

**Karnataka Town And Country Planning (Amendment) Act,
2015**

38 OF 2015

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**Karnataka Town And Country Planning (Amendment) Act,
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An Act further to amend the Karnataka Town and Country Planning Act, 1961.

Whereas it is expedient further to amend the Karnataka Town and Country Planning Act, 1961 (Karnataka Act 11 of 1963), for the purposes hereinafter appearing;

Be it enacted by the Karnataka State Legislature in the Sixty-Sixth year of the Republic of India as follows:-

1. Short title and commencement :-

(1) This Act may be called the Karnataka Town and Country Planning (Amendment) Act, 2015.

(2) It shall come into force at once.

2. Amendment of section 2 :-

In the Karnataka Town and Country Planning Act, 1961, (Karnataka Act 11 of 1963) (hereinafter referred to as the principal Act), in section 2, after clause (1b), the following shall be inserted, namely:-

"(1-ba) "conurbation boundary" means the boundary within which

the different land use zones for developments are proposed in the Master Plan for the plan period."

3. Amendment of section 14-A :-

In section 14-A of the Principal Act, sub-section (3) shall be omitted.

4. Substitution of section 14B :-

For section 14B of the Principal Act, the following shall be substituted, namely:-

"14B. Benefit of development rights.-

(1) In a Local Planning Area if any Public Authority requires any Area for the public purpose, it shall notify the same in such manner as may be prescribed and the owner of such Area hands over possession of such Area free from all encumbrances to such Public Authority in lieu of any compensation, under the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (central Act 30 of 2013) or any other law, he shall, notwithstanding anything contained in this Act or regulations, be entitled to be granted Development Rights (DR) under this section subject to conditions specified below. The Planning Authority shall issue Development Rights to such persons not more than the extent specified in table below, subject to such terms and conditions as may be prescribed.

(2) The provisions of this section shall be applicable to the Local Planning Areas having City corporation and may be extended to other Local Planning areas as and when required by the State Government by notification from time to time.

(3) No Development Rights shall be granted under this section unless the Public Authority deposits the amount with Planning Authority equal to the market value of the area required: Provided that the Local Authority and Planning Authority are exempted from such deposition.

(4) The Public Authority intending to obtain Development Rights in favour of owners shall apply to the Planning Authority enclosing the list of land owners who have surrendered the area for the public purpose as per the provisions in sub-section (1) after verifying title over such property and ensuring that no other person has any claim over such property. It shall also specify the details of entire land or building so surrendered along with payment of Deposition Amount as per the market value, to the Planning Authority.

(5) The Planning Authority before issuing Development Rights shall verify and notify the details of Area surrendered in the news paper calling objections and suggestions, if any, for the purpose of Development Rights and the Development Rights intended to be issued, after satisfying itself beyond doubt that the persons claiming Development Rights is entitled for the same.

(6) If the owner does not agree to surrender his Area" required by a public Authority for any public purpose, for the Development Rights and demands for monetary compensation, then the public Authority may acquire such Area by providing compensation as per the provisions of the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (central Act 30 of 2013) or any other law prevailing.

(7) Any Area owned by Public Authority required for public purpose by a Local Authority shall also be eligible to obtain Development Right if such Area is surrendered to the Local Authority in lieu of any compensation under the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (central Act 30 of 2013).

(8) The Authority competent to approve Building plan shall not approve utilization of the Development Right unless an entry to that effect is made in the Development Rights Certificate and in the register/database maintained by the Planning Authority as prescribed.

(9) The Planning Authority after considering objections or suggestions received under sub section (5) shall verify the details for sanction of Development Rights and if found eligible issue it in the form of Development Right Certificate (DRC) under intimation to the public Authority to the owner specifying the extent of Notional Land as Development Rights admissible, subject to such terms and conditions as may be prescribed or reject it, quoting the reasons thereof. Provided that no such application shall be rejected without giving opportunity of hearing to the public Authority and the owner of such land.

(10) The Development Rights shall be calculated based on the land area or building area surrendered by the owner to any Public Authority free from all encumbrances and without claiming any compensation. The Land or building area so surrendered shall be converted into Notional Land to extent specified in the Table below based on the value of the land determined on the basis of Market value notified by the State Government under the Karnataka Stamp Act, 1957.

(11) The Deposition amount or fee amount received by the Planning Authority under sub section (3) or sub section (27) shall be kept in a separate account called Transferable Development Rights Fund of the Planning Authority and shall be granted and utilized in the concerned Local Planning Area by the concerned Local Authority or Planning Authority in the prescribed manner.

(12) The Development Rights so issued shall be utilized within the same Local planning Area to which it is issued.

(13) The Development Rights may be utilized within the same plot or in any other Area in the same Local Planning area by the owner or the owner of such Development Rights may transfer the Development Rights to somebody else who can use that Development Rights on any other Area within the Local Planning area, as Transferable Development Rights.

(14) The utilisation of Development Rights at the receiving plot shall be subject to limitations, as may be prescribed.

(15) Whenever the owner sells the Development Rights, it shall be registered in the Planning Authority after due entry in the register/database and on the Development Rights Certificate.

(16) No transfer or utilization of the Development Right shall be valid unless it is registered by the Planning Authority.

(17) The Planning Authority shall maintain a register/database and shall make entry of issue, transfer or utilization of Development Rights granted under this section in such manner as may be prescribed.

(18) Issue, transfer or utilization of the Development Rights may be done through electronic form and through internet in such manner as may be prescribed.

(19) The State Government shall establish a State level Development rights monitoring authority consisting of such number of members as may be prescribed to keep track of all transactions of Development Rights. It shall also have power to inspect, verify the records of concerned planning Authority pertaining to these transactions. It shall also have power to prosecute persons responsible for illegal or fraudulent transactions in contravention of the provisions of this section.

(20) No person shall be eligible for the Development Rights for the surrender of the areas earmarked for road, parks or common open spaces and Civic Amenity sites to the Planning Authority or Local Authority while obtaining permission for formation of layouts or development any land under section 15 or 17.

(21) The Planning Authority shall periodically publish total number

of Development Rights issued, transferred and the balance remaining in each Local Planning Area and the name of the holder in such manner as may be prescribed.

(22) Any person aggrieved by any order of the Planning Authority may appeal to such Appellate Authority, in such manner, as may be prescribed. The appellate Authority may dispose the application with such direction as it deems fit. The decision of the appellate Authority shall be final.

(23) Any person who fraudulently create any Development Rights Certificate or fraudulently transfers Development Rights shall on conviction be liable for an imprisonment for not less than one year which may be extended to three years and to a fine which may extend to double the value of amount cheated by him.

(24) The member secretary of the Planning Authority, shall be responsible to file complaint before the Court regarding the offences committed under this section.

(25) In case of any dispute arising over the ownership of the Area surrendered, where the Development Rights Certificate issued for such Area is already transferred and utilized by any person other than the person who has surrendered the Area, such claims shall be restricted only to the extent of eligibility of compensation from the person who has surrendered the Area for Development Right. The Public Authority which verified the claims shall also be responsible for the wrong recommendation for issue of Development Right. It shall make good the loss occurred by it.

(26) All Development Rights issued before the commencement of the Karnataka Town and Country Planning (Amendment) Act, 2015 shall also be entered in the register/database maintained under this section in the same manner specified herein.

(27) Necessary fees as prescribed shall be collected by the Planning Authority for registering any transaction of issue, transfer or utilization of Development Rights Certificate.

(28) Every Transaction pertaining to issue, utilization or transfer of Development Rights and the Transferable Development Rights Fund of the Planning Authority created under sub-section (11) shall be audited every year by such officer as may be prescribed. The audit report alongwith compliance shall be sent to the Government by the concerned planning authority and the Government shall place the same before both the houses of the State legislature.

Sl. No.	PURPOSE FOR WHICH LAND SURRENDERED	DEVELOPMENT RIGHT ADMISSIBLE
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1.	Land Development Rights	
	(i) Any road widening/any road formation as proposed in Master Plan or as proposed by the Local Authority or Developing Authority.	
	(ii) Any infrastructure Projects approved by the Government (Transportation Water Supply, Sewage, Electricity, etc.,..)	Development Right in the form of "Notional land" which shall be equal to:
	(iii) Providing for parking, parks, play grounds and open spaces or any other public places proposed in the Master Plan or proposed by Local Authority	(a) two times of the Area surrendered;
	(iv) Providing EWS/LIG/affordable housing	(b) two times of the total area surrendered, in case the remaining area after surrendering the required portion for public purpose has become incapable of reasonable beneficial use.
	(v) Any other public purpose notified by the Government from time to time	
2.	Building Development Rights	
	All types of authorized buildings	Development Rights in the form of notional land which shall be equal to one time the land area derived by dividing the value of the building/portion of the building surrendered, by the market value of the land/plot on which the building is situated. The method of valuation of building shall be as prescribed.

Note.- The Development Rights in the form of Notional Land shall be multiplied by the permissible Floor Area Ratio of the plot where Development Rights or transferable Development Rights is proposed to be utilized, to derive the additional Floor Area eligible for that plot due to utilization of Development Rights or Transferable Development Rights.

Explanation.- for the purpose of this section,-

(a) "Area" means land/plot or land and building/portion of building thereon.

(b) "Deposition Amount" means the amount to be remitted by any Public Authority intending to acquire the area falling within the jurisdiction of the Local Planning Area. This amount shall be equal to the market value of the area to be acquired;

(c) "Development Rights (DR)" means the right given for development of land within the Local Planning Area in the form of "Notional Land" to an owner who

surrenders the area of land or building required for public purpose without claiming any compensation.

(d) "Development Right Certificate (DRC)" means the certificate of Development Rights issued to owner;

(e) "EWS/LIG" means such class of person as may benotified by the State Government from time to time;

(f) "Floor Area" means the floor area defined in the respective Zonal Regulations;

(g) "Market value" means the value determined as per the guidance value of land in accordance with a section 45B of the Karnataka Stamp Act, 1957;

(h) "Notional Land" means the Development Rights in the form oftheoretical land area and not in the form of real/physical land area, in lieu of compensation;

(i) "Public Authority" means the Planning Authority, Local Authority or an authority or a body owned and controlled by the State Government, Central Government or by both State and Central Government jointly having Authority by laws toacquire, hold and dispose of property together;

(j) "Public purpose", means and includes for the purposes of,-

(i) Any road widening/any road formation as proposed in Master Plan or as proposed by the Local Authority;

(ii) Any Infrastructure projects approved by the Government (Transportation, Water Supply, Sewage, Electricity, etc.,..)

(iii) Providing for parking, parks, playgrounds and open spaces or any other public places proposed in the master plan or proposed by Local Authority except cases under Section 15 and 17;

(iv) Providing EWS/LIG/affordable housing; and

(v) Any other public purpose notified by the Government from time to time."

(k) "Transferable Development Rights" (TDR) means the Development Rightgiven in the form of Notional Land to an owner, which can be sold or disposed or utilised elsewhere in the Local Planning Area. The DR ofthe Area surrendered in the form of Notional Land, shall be permitted as TDR only after factorising the Market Value of the Originating Plotand the Receiving Plot, as specified in the Terms and Conditions.

5. Amendment of section 17 :-

In section 17 of the principal Act, for sub-sections (1) and (2), the following shall be substituted, namely:-

"(1) The State Government shall by rules prescribe the standards to be followed and minimum extent of Land to be considered for approval of Layout for sub dividing a plot and prescribe the minimum extent of area to be earmarked for park, open spaces and civic amenity sites and laying out roads. Every person who intends to sub divide his plot by making a layout on or after the date of the publication of the declaration of Local Planning Area under section 4-A, shall submit detailed plan of the layout of his plot showing layout of roads, sub-divided plots and earmarking area for park and open spaces and civic amenities to such extent and in such manner, as prescribed.

(2) The Planning Authority may, within the prescribed period, sanction such plan either without modification or subject to such modifications and conditions as it considers expedient or may refuse to give sanction, if the planning authority is of the opinion

that such plan is not in any way consistent with the proposals of the Master Plan. Provided that where the Master Plans are not finally approved, in such cases the Planning Authority may sanction the layout plan as per the guidelines issued by the Government from time to time.

(2A) If the Authority decides to sanction the layout plans under sub-section (2), it shall sanction provisional layout plan in accordance with such rules as may be prescribed for demarcation and development purposes showing the sites, street alignment, park and civic amenity area and any other infrastructure facility including the arrangement to be made for leveling, paving, metalling, flagging, channeling, sewerage, draining, street lighting and water supply to the satisfaction of the Planning Authority and local authority. One copy of such plan shall be marked to the jurisdictional local authority. The owner shall relinquish the roads, parks to the local authority and Civic Amenity areas to the Planning Authority through registered relinquishment deed free of cost without claiming any compensation.

(2B) The Planning Authority shall ensure the completion of all development works including all infrastructure facilities as mentioned in sub-section (2A) under the supervision of the concerned Authority/ Agency/Department. On obtaining the certificate of completion from the concerned Authority/Agency/Department on having completed all the development works and on relinquishment of the roads, parks to the local authority and Civic Amenity areas to the Planning Authority and handing over the same, the Planning Authority may issue the final layout plan affixing the seal of the Planning Authority for registration purpose. Provided that no Commencement Certificate or licence shall be sanctioned or issued for buildings on sites in the layout unless the final layout plan is issued."

6. Amendment of section 18 :-

In section 18 of the principal Act, for sub section (1A), the following shall be substituted, namely:-

"(1A) Where an application for permission for development of building or land or sanction for sub-division of plot or layout of Private Street is submitted under section 15 or 17 to any Planning Authority, such Planning Authority shall levy and collect an additional prescribed fee for rejuvenation of lakes or tanks, if any, in that local planning area."

7. Amendment of section 18-A :-

In section 18-A of the principal Act, the clause (v) shall be omitted

8. Substitution of section 69 :-

For section 69 of the principal Act, the following shall be substituted, namely:-

"69. Acquisition of land designated for certain purposes in a Master Plan.-

(1) The Planning Authority may acquire any land designated in the Master Plan for "public purposes" by agreement or under the Right to Fair Compensation and Transparency in Land Acquisition Rehabilitation and Resettlement Act, 2013 (Central Act 30 of 2013) as in force in the State. Explanation.- For the purpose of this section land "designated for public purpose" means designated for the purpose of providing parks, open spaces, public or semi public utilities and infrastructure relating to transport.

(2) If the land designated for public purpose, as under sub-section (1), except land designated for purpose of clause (b) of sub-section (1) of section 12 is not acquired either by agreement within five years from the date of publication of the Master Plan under sub-section (4) of section 13 nor the proceedings under the Right to Fair Compensation and Transparency in land Acquisition, Rehabilitation and Resettlement Act, 2013(Central Act 30 of 2013) are commenced within period of five years, the designation shall be deemed to have lapsed.

(3) When the designated land use lapses under sub-section (2), the Authority may consider the new land use sought by the land owner of such land, based on the surrounding developments, in the meeting of the Authority, after previous publication in one or more daily newspapers of which at least one shall be in local language having wide circulation in the area and call for objections and suggestions in this regard.

(4) The Planning Authority shall after considering the proposals to assign land uses and objects and suggestions received in that behalf in the meeting of the Authority, the Authority may convey the assignment of new land use to the owner or reject the proposal for the reasons recorded there in."