
KARNATAKA HOUSING BOARD (ALLOTMENT) REGULATIONS, 1983

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KARNATAKA HOUSING BOARD (ALLOTMENT) REGULATIONS, 1983

In exercise of the powers conferred by Section 76 of the Karnataka Housing Board Act, 1962 (Karnataka Act 10 of 1963) and in supersession of all existing Regulations on the subject, the Karnataka Housing Board, with previous sanction of the State Government hereby makes the following regulations, namely.

1. Title :-

(1) These regulations may be called the Karnataka Housing Board (Allotment) Regulations, 1983.

(2) These Regulations shall come into force at once.

2. Definitions :-

In these regulations, unless the context otherwise requires.

(a) "Act" means the Karnataka Housing Board Act, 1962 (Karnataka Act 10 of 1963);

- (b) "Allotment" means sale of a site/house under these regulations.
- (c) "Allottee" means a persons to whom an allotment is made under these regulations and includes heirs of such allottee;
- (d) "Board" means Karnataka Housing Board;
- (e) "Government" means the Government of Karnataka;
- (f) "House" means a dwelling unit whether detached, semi-detached or part of a row which can be allotted as a unit along with its land under these regulations and shall also include a flat;
- (g) "Sites" means sites formed in the layouts by the Board with different dimensions determined by the Board for being allotted to persons belonging to Economically Weaker Section, Low, Middle and Higher Income Groups of People, including shop sites and Industrial sites to be allotted to individuals or institutions;
- (i) "Income" means the gross household income of the applicant and his wife/her husband;
- (j) "Economically Weaker Section Group and Low Income Group" means the class of persons whose annual income does not exceed rupees seven thousand two hundred OR Such annual income as may be fixed by the Government from time to time.
- (k) "Middle Income Group" means the class of persons whose annual income exceeds Rs. 7,200/- but does not exceed Rs. 18,000 OR Such annual income as may be fixed by the Government from time to time.
- (l) "Higher Income Group" means the class of persons whose annual income exceeds Rs. 18,000/- but does not exceed Rs. 50,000 OR Such annual income as may be fixed by the Government from time to time.
- (m) "Price of the Site" means the value of the site including all incidental charges incurred for acquisition of such site and "Price of the house" means the value of the house together with the price of the site on which it is built which term shall also include all incidental charges that are incurred for construction of the said house. It also includes administrative and service charges or such other charges that may be incurred by the Board.
- (n) "Stray site/house" means a site/house which was once allotted but subsequently the allotment was cancelled by the Board or

surrendered by the allottee or a site/house which has been formed/constructed on account of readjustment in the plan subsequent to the issue of notification inviting applications for allotment of sites/houses.

3. Offer of Sites/Houses for allotment :-

(1) Whenever Board has formed sites and constructed houses in pursuance of any scheme, the Board may offer all or any of sites/houses for allotment to persons eligible for allotment under these regulations.

(2) Due publicity shall be given in respect of sites/houses for allotment specifying their location, number of sites/houses, the amount payable as Earnest Money Deposit/Registration Fee and such other particulars as the Board may consider necessary, by:

(a) Affixing Notices:

(i) On the notice Board of the Office of the Karnataka Housing Board;

(ii) On the Notice Board of the Divisional, Sub-Divisional Office(s) of the Karnataka Housing Board in whose area the sites/houses are to be allotted;

(iii) On the Notice Board of the Taluk office/Taluk Development Board office in whose area the sites/houses are to be allotted.

(b) Publication in the Karnataka Gazette, and not less than three daily news papers of which one should be a Kannada Daily having wide circulation in the area in which the sites are formed or houses are constructed, as may from time to time be decided by the Board.

Provided that if in response to any earlier notification for allotment of houses/sites in the same area or demand survey notification, adequate applications are available for allotment, it shall not be necessary for the Board to give publicity again for such sites/houses.

4. Reservation of sites/houses :-

¹ (1) The Board may on their own or under directions from Government reserve sites/houses in any area for allotment to any specified class of persons and such class of persons may consist of employees in any office or establishment in the City, Town or other

places in which the sites are formed/houses are constructed. There shall be reserved in each area where house/sites are notified a discretionary quota upto 10 per cent in each category of house/sites, subject to a maximum of which may be disposed by the Board at its discretion, with the prior approval of the Government.

(2) Where sites/houses are reserved under clause (1) the procedure to be followed for allotment shall be such as may be determined by the Board from time to time or as may be directed by the Government.

(3) The provisions of Rules 8 and 9 below shall mutatis mutandis be applicable for allotment of sites/houses reserved under clause (1), except for the Board's discretionary quota.

1. Sub-rule (1) substituted by GSR 64, dated 31-3-1994.

4A. Allotment of stray sites/houses :-

¹ The Karnataka Housing Board shall dispose of a stray site/house in accordance with the directions issued by Government from time to time.

1. Rule 4-A inserted by GSR 64, dated 31-3-1994.

5. Allottees to be a Lessee :-

Allottee of a site/houses notified under these regulations shall be deemed to be lessee of the site/house, until the lease is terminated or the site/house is conveyed to the allottee in accordance with these regulations. During the period of the leases the allottee shall pay the Board a rent of Rs. 10 only per annum at the beginning of each year.

6. Application :-

(i) Applications for allotment of sites/houses on lease-cum-sale basis by persons belonging to Economically weaker sections, Low Income Group, Middle Income Group and Higher Income Group shall be in the form for the time being approved by the Board which may be obtained from the office of the Board on payment of an amount prescribed by the Board which is not refundable. Application shall be accompanied by.

(a) Bank Draft for having deposited as Earnest Money Deposit/Registration Fee a sum of Rs. 1000 in respect of Urban Housing, EWS and LIG (A) houses and Rs. 2,000 for Urban Housing

EWS and LIG

(B) houses, a sum of Rs. 5,000/- MIG and a sum of Rs. 10,000 for HIG houses;

(b) When the applicant is an assessee to income tax, an assessment order on the income for the year preceding the year of application;

(c) When the applicant is not an assessee to income tax but a Government servant or an employee in any concern and is not in receipt of income from lands or other sources, a certificate from his official superior about his annual income;

(d) When the applicant is not an assessee to income tax nor is a Government servant or an employee in any concern, but is in receipt of income from lands, a certificate as regards his annual income from lands from a Revenue Officer, not below, the rank of a Tahsildar of a Taluk;

(e) When the applicant is neither an employee of Government nor any concern and he is not in receipt of income from lands, an affidavit as regards his annual income duly sworn to before a judicial Magistrate/notary public;

(f) When the applicant is an employee as well as a recipient of agriculture income, a certificate from the employer as well as certificate from the Tahsildar of the taluk regarding agricultural income.

(g) When the applicant belongs to scheduled caste, scheduled tribe and Backward tribe, a certificate from an officer of the social welfare department not below the rank of the district social welfare officer or a Tahasildar, or a member of legislature or parliament or from a Gazetted Government servant under whom he/she is employed;

(h) When the applicant is a physically handicapped person, a certificate from a Government Doctor, not lower in rank than an Assistant Surgeon;

(ii) When the applications are invited under regulation 3, the applications shall be presented in person or sent by registered post Acknowledgement due so as to reach the office of the board on or before the date and time fixed for receipt of such applications. Applications received after the date and time so fixed shall be

rejected;

(iii) The Earnest Money Deposit/Registration fee shall be refunded, if no allotment of sites/houses is made to the applicant, only after the allotment of sites/houses is decided by the board;

(iv) Where the applicant has desired that his application be considered for future schemes to be taken up by the board in the same area and has given his consent for the retention of the Earnest Money Deposit/Registration fee paid by him by the board, such deposits will not be refunded. Such deposits will bear interest after one year from the last date fixed for receipt of applications at the rates to be fixed by the board from time to time;

(v) The Earnest Money Deposit/Registration Fee paid by other unsuccessful applications will be refunded and they will not be entitled to any interest on the Earnest Money Deposit/Registration Fee.

7. Registration Application :-

(a) Application for allotment of sites/houses should be registered as and when they are received in a chronological order in a register to be prescribed by the Board showing the full details of applications. The applications received will be examined under Rule 8 below and a Registration Certificate issued to all the eligible applicants;

(b) After the expiry of the last date for receipt of applications, the applications received should be classified according to categories prescribed in Rule 9 below. The classified list shall be published in the Notice Board of the Karnataka Housing Board and also in the place where the lots are drawn for allotment of houses/sites.

8. Eligibility for Allotment :-

No persons shall be eligible for allotment.

(1) Who is not continuously residing within the limits of the City/Town or other place in which the sites are formed are houses are constructed for a period of 10 years immediately prior to the date of application:

Provided that the Board may relax this condition, in the case of employees of State Government and other Corporations, Local Bodies or other Institutions owned or controlled by the State Government who are transferable from one place to another, but intend to permanently settle in the City/Town/or other places

where sites/houses are applied for.

(2) Who or whose husband/wife, has been allotted a site/house by the Board or any other authority in the State of Karnataka.

(3) who or whose husband/wife/minor children own a house or site in any urban area Municipality in Karnataka State.

Explanation. For the purpose of this rule 'authority' means the Bangalore Development Authority, City Improvement Boards constituted under the Karnataka Improvement Board Act, 1976 Municipal Corporations, Municipal Councils or any other local authority.

9. Procedure for Allotment :-

All the applications for particular category of houses/sites such as Higher Income Group Middle Income Group, Low Income Group or Economically Weaker Section received for allotment of a house/site in each area shall be classified into the following categories.

- (a) Scheduled Caste/Scheduled Tribe and Backward Tribe;
- (b) Defence Personnel/Ex-serviceman;
- (c) Physically handicapped persons;
- (d) State Government servants (including employees of Local Bodies, Employees of State Government undertakings, University);
- (e) Central Government servants (excluding defence personnel but including employees of public sector undertakings, L.I.C., etc.); and
- (f) Others.

The notified house/sites, after reserving the Boards discretionary quota as specified in Rule 4(1) in each area for each category of house, shall be earmarked to the above categories as follows. Where the number of applications under each category exceeds the number of houses reserved for them as indicated above, the allotment shall be made by drawl of lots in public by the Housing Commissioner or any other Officer authorised by him in this behalf. The manner of drawl of lots will be decided by the Housing Commissioner. If the number of applications received for any category is less than the number of houses earmarked for that category, the number of houses exceeding the number of applications will be included in the quota earmarked for others.

- (a) The Housing Commissioner shall make arrangements for drawl of lots among all the eligible applicants. Notice of not less than 7

days specifying the date, time and venue of the drawl of lots shall be given to all the applicants by publication in the Local News Papers;

(b) Lots shall be drawn separately for the houses/sites earmarked for each category scheme wise in the Office of the concerned Executive Engineer, Karnataka Housing Board Division or any other suitable place, in the presence of eligible applicants, who may wish to be present at the time of drawl of lots;

(c) Lots shall be simultaneously drawn and recorded in respect of houses/sites and applicants and the number of applicants who have succeeded in the lots shall be arranged indicating the house number/site number which has been drawn by lots against that applicant;

(d) After drawl of lots under Clause 'C' further lots may be drawn to an extent of 10% of the number of houses/sites available for allotment and selected persons shall be kept under waiting list. Persons kept under waiting list will be allotted house/site, in case the persons selected under clause (c) fail to pay the Initial Deposit or take possession of the house/site as the case may be. The lists as per lots drawn up shall be placed before the Board and the Board shall approve the same. The approved list shall be published at the Office of the Board or such other places as may be specified by the Board.

10. Revocation of Proposal for Allotment of Sites/Houses :-

(1) The Board or any Officer authorised by it, may at any time for reasons to be recorded, revoke or cancel or modify any proposal to dispose of any site/house, if it is necessary to do so.

(2) When a revocation or cancellation or modification is made under clause (1), the applicant concerned shall be given the option to apply for other sites/houses and any application made accordingly shall be considered along with the other applications for sites/houses.

11. Revision of Price :-

The Board is competent to revise the price of the site/house at any time, for any reason which discloses that the price fixed provisionally is less than what it should be. The decision of the Board in this behalf is final.

12. Conditions of Allotment on lease-cum-sale basis :-

(1) The allottee shall pay as Initial Deposit to the Board, the difference between the cost of the house as provisionally determined by the Board less registration fee paid, and the loan admissible, in four equal instalments. The first instalment is payable within 30 days from the date of receipt of the provisional intimation of allotment and the subsequent 3 instalments on or before the date indicated in it.

(2) The allottee shall pay in one lumpsum the difference between the cost of the house as provisionally determined and the revised price of the house, within 30 days from the date of receipt of final intimation of allotment, which will be issued after the house is completed and is ready for occupation.

(3) The period permitted in clause (1) and (2) above for payment of Initial Deposit/revised price, of the house may be extended at the discretion of the Housing Commissioner by another 30 days, subject to payment of penalty equal to 25% of the Registration fee/Earnest Money Deposit.

(4) If no payment of Initial Deposit/Revised price of the house is made, within the time stipulated in clause (1) or extended under clause (2) above, the allottee shall lose his right to claim the allotment of house/site and the allotment shall be deemed to have been cancelled and 25% of the Earnest Money Deposit/Registration Fee made by him shall be forfeited to the Board.

(5) After payment of the revised price of the house, the allottee shall execute an agreement in the form prescribed by the Board within such period as may be fixed by the Board. If the lease-cum-sale agreement is not executed within the period specified by the Board, 50% of the Earnest Money Deposit/Registration Fee deposited by the allottee shall be forfeited: Provided that the Housing Commissioner, may extend the period already allowed, for valid reasons by another month, to execute the lease-cum-sale agreement without insisting on forfeiture of 50% of the Earnest Money Deposit/Registration fee. If the lease-cum-sale agreement is not executed even during the extended period, the allotment of the house should be deemed to have been cancelled.

(6) The balance of the price of the house shall be treated as loan from the Board to the allottee from the date of lease-cum-sale agreement, repayable at such rates of interest as may be fixed by

the Board from time to time, in equal monthly instalments, as per Archer's table as scheduled below.

(1)	For Urban Housing EWS/LIG (A)	20 years
(2)	For Urban Housing EWS/LIG(B)	15 years
(3)	For MIG Housing Scheme	12 years
(4)	For HIG Housing Scheme	10 years

(7) In case, where an allottee is desirous of altering the monthly equated instalments by offering to repay the balance of the price of house in a period shorter than the originally stipulated one, he may, during the currency of the entire period of repayment, exercise a maximum of two options for altering the number and quantum of monthly equated instalments, exclusive of the first option exercised by him at the time of execution of prescribed agreement. Any such option to be exercised by the allottee shall be for curtailment and not for extension of the period of repayment. In such cases, the recovery of the balance of sale price will be regulated as follows.

(a) The method of recovery of price with interest shall continue to be in monthly equated instalments as per Archer's table;

(b) The balance of price outstanding before the date on which the option is exercised shall be treated, for calculation purposes, as fresh balance of sale price and will be effective from the commencement of the next accounting date;

(c) The rate and the amount of interest recovered from the allottee prior to the exercise of the option, will remain unchanged and unaffected subject to provisions of clause (8) below.

(8) It is open to the allottee to repay the amount of loan with interest in shorter periods than described above or as agreed upon in the lease-cum-sale agreement. If an allottee repay the entire amount with interest including Penal interest on overdue instalments in total discharge of his liabilities within half of the period mentioned at clause (5), he shall be entitled to reduction of 1/2 per cent interest on the entire loan amount payable by him. The benefit of per cent rebate in interest shall be by adjustment in the final accounts.

(9) If the allottee commits default in the payment of any monthly

instalments, he will be liable to pay penal interest at 2 per cent per month. If the default continues for more than three consecutive months the Board shall resume the house/site under Section 45 of the Karnataka Housing Board Act, 1962 without any compensation to the allottee and re-allot the same in accordance with these regulations.

(10) The Board shall have the right to cancel the allotment and take possession of the site/house if at any time it is found that the allottee has made any misrepresentation or false statement in his application for allotment.

(11) The allottee shall abide by and comply with all the terms and conditions stipulated in the agreement executed by him and the provisions of the Act, Rules and the Regulations of the Board in force from time to time.

13. Allotment of Houses on Outright sale basis :-

Wherever, the Board has notified houses/sites for allotment on outright sale basis, the allottee shall pay the entire cost of the house as determined by the Board before executing the lease-cum-sale agreement. The conditions in Rule 13(i) to (v) will apply mutatis mutandis to these allottee also.

14. . :-

The site/house allotted shall not be conveyed or alienated by sale, transfer, mortgage, gift or otherwise by the allottee during the tenure of the lease which shall be 10 years even though the allottee pays the entire price together with interest within a shorter period:

Provided, the Board may permit to mortgage the site/house for raising loan from the State/Central Government and other institution recognised by the Board which give loans for housing purposes, for the purpose of clearance of outstanding loan with interest taken from the Board or for the purpose of improvement of the house, allotted by the Board.

15. . :-

No sale deed shall be executed in favour of an allottee in respect of site/house allotted until the entire cost of the site/house together with interest thereon has been paid in full and a minimum lease period of 10 years is completed:

Provided that the Board may permit the execution of the sale deed

in favour of the allottee after 5 years provided the allottee pays the entire cost of the house together with a fine equivalent to 25% of the cost of the house in the case of HIG houses 15% of the cost of the house in the case of MIG houses, 10% of the cost of the house in the case of LIG houses and 5% of the cost of the houses in the case of EWS houses.

16. . :-

The Karnataka Housing Board (Allotment) Regulations, 1967, are hereby repealed.

Provided that application for allotment received under the said Regulation and Pending disposal shall be disposed of in accordance with these regulations.