall be in compliance with the requirements for the additional Floor Area Ratio and the additional height of the building due to loading of Development Rights / Transferable Development Right.

(9) Development Rights of the originating plot shall be permitted to be utilized in any other receiving plot within the same Local Planning Area in which Development Rights is issued, as Transferable Development Rights as indicated in the illustrations appended to these rules by dividing the market value of the originating plot with the market value of the receiving plot based on the **market value** prevailing at the time of approval of the plan for the purpose of factorization on utilization of transferrable Development Rights.

(10) Whenever the remaining portion of the plot of land after surrender to the Authority is too small to construct any meaningful building, the owner if so desires can surrender the entire property to the Authority in lieu of the Development Rights Certificate.

(11) The application for utilization of Development Rights or Transferrable Development Rights shall be made to the concerned Planning Authority in **FORM-VII** along with the details of Land area, proposed plan and extent of Development Rights and Transferrable Development Rights intended to be utilized at the place of receiving plot.

(12) The Planning Authority on receipt of application for utilization of Development Rights or Transferrable Development Rights shall verify with reference to the plan, the entitlement of the applicant for utilization and the Planning Authority after verifying the details may issue utilization certificate in **FORM-VIII** after due entry in the Development Rights Certificate register and in the Transferrable Development Rights certificate or in the separate register in respect of Transferrable Development Rights issued before the date of commencement of the Karnataka Town and Country Planning (Amendment) Act, 2015.

(13) The Local Authority on receipt of utilization certificate from the Planning Authority shall approve the additional FAR by Utilization of Development Rights or Transferrable Development Rights .

(14) No Local Authority shall approve loading of additional FAR without production of Utilization Certificate issued by the Planning Authority.

(15) A Development Right Certificate shall not be valid for use on receiving plot in the area notified as such by Government.

(16) The utilization of Development Rights shall be in multiples of five sq. meters only except the last remainder.

(17) The Authority may reject or cancel the grant of Development Right Certificate in the following circumstances namely:-

- (a) Where any dues are payable by the owner of the property to the State Government or Planning Authority or Local Authority prior to the date of handing over physical possession of the property to any such Public Authority. Planning Authority may grant and withhold issue of Development Right Certificate until all the dues of the State Government or the Planning Authority or Local Authority are paid by the owner;
- (b) Where Development Rights Certificate is obtained by fraudulent means;
- (c) Where there is a dispute on the title of the land, till the dispute is settled by a Competent Court; and
- (d) Objections received from the general public and reviewed by the Authority.

(18) The Local Authority shall decline to allow utilization of Development Rights Certificate in the following situations, namely:-

- (a) Under direction from a competent court;
- (b) Where the Local Authority has reason to believe that the Development Right Certificate or Transferable Development Right Certificate has been obtained by fraudulent means;
- (c) Where the utilization application does not comply with the terms and conditions; specified in these rules;
- (d) Where the utilization application is not duly accompanied with Registered Transfer document signed by the transferor and transferee; and
- (e) Where the utilization application is not duly accompanied by Development Right Certificate or Transferable Development Right Certificate in the name of transferee issued by the Planning Authority after due entry in the Development Rights Certificate Register.

(19) On full utilization of Development Right Certificate, the Development Right Certificate shall not be returned to the Development Right Certificate holders but shall be retained with the Planning Authority concerned after cancelling the same.

(20) In case of death of holders of Development Right Certificate, the Development Right Certificate shall be transferred only on production of "Will or Survivors Certificate or Inheritance Certificate or Heir ship Certificate" or succession certificate of letter of Administration and / or probate of a will wherever applicable. On production of aforesaid documents issued by the concerned Authorities, the names of the legal heirs shall be included in the Development Right Certificate.

(21) Where the Development Rights Certificate holder is a minor, no permission for transfer for utilization shall be considered unless the application is made by the guardian appointed by the Competent Court.

(22) If a holder of Development Right Certificate intends to transfer it to any other person, he shall submit the Development Rights Certificate along with the registered transfer documents signed by the transferor and transferee to the Planning Authority with an application in **FORM-IX** for issue of Transferable Development Rights for the new holders name, i.e., the transferee, on the said certificate. Without such endorsement by the Planning Authority the transfer shall not be valid and the Certificate shall be available for use only by the earlier original holder.

(23) Development Right Certificate which shall be as issued in **FORM-IV** shall be transferable only after due authentication and entry in Development Rights Certificate register by the Planning Authority.

(24) Development Right Certificate or Transferable Development Rights issued can be transferred for the whole extent or part thereof. In the **FORM-VI** of Transferable Development Rights for the whole extent or part thereof.

**5. Maintenance of Register and Database for transaction of Development Rights.-** The Planning Authority shall maintain a Register and Database as specified in **FORM-X** for all transactions of the Development Rights .The competent Authority approving building plans shall not approve the utilization of the Development Rights unless such entries are made in the register and database of the Planning Authority.

**6. Maintain of Transferable Development Rights Fund.-** (1) The amount collected by the Planning Authority as Deposition Amount and fee for issue or transfer or utilization of the Development Right Certificate shall be kept in a separate account called 'Transferable Development Rights Fund'.

(2) The Deposition Amount shall be shared by the Planning Authority and the respective Local Authority in the ratio of 50:50. If the Deposition Amount is received for the 'Area' falling within the jurisdiction of multiple Local Authorities, then the Planning Authority shall share the amount received, with the Local Authorities proportionate to the 'Area' falling within the jurisdiction of each such Local Authority after due approval from the Government.

(3) The Fee collected by the Planning Authority for issue or transfer or utilization of Development Rights and the Planning Authority's share of Deposition Amount shall be utilized for acquiring any 'Area' required by the Planning Authority for Public Purposes or for developing any 'Area' for Public Purpose as proposed in the approved Master plans, publications in Newspapers, Computerization and infrastructure for Transferable Development Rights transactions or for any other purposes with the prior approval of the State Government. Such fee shall not be utilized for the administrative expenses.

(4) The share of the Local Authority shall be utilized by Local Authority for the development purposes with the prior approval of the State Government.

**7. Publication of Development Rights Transactions.-** The Planning Authority shall publish on the Notice Board and website of the Authority quarterly report of the total number of Development Right Certificates issued, transferred and utilized stating the quantum of Development Rights in each case and the details of balance quantum of unutilized Development Rights available.

**8. Appellate Authority.-** (1) Any person aggrieved by any order of the Planning Authority in any Local Planning Area of the state except the Local Planning Area of Bengaluru may appeal to the jurisdictional Regional Commissioner. In case of Local Planning Area of Bengaluru, the Appellate Authority shall be the Government.

(2) The aggrieved person shall file an appeal within thirty days of receiving such order.

(3) The Appellate Authority shall dispose such appeals with the assistance of Additional Director or Joint Director of the respective Zonal or Divisional offices of the Department of Town and Country Planning, after giving an opportunity of being heard to the applicant, within ninety days of receiving such appeals. The decision of the Appellate Authority shall be final.

**9. Development Rights Certificate issued prior to the commencement of the Karnataka Town and Country Planning (Amendment) Act 2015.-** The following actions shall be taken for the Development Right Certificate issued prior to the commencement of the Karnataka Town and Country Planning (Amendment) Act, 2015, namely:-

- (a) The Planning Authority shall collect all the details of Development Right Certificates issued, transferred and utilized within its jurisdiction, from the Local Authorities which have issued, transferred and utilized Development Right Certificates and after verifying the veracity of those certificates enter in separate register in **Form XI** maintained for this purpose.
- (b) The development right certificates issued prior to the KTCP(Amendment) Act, 2015 shall be utilized under the existing rules as per the calculation illustrated as below;

DRC utilization @ receiving plot	=	Extent of existing TDR (in FAR)	X	Market Value of originating plot at the time of approval of the plan for utilization of Transferrable Development Rights	X	FAR of receiving plot
				Market value of receiving plot at the time of approval of the plan for utilization of Transferrable Development Rights		

**10. Fee for registration of Development Rights transactions.-** The Authority shall charge fee for issuing, transferring and utilizing Development Right Certificate as follows:-

- (a) Issuing Development Right Certificate: Rs. 100/- shall be collected by Public Authority along with Development Rights option / consent letter from the owner of the property and remitted to the Planning Authority.
- (b) Transferring Development Right Certificate: Rs. 5 per square meter subject to a minimum of Rs.500/- (shall be borne by the Transferee); and
- (c) Utilizing Development Right Certificate: Rs. 500/- (In case of Development Right Certificate holder in the originating plot or receiving plot and as per the utilization certificate issued in **FORM-VIII** )

**11. Audit of the transactions of the Development Right Certificates and Transferable Development Rights fund.-** (1) The Additional Director of Town and Country Planning or Joint Director of Town and Country Planning of the respective Zonal or Divisional office and in the Bangalore Metropolitan Region, the Metropolitan Commissioner, Bangalore Metropolitan Region Development Authority shall audit all transactions pertaining to issue, transfer and utilization of Development Right Certificate within six months of close of every financial year.

(2) The Transferable Development Rights fund of the Authority shall be Audited by the State Accounts Department within six months of close of every financial year.

(3) The Authority shall send both the Audit reports along with compliance to the Government and the Government shall place the same before both the houses of the State Legislature.

**12. Valuation of Building.-** For the purpose of calculation of eligible notional land for having surrendered part or whole of Building area, following procedure shall be adopted,-

Eligible Notional Land in m<sup>2</sup>= Valuation of built up area surrendered \*  
Market value of the originating plot per m<sup>2</sup>

\* Valuation of Built up area as per the PWD norms.

**ILLUSTRATION FOR ISSUE AND UTILIZATION OF DEVELOPMENT RIGHTS  
(see sub-rule (9) of rule 4)**

**1. Calculation of Notional land.**

(i) Notional land for land area surrendered in m<sup>2</sup> = Land Area surrendered at the Originating Plot in m<sup>2</sup> X 2

..... (1)

(ii) Notional Land for building area surrendered=

Valuation amount of the building area surrendered in the originating plot

-----  
Guidance value of the land in the originating plot per m<sup>2</sup>

(iii) Total **“Notional Land”**= **“Notional land”** for land area surrendered + **“Notional land”** for building area surrendered (1+2)

**2. Quantum of “Notional land.”**

(a). When Development Rights is used as Transferable Development Rights, the Transferable Development Rights in the form of **“Notional land”** available for the receiving Transferable Development Rights land or plot shall be the resultant of the **“Notional land”** available as Development Rights of the originating plot, multiplied further by a factor arrived at by dividing the market value of the originating plot with the market value of the receiving plot.

$$\text{Factorized Notional land} = \text{Notional land at originating plot} \times \frac{\text{Market value of the originating plot at the time of approval of the plan for utilization of Transferrable Development Rights}}{\text{Market value of receiving plot at the time of approval of the plan for utilization of Transferrable Development Rights}}$$

**Example: 1.**

- Land ‘A’ (originating plot) surrenders 100m<sup>2</sup>. having a market value of Rs.1500/ m<sup>2</sup>.
- Development Right Certificate issued to land ‘A’ (originating plot) for surrendering 100m<sup>2</sup>  
= 100 m<sup>2</sup> x 2 = 200m<sup>2</sup> (**“Notional land”**)
- Land ‘B’ (receiving plot) has a market value of Rs.3000/m<sup>2</sup>.
- Factor to be multiplied to the Development Rights of the originating plot, to derive Transferrable Development Rights of the receiving plot  

$$= \frac{\text{Market value of originating plot Rs.1500/m}^2}{\text{Market value of receiving plot Rs.3000/m}^2} = 0.5$$
- **“Notional land”** as T.D.R. for land ‘B’ (receiving plot) will be = 200 x 0.5 = 100m<sup>2</sup>

**Example: 2.**

- Land ‘A’ (originating plot) surrenders 100m<sup>2</sup>. having a market value of Rs.3000/ m<sup>2</sup>.
- Development Right Certificate issued to land ‘A’ (originating plot) for surrendering 100m<sup>2</sup>  
= 100 m<sup>2</sup> x 2 = 200m<sup>2</sup> (**“Notional land”**)
- Land ‘B’ (receiving plot) has a market value of Rs.1500/m<sup>2</sup>.
- Factor to be multiplied to the Development Rights of the originating plot, to derive Transferable Development Rights of the receiving plot

$$= \frac{\text{Market value of originating plot Rs.3000/m}^2}{\text{Market value of receiving plot Rs.1500/m}^2} = 2.0$$

- **“Notional land”** as Transferable Development Rights for land ‘B’ (receiving plot) will be  
 $= 200 \times 2.0 = 400\text{m}^2$

### 3. Utilization of Notional land.

The **“Notional land”** as Transferable Development Rights (for receiving plot B) shall be multiplied by the permissible Floor Area Ratio of Plot ‘B’ to arrive at the additional floor area of the receiving plot(Plot ‘B’) by using Transferable Development Rights. Such additional floor area shall be added to the permissible floor area of plot ‘B’ to derive the total floor area eligible for receiving plot (subject to the limitation of floor area of the receiving plot prescribed in these regulations)

**Additional floor area in m<sup>2</sup> for the Notional land (Development Rights) = Factorized Notional land X Permissible Floor Area Ratio of the Development Rights Receiving plot.**

#### Illustration:

Receiving Plot B: 9.0 mx 12.0 m=108 m<sup>2</sup> (Market value: Rs.1000/m<sup>2</sup>)  
 Land surrendered at Originating plot A =100m<sup>2</sup>  
 Notional land granted=100 x 2=200 m<sup>2</sup>

	Utilization of notional land for different values of permissible Floor Area Ratio		
	Floor Area Ratio:1	Floor Area Ratio:2	Floor Area Ratio:3
Permissible floor area for Plot <b>B</b>	108 m <sup>2</sup>	216 m <sup>2</sup>	324 m <sup>2</sup>
Utilization of Notional land as additional floor area for Transferable Development Rights	200x1=200 m <sup>2</sup>	200x2=400 m <sup>2</sup>	200x3=600 m <sup>2</sup>
Additional floor area for 0.6 times permissible Floor Area Ratio	64.8 m <sup>2</sup>	129.6 m <sup>2</sup>	194.4 m <sup>2</sup>
Maximum Allowable Development Rights (Notional land) : <b>Additional floor area/ Floor Area Ratio</b>	64.8/1=64.8 m <sup>2</sup>	129.6/2=64.8 m <sup>2</sup>	194.4/3=64.8 m <sup>2</sup>
Development Rights (Notional land) required at the market value of originating plot A: <b>Allowable notional land (Development Rights ) x Current Market Value of Receiving Plot / Current Market value of Originating Plot</b>	Notional land required to be utilized at receiving plot B		
1.Current Market value of Originating Plot : Rs. 500/m <sup>2</sup>	64.8x1000/500 = 129.6m <sup>2</sup>		
2.Current Market value of Originating Plot: Rs.1000/m <sup>2</sup>	64.8x1000/1000 = 64.8 m <sup>2</sup>		
3.Current Market value of Originating Plot: Rs. 1500/m <sup>2</sup>	64.8x1000/1500 = 43.2 m <sup>2</sup>		
4.Current Market value of Originating Plot : Rs.3000/m <sup>2</sup>	64.8x1000/3000 = 21.6 m <sup>2</sup>		

#### Example: 1

If Development Rights /Transferrable Development Rights is utilized in the remaining portion of the land surrendered



- Land 'A' (originating plot) having an extent of 1000 m<sup>2</sup> with a permissible Floor Area Ratio of '1.75' surrenders 100 m<sup>2</sup> of land for which Development Rights of 200m<sup>2</sup> of Notional land is generated.

- If land 'A' (originating plot) intends to use the Development Rights in the remaining portion (900m<sup>2</sup>) of the land, the total floor area of land 'A' (originating plot) shall be calculated as follows:

Permissible floor area of balance land of plot A, after surrendering 100m<sup>2</sup>  
 In the remaining portion of 900m<sup>2</sup> of land the Floor Area Ratio shall be  
 $900 \text{ m}^2 \times 1.75 = 1575 \text{ m}^2$  ----- (1)

At 0.6 times the allowable Floor Area Ratio to be utilized for Development Rights =  $0.6 \times 1.75 = 1.05$ .....as per terms and condition no. (vii)

Additional floor area which may be utilized for Development Rights =  $1.05 \times 900 = 945 \text{ m}^2$

Notional land required =  $945 / 1.75 = 540 \text{ m}^2$

Additional floor area by using Development Rights of 200 m<sup>2</sup> of Notional Land =  $200 \text{ m}^2 \times 1.75 = 350 \text{ m}^2$  ----- (2)

Hence full Development Rights of 200m<sup>2</sup> may be utilized in the same originating plot.

Total floor area for the balance land of 900 m<sup>2</sup> of plot A  
 = (1) + (2) =  $1925 \text{ m}^2$

### **Example: 2.**

If Development Rights is proposed to be utilized as Transferrable Development Rights in any eligible receivable plot other than the originating plot.

- If 'A' (originating plot) intends to sell the Development Rights (200m<sup>2</sup> of Notional Land for surrendering 100 m<sup>2</sup> of land ) as Transferrable Development Rights to land 'B' (receiving plot) having an extent of 2000m<sup>2</sup> with a permissible Floor Area Ratio of 2.25 (market value of land 'A' is Rs.1500 /m<sup>2</sup> and of land 'B' is Rs.3000/m<sup>2</sup>), the floor area of land 'B' (receiving plot) by using Transferrable Development Rights shall be calculated as follows:

Permissible floor area of plot 'B' =  $2000 \text{ m}^2 \times 2.25 = 4500 \text{ m}^2$  -----(1)

Factor to be multiplied to the "Notional Land" (Development Rights of the originating plot)

$$= \frac{1500}{3000} = 0.5$$

Factorized "Notional Land" available as Transferrable Development Rights for plot B (from the "Notional Land" of 200 m<sup>2</sup> as Development Rights of plot A) =  $0.5 \times 200 \text{ m}^2 = 100 \text{ m}^2$

At 0.6 times the allowable Floor Area Ratio to be utilized for Development Rights =  $0.6 \times 2.25 = 1.35$

Additional floor area which may be utilized for Development Rights =  $1.35 \times 2000 = 2700 \text{ m}^2$

Maximum "Notional land" which may be utilized =  $2700 / 2.25 = 1200 \text{ m}^2 \times 3000 / 1500 = 2400 \text{ m}^2$  of Notional land of Plot A

Additional floor area for plot B by using Transferrable Development Rights of 100 m<sup>2</sup> of Notional Land =  $100 \text{ m}^2 \times 2.25$

$$= 225 \text{ m}^2$$
 ----- (2)

As 225 m<sup>2</sup> is less than 2400 m<sup>2</sup> the same may be utilized on plot B

Total floor area for plot B = (1) + (2) =  $4725 \text{ m}^2$

**Note:** Floor Area Ratio considered shall be the permissible Floor Area Ratio as mentioned in the Zonal Regulations of the approved Master Plan in force.

By Order and in the name of the Governor of Karnataka

**NAGARAJ**

Under Secretary to Government  
 Urban Development Department

**APPENDIX-I**  
**(see sub-rule (1) of rule (3) )**

**List of Local Planning Areas with Corporation cities eligible for Benefit of Development Rights.**

Sl.No	Local Planning Area
1.	Bengaluru
2.	Davanagere - Harihar
3.	Tumkuru
4.	Shivamogga
5.	Mysure
6.	Mangalore
7.	Hubli-Dharwad
8.	Belgaum
9.	Vijayapura.
10.	Kalaburagi
11.	Bellary

**FORM-1**  
**(see sub-rule (1) of rule 3)**

No

Dated:.....

**NOTIFICATION**

In exercise of powers conferred under section 14-B of the Karnataka Town and Country Planning Act, 1961 and rule 3 of the Karnataka Town and Country Planning (Benefit of Development Rights) Rules, 2016 the following Area mentioned in the schedule below is required by The..... (Name and Address of the Public Authority) for development of .....(Road, Parks, or any public purpose defined in the Act ) for implementing the proposals of the Approved Master Plan or proposals of the Local Authority . It is hereby informed to the land owners and interested persons whose lands are required for the public purpose to appear and submit their claims along with the copies of the relevant documents viz, (i) Sale/partition/ other deeds of title, (ii) Up-to-date RTC's (iii) Mutation Copy (iv) Tax paid receipts (v) conversion order of Non agriculture purpose (vi) Revenue sketch (vii) Akar Bhand etc, in person in the place and dates as indicated in the address below and state their respective interest in such land.

The place where land owners / interested persons have to appear and submit their claims	Name and address of the Divisional/sub-divisional/ branch offices	Date and time

The land owners/ interested parties of the scheduled properties whose lands are to be acquired shall give an option for Grant of Development Rights to the..... Public Authority as per The Karnataka Town and Country Planning (Benefit of Development Rights) Rules, 2016.

*The land owners shall receive twice the area of land surrendered in lieu of monetary compensation as Development Rights ( Notional land) and one time the building area surrendered as estimated by the value of the building area surrendered divided by the market value of the land on which the building is constructed. The Notional land can be utilized by factorizing with the market value at the originating plot and receiving plot. The Notional land is eligible for FAR and used as additional built up area at the receiving plot as per the terms and conditions prescribed in the rules.*

**SCHEDULE**

“Acquisition of land required for.....(published under annual scheme of works vide. No..... dated.....)”

Sl.no	Name of the District	Name of the Taluk	Name of the Village	Sy.no/ khatha no	Type of land	Nature of land	Area ( in sqm)	Name and address of the Land Owner/ interested persons

**Sd-**

**FORM-II**  
(see rule 3(2))

**(to be sent by the Public Authority to Planning Authority )**

**To,**  
**The Chief executing Officer,**  
**..... Planning Authority.**

In exercise of powers conferred under section 14-B of the Karnataka Town and Country Planning Act, 1961 and rule 3 of the Karnataka Town and Country Planning (Benefit of Development Rights) Rules, 2016, this Authority has notified the option for grant of Development Rights in lieu of monetary compensation vide Notification No.....Dated..... Further necessary due verification has been done by this under signed Authority and Development Rights certificates are to be issued to the following eligible land/ building owners who have opted for Development Rights in lieu of monetary compensation under the Right to Fair Compensation and transparency in land acquisition, Rehabilitation and Resettlement Act, 2013.

**List of land/ building area surrendered and land owners for which Development Rights Certificate is to be issued**

Sl No	Name and address of the land owner of the land/plot / Building for which Development Rights Certificate is to be issued	Address of the plot /land / building area	Public purpose the land/plot is required for	Dimension s of the land/plot	<i>Bounda ries of the land /plot</i>	Extent in sq. m of the land/plot likely to be surrendered	<i>Entitlement of Development Rights in the form of Notional Land</i>
1	2	3	4	5	6	7	8

This Authority recommends to issue Development Rights in the form of Notional land to the above mentioned land/ building owners within such time and terms and conditions prescribed in the Rules

**Sd/-**  
**Public Authority**

**FORM-III**  
(see sub-rule (3) of rule 3)

No

Dated:.....

**NOTIFICATION**

In exercise of powers conferred under section 14-B of the Karnataka Town and Country Planning Act, 1961 and rule 3 of the Karnataka Town and Country Planning (Benefit of Development Rights) Rules, 2016 the following Area mentioned in the schedule below is required by The..... (Name and Address of the Public Authority) for development of .....(Road, Parks, or any public purpose defined in the Act ) for implementing the proposals of the Approved Master Plan or proposals of the Local Authority .

*The following land/ building owners have opted for Development Rights in lieu of monetary compensation under the Right to Fair Compensation and transparency in land acquisition, Rehabilitation and Resettlement Act, 2013. The Development Rights will be given by the Authority as twice the land area surrendered and one time the building area surrendered and as estimated by the value of the building area surrendered divided by the market value of the land on which the building is constructed.*

The public is hereby informed about the details of the land and land owners and interested persons whose lands are required for the public purpose and Development rights are to be issued in lieu of Monetary compensation. Any objections and suggestions are to be addressed to the Commissioner, ..... Urban Development Authority within thirty days from the date of publication of this Notification.

**List of land/ building area surrendered and land owners for which Development Rights Certificate is to be issued**

Sl.no	Address of the plot /land / building area	Public purpose the land/plot is required for	Dimensions of the land/plot	Extent in sq. m of the land/plot	Boundaries of the land /plot	Name and address of the land owner of the land/plot for which Development Rights Certificate is to be issued

**Sd-  
Planning Authority**

**FORM-IV**  
(see sub-rule (4) of rule 3)

**OPTION FOR DEVELOPMENT RIGHTS CERTIFICATE BY THE APPLICANT**

Date:

From

.....  
(Name of owner of the land)  
Address

.....  
.....

To  
The .....  
.....

Sir,

I, Intend to surrender the under mentioned land bearing Survey No. .... of ..... Village of ...Hobli and .....Taluk reserved for the public purpose of ..... as per the Master Plan for the grant of "Development Rights Certificate".  
I / We forward herewith the following –

- Site Plan as per Master Plan
- Detailed Survey Plan
- Title Deed
- Property card and latest assessment book extract
- Up-to-date tax paid receipt
- The area statement of reservation duly certified by the architect
- Encumbrance certificate
- I / We hereby request that the land affected by the reservation of ..... May be taken over and Development Rights Certificate (D.R.C) in lieu thereof may be issued to me/us.

Signature of the Owner(s) of the land

Folio no: UDA/PU.A/Development Rights C/...../20....

Dated: Color:green

**FORM-V**  
**DEVELOPMENT RIGHTS CERTIFICATE**  
 (see sub-rule (2) and (23) of rule 4)

I, Commissioner/Chief Executive Officer,.....Urban Development Authority/Planning Authority hereby issue the Development Rights Certificate to the person(s) Mr/Mrs.....S/D/O..... residing at ..... who is/are the owner of the property no..... at .....(address) which has been Notified by the Public Authority for Acquisition vide, Notification Number.....Dated ..... in lieu of Monetary compensation as Development Rights . Recommendation of the Public Authority to issue Development Rights C for surrendering Area of extent .....sqm and Building area of ..... sqm at plot no.....at Sy.no:.....of .... Village.....Hobli.....Taluk ..... District ,vide registered relinquishment deed no..... Dated..... has been considered and Development Rights Certificate issued subject to the provisions of Section 14B of the Karnataka Town and Country Planning Act, 1961 and the rules there under:

Sl.no	Particulars	
	Location of the Land / building surrendered including survey number/ khatha number/ward number/ PID number of the property	
	<i>Registered Relinquishment deed details</i>	<i>No.....Dated.....</i>
	Extent of the land surrendered by the land owner in square meter, dimensions of the land surrendered showing the boundaries of the surrendered land	
	Extent of building area demolished/surrendered by the land owner in square meter	
	No of floors of the building area demolished/ surrendered	
	Type of construction of building area demolished/ surrendered	
	GPS co-ordinates of the surrendered property	
	Land use of the surrendered property in the approved Master plan	
	Notional land area credit in square meter of the land area surrendered in figures and words	
	Notional land area credit in square meter of the building area surrendered in figures and words	
	Total Development Rights credited: Notional land for surrendered land+ Notional land for Building area surrendered	
	Valuation amount of the building surrendered/ demolished	
	<i>Market value of the surrendered plot</i>	

Given under the common seal on ..... day of.....month of .....year

Commissioner,

..... Urban Development Authority.

**Note:** Any Discrepancy found in issue of Development Rights C due to misrepresentation of ownership documents at later date after issue of this certificate, the certificate is deemed to be invalid.

Sl. no	Folio no.	Development Rights C no.	Date and sanction no.	Extent of Notional land granted as Development Rights for land surrendered in square meters	Extent of Notional land granted for building area surrendered in square meter	Total extent of Notional land granted as Development Rights	Guidance value /Market value of the land on the date of sanction of Development Rights	address where Development Rights is utilized : originating plot or receiving plot	Transferrable Development Rights folio no. and certificate no... and date	Transfer / utilization of Development Rights in square meters (Registered document no)	Balance area of Development Rights	Signature of sanctioning Authority
1	2	3	4	5	6	7	8	9	10	11	12	13

Photograph of the land owner and thumb impression

Photograph(s) of land owner
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Signature
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Thumb impression
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**Folio no: UDA/PU.A/Transferrable Development Rights /...../20..... Dated:**

Color: yellow

**FORM-VI**  
(see sub-rule (2) of rule 4)

**TRANSFER OF DEVELOPMENT RIGHTS CERTIFICATE**

I, Commissioner,.....Urban Development Authority hereby issue the Transferrable Development Rights to the person(s) Mr/Mrs.....S/D/O..... residing at ..... Generated from the Development Rights C no..... issued on .....measuring .....m<sup>2</sup> of Notional Land to be Transferred at plot no.....at Sy.no:.....of .... Village.....Hobli.....Taluk ..... District, *as per registered document no.....signed by the transferor and transferee* to be utilized subject to the provisions of Section 14B of the Karnataka Town and Country Planning Act, 1961 and the rules there under:

Sl.no	Particulars of the Originating plot
	Folio no. and Certificate no. of the Development Rights Certificate issued
	Location of the Land / building surrendered including survey number/ khatha number/ward number/ PID number of the property
	Extent of the land surrendered by the land owner in square meter, dimensions of the land surrendered showing the boundaries of the surrendered land

	Extent of building area demolished/surrendered by the land owner in square meter	
	GPS co-ordinates of the surrendered property	
	Land use of the surrendered property in the approved Master plan	
	Total Development Rights credited: Notional land for surrendered land+ Notional land for Building area surrendered	
	<b>Particulars of the eligible receivable plot for Transferrable Development Rights</b>	
	Location of the Land / building where Development Rights are Transferred including survey number/ khatha number/ward number/ PID number of the property	
	GPS co-ordinates of the property where Development Rights is transferred	
	Notional land area credit in square meter Transferred as Development Rights to receiving plot.	
	Market value of the Receiving plot	
	Balance in the Originating Development Rights Certificate after credit in m <sup>2</sup>	

Given under the common seal on ..... day of.....month of .....year

Commisioner,

..... Urban Development Authority.

Photograph(s) of the land owner and thumb impression

Photograph(s) DRC holder(s)
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Signature
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Thumb impression
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**Photograph(s) of the land owner or interested person of receiving plot**

Photograph(s) Transferrable Development Rights holder
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Signature
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Thumb impression
------------------

**FORM-VII**  
**(See sub rule (11) of rule 4)**

**APPLICATION FORM FOR ISSUE OF UTILIZATION CERTIFICATE**

To,  
The Commissioner/Chief Executive Officer.

Date:---

-----  
I/We, the undersigned hereby request to allow to utilize the Notional land (Development Rights )/Transferrable Development Rights measuring (in words.....sq. mts. In figures.... Sq.mts.) out of the total Notional land (Development Rights )/Transferrable Development Rights available in the Development Rights Certificate No.....,dated..... Folio..... and permit the said Notional land (Development Rights )/Transferrable Development Rights to be utilized by the persons named below-

**PARTICULARS OF D.R.C./Transferrable Development Rights HOLDERS**

Development Rights Certificate No/Transferrable Development Rights No .....(Strikeout whichever is not applicable)

Folio No.....

**Name in full and Signature(s)**

- (1)..... (1).....
- (2)..... (2).....
- (3)..... (3).....
- (4)..... (4).....

**(A) Details of property where Development Rights Certificate /Transferrable Development Rights is originated :.....**

(B) Details of property where D.R.C/Transferrable Development Rights is proposed to be used i.e., Receiving plot or building

.....

(C) Area to be utilized in sq.mts. (in fig.) .....(with the plan sanction file number .....)  
(in words).....

(D) Balance Notional land (Development Rights )/Transferrable Development Rights as per D.R.C. in sq.mts. (in fig.) .....  
(in words).....

(E) Balance area in the D.R.C./Transferrable Development Rights after utilisation (in fig.) .....  
(in words).....

(Applicant Signature)

No:-----

**Dated:** -----



**FORM-VIII**  
**(See rule 10(c))**

**UTILIZATION CERTIFICATE**

This is to certify that the application made by Sri ..... dt:.....for the purpose of utilization of Transferrable Development Rights has been examined as per the plan and the applicant is eligible for utilization of Development Rights or Transferrable Development Rights ----- Sq.mtrs at receiving plot at building Address:.....Further it is certified that necessary entries have been incorporated in the Development Rights Certificate Register and the balance of Development Rights /Transferrable Development Rights with the applicant as on date is -----Sq.mtrs.

Signature  
Commissioner  
Urban Development Authority/  
Planning Authority

Copy to:  
The Commissioner,  
Local Authority.

**FORM-IX**  
**(see sub-rule (22) of rule 4)**

**REQUEST FOR TRANSFER OF DEVELOPMENT RIGHTS**

Date:

From  
.....  
(Name of Development Rights Certificate holder)  
Address  
.....  
.....  
To  
The Commissioner  
.....  
Urban Development Authority.

Sir,

Sub:- Request for Transfer of Development Rights in the name of .....to be utilized at.....  
Ref :- Registered transfer document no..... signed by.....(transferor) and .....(Transferee)



**FORM-XI**  
(see rule 9(a))

**Register for utilization of Development Rights Certificate /Transferrable Development Rights issued prior to the commencement of the Karnataka Town and Country Planning (Amendment) Act 2015.**

Sl.no	Folio no.	Development Rights Certificate no.	Date and sanction no.	Name and address of the land owner of land surrendered	Address of the plot /land / building area surrendered	Extent of land surrendered in sqm	Extent of building area surrendered	Development Rights issued for land/ building area surrendered in square meters
1	2	3	4	5	6	7	8	9

Guidance value of the land on the date of utilization of Development Rights	address where Development Rights is utilized : originating plot or receiving plot	Guidance value of the receiving plot on the date of utilization of Development Rights	Transfer / utilization of Development Rights in square meters	Balance area of Development Rights	registration fee paid details	Signature of the Sanctioning authority
10	11	12	13	14	15	16

**FORM-XII****Registered Relinquishment Deed**  
(see sub-rule (4) of rule 3)

This Agreement dated..... is made by the first party Mr/Mrs/Ms .....S/O;D/O ..... Residing at ..... and the representative of the Honourable Governor of Karnataka , .....Public Authority , the second party through this Relinquishment Deed .

The land bearing sy.no/ khatha no..... of .....village..... taluk.....district under the schedule is surrendered free from all encumbrances by the first party to the second party in lieu of Development Rights ..... Notional land (in sqm) to be issued under Section 14B of the Karnataka Town and Country Planning Act, 1961.

**Schedule**

Sl.no	Adress of the plot /land / building area surrendered	Public purpose the land is required for	Dimensions of the surrendered land	Extent in sqm of the surrendered land	Boundaries of the land surrendered

**This Relinquishment Deed is executed under the undersigned witnesses.**

**Witnesses:**

**First party**

**1.**

**Second party**

By Order and in the name of the Governor of Karnataka

**NAGARAJ**

Under Secretary to Government  
Urban Development Department