

**KARNATAKA ACT NO. 24 OF 2012**  
**THE KARNATAKA CONFERMENT OF OWNERSHIP ON MULAGENI OR VOLAMULAGENI**  
**TENANTS ACT, 2011**  
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**STATEMENT OF OBJECTS AND REASONS**

**Act 24 of 2012.-** In the districts of Dakshnina Kannada and Udupi, some types of mulageni leases in respect of non-agricultural lands mainly house sites are prevailing for various reasons. The mulgar's or intermediary's right to recover possession being a remote possibility, the only right available is to receive annual rent. Mulgenidars or volamulgenidars have already invested considerable amount by putting up structures, and improvements to the property either residential or commercial, but are unable to enjoy the holding, to its full extent, on account of reluctance of mulgar or intermediary to give consent for putting up structures or alienation of interest of mulgenidars or volamulgenidars. Therefore, the prevailing system of mulgeni lease is neither advantageous to mulgenidars or volamulgenidars, nor really beneficial to mulgars or intermediary.

Therefore, in public interest, it is proposed to provide for conferment of ownership on mulgenidars or volamulgenidars and for matters connected therewith or incidental thereto.

Hence the Bill.

[L.A. Bill No.08 of 2011, File No. Samvyashae 7 Shasana 2011]

[entry 18 of List III of the Seventh Schedule to the Constitution of India.]

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**KARNATAKA ACT NO. 24 OF 2012**

(First Published in the Karnataka Gazette Extra-ordinary on the Twenty Fifth day of July, 2012)

**THE KARNATAKA CONFERMENT OF OWNERSHIP ON MULAGENI OR VOLAMULAGENI TENANTS ACT, 2011**

(Received the assent of the President on the Thirteenth day of July, 2012)

An Act to provide for conferment of ownership on mulagenidars or volamulagenidars and other matters connected therewith or incidental thereto;

Whereas some types of mulageni leases in respect of non-agricultural lands mainly house sites are mostly prevailing in Dakshina Kannada and Udupi districts;

Whereas, for various reasons the mulgar's or intermediary's right to recover possession being a remote possibility, the only right available is to receive annual rent;

Whereas, mulgenidars or volamulgenidars have already invested considerable amount by putting up structures, and improvements to the property either residential or commercial, but are unable to enjoy the holding to its full extent, on account of reluctance of mulgar or intermediary to give consent for putting up structures or alienation of interest of mulgenidars or volamulgenidars;

Whereas, the prevailing system of mulgeni lease is neither advantageous to mulgenidars or volamulagenidars nor really beneficial to mulgars or intermediary, but on the other hand differences between the two have given rise to speculative transactions.

Whereas, conferment of ownership on mulagenidars or volamulagenidars on their paying certain amount to mulgars or intermediary in respect of conferment of their rights and interests in the holdings will put an end to multiplicity of litigation and eliminate scope for vested interests to indulge in speculative transactions and thus benefit mulgars, intermediary, mulagenidars or volamulgenidars;

And whereas, for the purposes hereinbefore stated, it is expedient in the public interest to provide for conferment of ownership on mulgenidars and volamulgenidars and for matters connected therewith or incidental thereto.

Be it enacted by the Karnataka State Legislature in the sixty first year of the Republic of India as follows:

**1. Short title, commencement and application.-** (1) This Act may be called the Karnataka Conferment of Ownership on Mulageni or Volamulageni Tenants Act, 2011.

(2) It shall come into force on such date as the State Government may, by notification, appoint.

(3) The Provisions of this Act initially apply to the Districts of Dakshina Kannada and Udupi. The State Government may, by notification, extend the application of the provisions of the Act to other parts of the State.

(4) It shall apply to all mulageni or volamulageni lease subsisting on the date of commencement of this Act.

**2. Definitions.-** In this Act, unless the context other requires,-

- (a) "Competent Authority" means the Tahsildar of the Taluk in which holdings is situated or such other officer not below the rank of Tahsildar in respect of such area as may be notified by the State Government;
- (b) "holding" means land with or without building which is the subject matter of a mulageni or volamulageni lease;
- (c) "intermediary" means a mulgenidar who has sub-let the holding to a volamulgenidar and who is entitled to receive rent from him but not in possession of such holding and includes heirs, successors, legal representatives of such mulgenidar;

- (d) "mulgar" or "mulidar" means a lessor of holding who is entitled to receive rent and includes his heirs, successors and legal representatives ;
- (e) "mulagenidar" means a mulageni tenant, on mulageni lease or his heirs, successors or legal representatives in possession of the holding liable to pay mulageni rent but does not include an intermediary;
- (f) "mulageni lease" means a permanent lease or lease in perpetuity and includes a submulageni lease from mulagenidar to volamulagenidar;
- (g) "mulageni rent" means rent fixed under the mulageni lease either in cash or kind or rendering service or by any one or more of all these means;
- (h) "volamulagenidar" means a sub-mulageni tenant who has taken the holding on submulageni from a mulagenidar and who is in possession of such holding and liable to pay rent to such mulagenidar or Mulidar as the case may be.
- (i) "Ward" means the ward as defined in section 2 of the Karnataka Municipalities Act, 1964 (Karnataka Act of 1964).

**3. Conferment of ownership right on Mulagenidar and Volamulagenidar.-** Every mulagenidar or volamulagenidar who, on the date of commencement of this Act, is in possession and enjoyment of the holding shall be entitled to be conferred with ownership of the holding, on his fulfilling the conditions specified in the succeeding sections and on conferring such ownership right on him, all rights and interest hitherto conferred on mulgar or intermediary as the case may be in such holding shall stand extinguished:

Provided that nothing in this section shall affect any mortgage or charge created in respect of such holding.

**4. Conditions for eligibility of conferment of ownership.-** A mulgenidar or volamulagenidar shall be eligible for conferment of ownership right on him under this Act if he pays to the mulgar or intermediary an amount as may be determined by the Competent Authority under section 7, by taking into consideration such guidelines as may be prescribed.

Provided that premium, if any, paid by the mulgenidar or volamulagenidar shall not be deducted in the amount payable under this section.

**5. Mulgenidars or Volamulagenidars to file applications.-**(1) Every mulagenidar or volamulagenidar entitled for conferment of ownership rights under section 3 and who desires to acquire ownership right over such holding held by him shall make an application to the competent authority in such form, containing such particulars, accompanied by such documents and within such time as may be prescribed.

(2) Separate application shall be made under sub-section (1), in respect of each holdings situated in different villages or wards and in respect of different mulgars or intermediary or volamulagenidar.

(3) Names of mulgars or intermediaries and all other persons who, in the knowledge of the mulgenidar or volamulgenidar, have interests in the holding concerned, shall be impleaded in the application as parties with full and correct postal addresses.

(4) Any mulagenidar or volamulagenidar whose application filed under the Karnataka Land Reforms Act, 1961 (Karnataka Act 10 of 1962) for conferment of occupancy rights has been rejected by the Land Tribunal for the reason that, the land in question is not an agricultural land, shall also be eligible to make application under this section.

**6. Enquiry before the Competent Authority.-** (1) On receipt of the application under section 5, the Competent Authority shall issue individual notices to all the persons mentioned in the application and also to such other persons as may appear to be interested in the holding, intimating the date and time fixed for their appearance and calling upon them to file their objections, if any, and produce relevant evidence in support of their objections.

(2) The form of notices, the manner of serving the notices and all other matters connected therewith shall be such as may be prescribed. The competent authority may for valid and sufficient reasons permit applicant to amend the application.

(3) On the date fixed for appearance, if the respondent fails to appear before the competent authority even after due service of notice or the respondent fails to file objections, the competent authority may, after making such verification as it deems proper, pass order either conferring ownership or rejecting the application.

(4) Where an objection is filed disputing the validity of the applicant's claim or setting up a rival claim, the competent authority shall, after holding such enquiry as it deems fit pass order either conferring the ownership or rejecting the application.

(5) The competent authority may, on the application of any of the parties, for reasons to be recorded in writing, correct any clerical or arithmetical mistakes in any order passed by it.

(6) The competent authority may, on its own or on the application of any of the parties, for reasons to be recorded in writing, correct the extent of holding or any order, passed by it after causing actual measurement and after giving opportunity of being heard to the concerned parties.

**7. Determination of the amount payable to mulgar or intermediary.-** (1) After passing the order under section 6, the competent authority shall, having regard to the guidelines issued under section 4, determine the amount payable to the mulgar or intermediary, if any, in respect of extinguishment of rights and interest of mulgar and intermediary in the holding and prepare a statement showing apportionment of the amount so determined among the persons entitled in accordance with the value of their respective rights and interest in the holding including such other particulars as may be prescribed.

(2) The amount payable under sub-section(1) shall be 500 times of the lease rental as is evidenced in the records. However, where the Mulageni lease is conditional requiring the permission of the Mulgar for alienation of the property the amount payable shall be calculated at 1000 times of the lease rent.

**8. Issue of certificate of ownership.-** (1) The mulgenidar or volamulgenidar on whom the competent authority has conferred ownership of the holding shall, within thirty days from the date of receipt of the order deposit the amount determined under section 7, before the competent authority.

(2) The competent authority shall, after the amount is deposited by the mulgenidar or volamulgenidar issue a certificate subject to decision of the appellate authority if any, that ownership has been conferred on the mulgenidar or volamulgenidar, as the case may be, and such certificate shall be conclusive evidence of conferring of such ownership.

(3) The competent authority shall forward a copy of the certificate issued under sub-section (2) to the concerned sub-registrar who shall, register the same in such manner as may be prescribed.

**9. Appeal.-** (1) Any person aggrieved by the order of the competent authority under section 6 may, within a period of thirty days from the date of the order of the competent authority appeal to the Assistant Commissioner of the Revenue Sub-Division concerned.

(2) The Assistant Commissioner may, after giving an opportunity of being heard to both the appellant and respondents, pass orders on such appeal, which shall be final. A copy of the order passed by the Assistant Commissioner shall be sent to the Competent Authority concerned.

**10. Bar of jurisdiction.-**(1) Except as provided in this Act, no Civil Court shall have jurisdiction to settle, decide or deal with any question which is by or under this Act is required to be settled, decided or dealt with by the competent authority or the Assistant Commissioner as the case may be.

(2) All pending proceedings on the date of commencement of this Act shall stand transferred to the competent authority who shall decide the same as if they were filed before him under section 5.

**11. Removal of difficulties.-** If any difficulty arises in giving effect to the provisions of this Act, the State Government may, by order not inconsistent with the provisions of this Act, remove the difficulties.

**12. Power to make rules.-** (1) The State Government may, by notification and after previous publication, make rules to carry out all or any of the purposes of this Act.

(2) Every rule made under this Act shall be laid down as soon as may be before each House of the State Legislature while it is in session for a total period of thirty days which may be comprised in one session or in two or more successive sessions and if before the expiry of the session, in which it is so laid or the sessions immediately following both the Houses agree in making any modification in the rule or both the Houses agree that the rule shall not be made, the rule shall thereafter have effect in such modified form or be of no effect, as the case may be, so however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

The above translation of ಕರ್ನಾಟಕ ಮೂಲಗೇಣಿ ಅಥವಾ ಒಳಮೂಲಗೇಣಿ ಗೇಣಿದಾರರಿಗೆ ಮಾಲೀಕತ್ವವನ್ನು ಪ್ರದಾನ ಮಾಡುವ ಅಧಿನಿಯಮ, 2011 (2012ರ ಕರ್ನಾಟಕ ಅಧಿನಿಯಮ ಸಂಖ್ಯೆ: 24) be published in the official Gazette under clause (3) of Article 348 of the Constitution of India.

**H.R.BHARDWAJ**  
**GOVERNOR OF KARNATAKA.**

By Order and in the name of the Governor of  
Karnataka

**G.K. BOREGOWDA**  
Secretary to Government,  
Department of Parliamentary Affairs and  
Legislation