

## **TRANSFER OF DEVELOPMENT RIGHTS (TDR)**

### **1. WHAT IS TDR?**

Transfer of Development Rights (TDR) means making available certain amount of additional built up area in lieu of the area relinquished or surrendered by the owner of the land, so that he can use extra built up area either himself or transfer it to another in need of the extra built up area for an agreed sum of money.

### **2. Purpose of TDR:**

The process of land acquisition in urban areas for public purpose especially for road widening, parks and play grounds, schools etc., is complicated, costly and time consuming. In order to minimize the time needed and to enable a process, which could be advantageously put into practice to acquire land for reservation purposes mentioned above.

### **3. Legal Basis for TDR:**

The Government of Karnataka felt it necessary to amend the K.T.C.P Act 1961 in order to empower the local bodies (Corporations / Planning Authorities) to permit additional FAR for the land handed over free of cost whenever such lands are required for road widening, and / or for formation of new roads or for development of parks, playgrounds and other civic amenities etc. As a result the Government has inserted a new section 14B in the K.T.C.P Act 1961.

### **4. Development Rights Certificate (DRC), whether transferable / Inheritable:**

If the owner of any land which is required for road widening for formation of new roads or development of parks, play grounds, civic amenities etc., those proposed in the plan shall be eligible for the award of Transferable Development Rights. Such award will entitle the owner of the land in the form of a Development Rights Certificate (DRC). Which he may use for himself or transfer to any other person.

## 5. Calculation of Development Right (DR):

### 1) ILLUSTRATION FOR USE OF TRANSFER OF DEVELOPMENT RIGHTS

**Illustration No. 1:** In a plot area of 500 square meters at road "A", where floor area ratio is 1.5:-

I.	Plot area	: 500 sqm
II.	Permissible floor area	: 1.5
III.	Buildable Floor Area	: $500 \times 1.5 \text{ sqm} = 750 \text{ Sqm.}$
IV.	Area surrendered	: 100 sqm
V.	Additional floor area in the form of Development rights	: 150 sqm
VI.	Plot area after surrender	: $500 - 100 = 400 \text{ sqm}$
VII.	Buildable floor area in plot area of 400 sqm (after surrender)	
	a) If Additional Floor area is not utilized in the same plot	: 750 sqm
	b) If Additional Floor area is utilized in the same plot	: $750 + 150 = 900 \text{ sqm}$

**Illustration No. 2:** In a plot area of 500 square meters at road "B", where floor area ratio is 0.75:-

I.	Plot area	: 500 sqm
II.	Permissible floor area	: 0.75
III.	Buildable Floor Area	: $500 \times 0.75 = 375 \text{ sqm}$
IV.	Area surrendered	: 100 sqm
V.	Additional floor area in the form of Development rights	: 150 sqm
VI.	Plot area after surrender	: $500 - 100 = 400 \text{ sqm}$
VII.	Buildable floor area in plot area of 400 sqm (after surrender)	
	c) If Additional Floor area is not utilized in the same plot	: 375 sqm
	d) If Additional Floor area is utilized in the same plot	: $375 + 150 = 525 \text{ sqm}$

**Illustration No. 3:** In a plot area of 500 square meters at road "C", where floor area ratio is 0.75 and Development right of 150 sqm originated at road "A" is transferred :-

I.	Plot area	: 500 sqm
II.	Permissible floor area	: 0.75
III.	Buildable Floor Area	: $500 \times 0.75 = 375 \text{ sqm}$
IV.	Additional floor area transferred for road "A"	: 150 sqm
V.	Total Buildable floor area	: $375 + 150 = 525 \text{ sqm}$

**6. Zones of TDR:**

Based on the intensity of development, the city is divided into intensively developed (A-zone), moderately developed (B-zone) and sparsely developed (C-zone) zones in the plan. The transfer of Development Rights shall be from intensively developed zone to other zones and not vice versa.

**7. Utilization of DRC:**

1. The DRC so permitted may be utilized either at the remaining portion of the area after surrender which will be limited to a maximum of 0.6 times eligible floor area ratio as additional floor area ratio in lieu of transfer of DRC, irrespective of road width.
2. The receiving plot shall abut not less than 12 mtr. wide road.
3. The receiving plot can utilize a maximum of 0.6 times the eligible FAR for that plot.
4. The utilization of DRC in favour of NRI or Foreign Nationals will be subject to rules and regulations of the RBI.
5. The Authority may charge a fee of Rupees one hundred for grant / transfer / utilization / revalidation etc., of DRC.
6. The TDR will be allowed to be utilized in multiples of 10 sq.mtrs only, except the last remainder.
7. The instrument of utilization of DRC shall have to be executed by both the parties – transferer and transferee.
8. For each request to utilize the DRC separate utilization form shall be submitted to the Authority.
9. The utilization form requesting to utilize the DRC shall be valid for six months from the date of issue of utilization form.
10. The DRC shall be valid for a period of 5 years. However, the same will be revalidated for a further period of 5 years. The DRC shall however, shall lapse after expiry of 10 years.

11. The Authority may reject / cancel the grant of DRC in the following circumstances:

- a) If any dues payable by the owners of the property to the State Government / Local Authority, prior to the date of handing over physical possession of the properties to the (Bangalore Mahanagara Palike) Authority.
- b) Where DRC is obtained by fraudulent means,
- c) Where there is a dispute on the title of the land, till settled by the competent court.