

JANA MAHITI REPORT 2017



*Department of
Stamps and Registration, Karnataka*

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About the Author

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Dr. Das did her BA (Hons) and MA in English from Delhi University. After recruitment to the IAS, she read Political Science at the University of Hawaii (UH) U.S.A as the recipient of an East West Center grant. She has an MA and PhD from UH. Her PhD dissertation focused on gender and public policy.

Areas of expertise: economic policy and planning, gender policy and planning, education, human development, governance and e-governance, social groups, and, corruption in government.

Dr. Das has worked with the World Bank as a consultant in Ethiopia. She was Visiting Professor at the National Institute of Advanced Studies (NIAS) Bengaluru, and currently she is an advisor with the Janaagraha Centre for Citizenship and Democracy which is a non-profit organisation based in Bengaluru. As Advisor, Dr. Das deals with 3 anti-corruption initiatives grievance redressal, process reform and education outreach.

FOREWORD

WHO IS JANAAGRAHA

The Janaagraha Centre for Citizenship and Democracy is a non-profit organization based in Bengaluru.

Its principal objective is to improve the quality of life in urban India, through systemic change. Janaagraha sees ‘quality of life’ as comprising two distinct, but inter-related aspects – ‘quality of urban infrastructure and services’ (the quality of urban amenities such as roads, drains, traffic, transport, water supply etc.) and ‘quality of citizenship’ (the role that urban citizens play by participating in their local communities).

Janaagraha works with both citizens and government to catalyze civic participation from the grassroots up, as well as governance reforms from the top down.

ABOUT I PAID A BRIBE

I Paid a Bribe (IPAB) is an online initiative started by Janaagraha that focuses on retail corruption otherwise known as “transactional corruption” or “petty corruption”. It is the largest online crowd-sourced anti-corruption platform in the world today. IPAB collects bribe reports, to build a repository of corruption-related data across government departments. Most importantly, it empowers citizens, governments, and advocacy organizations to tackle retail corruption both within India and increasingly throughout the world.

IPAB works:

- To understand retail corruption by capturing data through crowd-sourcing
- To analyse the geography and institutional breeding grounds for corruption.
- To expose retail corruption. When people report, their experiences increase the perception of risk and decrease corrupt behavior.
- To create a network of

support – where people use the platform to share individual experiences – to understand the extent of corruption, how to avoid paying a bribe, what documents are needed, what is the process, and so on.

- To use the data to analyze trends, decipher work flows and advocate for changes of business processes within departments, to gradually eliminate opportunities for retail corruption altogether.



Since its launch on August 15, 2010, I Paid A Bribe (IPAB) has received around 10 million visits, recorded over 47,000 bribe reports amounting to over Rs 280 crores from more than 600 cities and towns in India.

It has also been scaled to 25 countries, with 12 more in the process of launching their own IPAB sites.

Over time as more and more individuals began using IPAB to document corruption and connect with other citizens facing similar issues, IPAB has received critical acclaim and recognition from institutions such as the New York Times, the BBC, The Hindu, the Economic Times, India Today, and Google.

Today IPAB has transformed into a globally-recognized innovation in the fight against 'retail' corruption.

As of July 2015, IPAB has partnered with 25 other countries to create replica IPAB sites and begun an international Crowdsourcing Against Corruption Coalition.

THE JANA MAHITI REPORT

This Jana Mahiti (People's Information) Report will provide an overview of the functioning of the department of Stamps and Registration in Karnataka with reference to the registration of the sale of immovable property.

The department has been selected because it generates a high percentage of the bribe reports on IPAB.

Reporters complain of delays, harassment, lack of transparency and accountability and coerced bribe paying.

The Jana Mahiti will provide information about the procedures

and processes involved in registering a sale of property document, and identify, based on IPAB complaints, those stages in the process that are particularly prone to retail or transactional corruption.

Then we will suggest how the process can be made corruption-free through reforms.

Empowerment of the citizen is a critical part of any anti- corruption strategy.

Access to information about laws, procedures and processes is poor leading to confusion and lack of transparency, often forcing

citizens to seek the assistance of agents/middlemen.

The Jana Mahiti Report will comprise:

- Information about the process of registration and the documents needed
- An analysis of bribe reports
- Identification of those spaces in the registration process that are vulnerable to bribe taking and giving, and
- Recommendations for change

ACKNOWLEDGEMENTS

I would like to thank the following people at Janaagraha who helped me write this Jana Mahiti: Dheeman Ghosh, Senior Associate- Civic Participation (Online) who reviewed data compilation, developed infographics, helped proof read the manuscript and steer it to completion; Rajat Shubhro Mukherjee, former Senior Associate- Civic Participation (Online) who compiled data from IPAB reports, prepared the tables in Chapter 3 and visited a Sub Registrar's office for field level information; Adrian Ross, Senior UX Designer who designed the Jana Mahiti Report, and designed infographics, tables and graphs; and Ananya Raghavendra, Intern- I Paid A Bribe.

Dr. Malati Das

ABBREVIATIONS

AIGR (Adm)	Assistant IGR (Administration)
AIGR (Aud)	Assistant IGR (Audit)
AIGR (Computer)	Assistant IGR (Computer)
DR	District Registrar
EC	Encumbrance Certificate
HQA to DR/AC of Stamps	Head Quarters Assistant to the DR/Assistant Commissioner of Stamps
IGR	Inspector General of Registration and Commissioner of Stamps
IPAB	I Paid A Bribe
RTC	Record of rights tenancy and crops
Sr. SR	Senior Sub Registrar
SR	Sub Registrar
SRD	Department of Stamps and Registration
SRO	Sub Registrar's Office

Chapter 1



THE DEPARTMENT OF STAMPS AND REGISTRATIONS

FUNCTIONS AND THE ACTS IT IMPLEMENTS

FUNCTIONS

Registration of documents
Registration of marriages under the Hindu Marriage Act, Parsi Marriage Act and Special Marriage Act
Registration of partnership firms
Deposit of Wills
Collection of Stamp Duties and Registration fees
Preservation and maintenance of records of transactions and their copies i.e. registered documents, marriages, firms and their indexes
Forwarding of "J" Form with reference to transfer of agricultural land to the Revenue department



SERVICES

Encumbrance Certificate
Copies of Marriage Certificates
Copies of registered documents, duly certified
Copies of registration documents of firms registered with the department

WHAT IS REGISTRATION AND WHEN IS IT MANDATORY?

Registration of sale of property transaction

Registration of a sale of property transaction involves the recording of transactions and sale of property under section 17 of the Indian Registration Act 1908 before an officer appointed by the state government. For all practical purposes this is the Sub Registrar of the department of Stamps and Registration.

Registration is mandatory in certain cases as indicated in

section 17.

Please see Appendix A for more information.

Legal Title

Registration is a public record of a transaction thus discouraging fraud and it enables the government to levy taxes on the procedure by way of stamp duties and registration fees, thus contributing to the state exchequer.

Time

Under section 23 of the Indian

Registration Act 1908, the time allowed for registration of a document is within 4 months of its date of execution.

Penalties

Under section 23 of the Indian Registration Act 1908, the time allowed for registration of a document is within 4 months of its date of execution.

Place of Registration

Registration of property sale documents is done in the office of the Sub Registrar (SRO). Bengaluru has 5 District Registrars and it is possible to register in any SRO within the jurisdiction of each district. This is known as “any time anywhere registration”. A person may register the sale of two or more properties located in different registration districts in one office.

Figure 1.1 Delays and Penalties

Delay	Fine
When the delay does not exceed one week after the expiration of the time allowed for presentation or appearance	Equal to the registration fee
When the delay exceeds one week but does not exceed one calendar month	Twice the registration fee
When the delay exceeds one month but does not exceed two months,	Five times the registration fee.
When the delay exceeds two months but does not exceed four months	Ten times the registration

SOME IMPORTANT TERMS

When engaging in the registration of a property sale document, a person encounters many terms which may appear strange and unfamiliar. This often creates confusion and/or fear in the minds of people who may find registration terminology opaque. This situation is a corruption trap as many people succumb to agents/lawyers/builders/Sub Registrar's office staff who promise to unwrap the mysteries of registration terminology.

Agreement to sell

An "Agreement to Sell" is a contractual agreement between parties to sell a property as per specified terms and conditions mutually agreed upon and sale will be completed on an agreed future date with payment.

Consideration amount

This is the price paid or agreed to be paid for the property mentioned in the sale document i.e. the sale price.

Date of execution

This is the date of signing by executants.

Encumbrance certificate

The encumbrance certificate (E.C.) is a record showing registered transactions pertaining to a property.

If mortgage, sale or any other deed in respect of a property have been registered, then they will be noted in the encumbrance certificate issued vide Form No.15. Unregistered transactions will not be shown in the E.C.

Immovable property

Immovable property includes land, buildings, hereditary allowances, rights to ways, lights, ferries, fisheries or any other benefit that arise out of land, and things attached to the earth or permanently fastened to anything which is attached to the earth but not standing timber, growing crops nor grass.

Market value

Market value is that which is estimated by the Market Value Committee constituted under section 45-B of the Karnataka Stamp Act 1957 or the sale amount (consideration) shown in the sale document, whichever is higher.

If the parties do not accept the market value so determined, they may appeal to the District Registrar. In such cases the Sub Registrar will refer the case to the District Registrar for determination of the market value under section 45 A of The Karnataka Stamp Act, 1957.

Nil Encumbrance Certificate

If no deeds of transactions have been registered in respect of a property, a nil encumbrance certificate is issued in Form No.16.

The certificate thus issued means that there are no registered transactions / liabilities on the property for a given period of time. Unregistered transactions are not included in this certificate.

Presenting Person

This is the person who presents the document in front of the Sub Registrar for registration.

Registration fees

Registration fees are levied under the Indian Registration Act 1908 and the Registration (Karnataka Amendment) Act 1976 and rules thereunder and is paid by the buyer of immovable property. The fees are assessed on the basis of market value or actual sale price of the property, whichever is higher.

Sale Deed

A sale deed is an instrument in writing executed by the vendor

(seller) and buyer which transfers the ownership and rights of the property or properties in exchange for a price paid or consideration. This is a document that must be registered in accordance with the provisions of section 17 of the Indian Registration Act 1908.

Stamp Duty

Stamp Duty is levied under the Karnataka Stamp Act 1957 and rules thereunder and is paid by the buyer of the immovable property. Stamp duty is assessed on the basis of market value or actual sale price of the property, whichever is higher. If the stamp duty so calculated is more than the amount of duty paid then the Sub Registrar will ask the buyer to pay the difference.

If the person refuses to pay then the Sub Registrar will impound the document and send to it to the District Registrar under Section 33 of the Karnataka Stamp Act.

Title Deed

A legal deed or document constituting evidence of a right,

especially, to ownership of property.

Figure 1.2 Responsibilities of the buyer against fraud

Scrutinise the original documents with care
Ascertain how the seller acquired the property
Get the Encumbrance Certificate of the property for a minimum period of 15 years from the office of the Sub Registrar concerned. This will reveal encumbrances, if any, on the property being bought
Verify if there is any litigation with regard to the property in any court
Also verify if there is any litigation, or other issues that could be impediments in revenue, municipal, gram panchayat offices about inheritance or any other matter
If the seller is a power of attorney holder, the principal must clarify that such power of attorney is genuine and it is still in force
Ensure that the transaction is not opposed to public policy under Section 22A of the Registration Act, 1908. If it is, the document will not be registered
Ensure, if the property in question has been granted to a person from the scheduled castes and scheduled tribes, that the transaction is not in contravention of the terms and conditions of the grant and also verify whether permission of the Government has been obtained for transfer



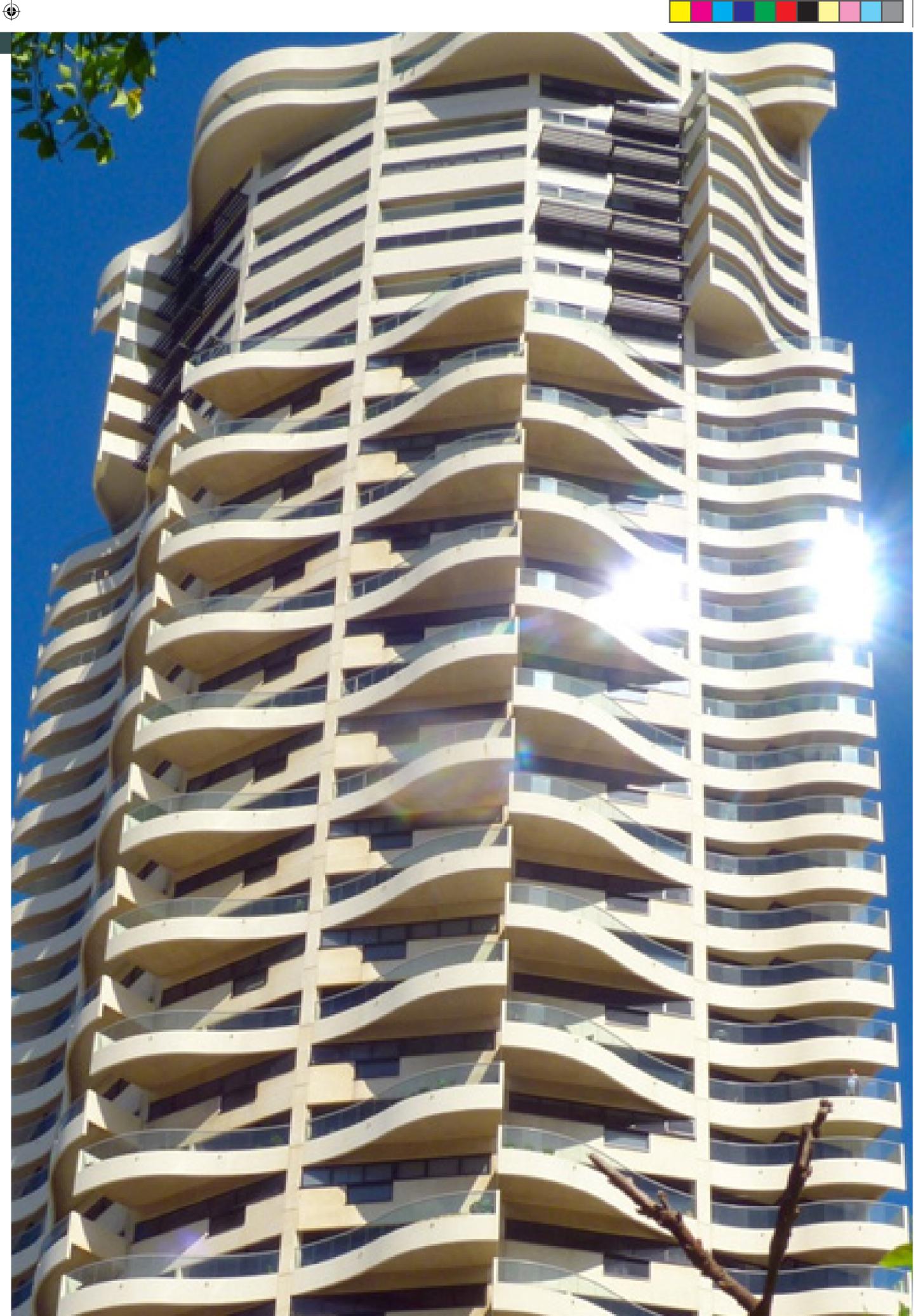
SALE OF FLATS/APARTMENTS

While the procedure is similar to the sale of any property sales transaction, buyers of flats/apartments will, however, find some differences between the transfer of flats/apartments and that of sites and houses.

Ownership of a flat/apartment comprises the following rights:

- Undivided interest in land
- Carpet area of flat/apartment
- Proportionate share in common area

The purchaser can become absolute owner of a flat/ apartment only after the sale of all the above three rights together are clearly mentioned in the sale deed and registered accordingly.



Chapter 2



THE REGISTRATION PROCESS

PRE-REGISTRATION PROCEDURES

The sale deed, which must be executed on non-judicial stamp paper, must contain the following information:

Names and addresses of the seller and the purchaser
Description of the property: survey no./khatha no, location, measurements in square feet/meters, and boundaries. If it is a building: the plinth area, type of roof, flooring, wood used, amenities available and year of construction
The sale value of the property in INR
Details of advance paid, if any, to the seller by the purchaser
Agreement to execute the absolute sale deed by a specific date
Seller confirms that the property is free of encumbrances
Seller agrees to put the purchaser in absolute and vacant possession of the property after executing the sale deed and registering it
All expenses towards stamp duty and registration charges will be borne by the seller
The seller will get clearances from authorities such as the Income Tax department.

DOCUMENTS REQUIRED FOR REGISTRATION

Two identical copies of the sale deed
Form No 1 in duplicate
Affidavit in duplicate. The affidavit is made on non-judicial stamp paper and must state that "Registration of this document does not violate the notification issued under Section 22A of the Registration Act"
Form No 60: If the value of the property is Rs.5 lakhs or more, this is a declaration made by a person who does not have a PAN or GIN and pays by cash
Form No 61: Where the value of the property is Rs. 5 lakhs or more, this is a form filed by a person with agricultural income and no other income chargeable to Income Tax
Extract of the assessment register of the property: this will help assess market value
If the property is agricultural land: (a) Copy of form 16 (RTC) and (b) No objection certificate from the Tehsildar if the land has been granted or occupancy rights have been granted under the Land Reforms Act 1961.

THE REGISTRATION PROCESS

STEP 1

The seller and the buyer also known as purchaser, arrive at the office of the Sub Registrar with the following:

- Sale Deed on non-judicial stamp paper,
- Supporting documents,
- Fees

STEP 2

Scrutiny by SRO of:

- The date of the stamp and date of purchase of the stamp paper/date of franking/date of embossing/date of certificate
- Date of execution of sale deed
- The consideration amount

STEP 3

SRO also verifies:

- The market value of the property
- Calculates the stamp duty and registration fee based on the market value or the consideration amount, whichever is higher
- The supporting documents are in order
- The presenting person is indeed the right person to present the sale deed

STEP 4

If the Sub Registrar determines, on the basis of the documents presented, that immediate registration is possible, the **Presentation Stamp** is affixed, mentioning the date and time of presentation (**Stamp no. 1**)



Figure 2.1 The Registration Process

Figure 2.2 Sale Deed - a preview



Chapter 3

I PAID A BRIBE REPORTS: AN ANALYSIS

The department has compiled a list of dos and don'ts for its users and several relate to corruption. Citizens are warned against using middlemen or paying them or handing them their receipts, and advised to pay only the prescribed fees, to always insist on receipts and complain to "higher authorities" if there have been misdemeanours.

EXPERIENCE OF RETAIL CORRUPTION

The IPAB website has 3 categories: ***I paid a bribe, I didn't pay a bribe*** (i.e. resisted bribe-paying) and ***I didn't have to pay a bribe*** (i.e. was not asked for a bribe). There is a fourth category where reporters can applaud the work of

those who did not take a bribe: ***I met an honest officer.***

The reports in the first category, vastly outnumber the reports in the other three categories.

One person went to the SRO confident that the process would be smooth as his documents were in order. He even asked someone to speak to the Sub Registrar and was taken aback when he was bluntly told to pay Rs 25,000 “to get the work done”.

He decided not to pay and go ahead with the registration with the help of his advocate as he believed an agent was needed to get any work done at the SRO.

Despite his determination not to pay a bribe, the complainant found himself harassed with queries and delays till he succumbed and paid the bribe amount .

I had gone to Sub Registrar, Mysore South, Mysore for registering the sale deed of a property I had purchased in an upmarket locality - Jayalakshmiapuram. As all the records were clean and the purchase value was much higher than the guidance value, I was confident that I did not have to bribe anyone. The day before I had contacted Mr Kiran (sub registrar) through a friend of mine who is [his] ...close friend... I was taken aback when he asked for Rs 25,000 as

bribe. I did not want to give that ...and did not confirm that I am ready to bribe. Instead I thought I can do it on my own and I asked my advocate to help me out with the registration process (as it is difficult for anyone to do any transaction on own in the SR office without agents help). As the sellers were from outstation and one of the sellers was flying abroad same evening, I wanted to finish the registration process as early as possible... Sub registrar Mr Kiran was not available on that day and ... SR Ms Shashikala was the only SR available that day. ...My document was one of the first ... documents to be taken to her for initial signing on the application (by the agent [off course]) ... she ...said that she wanted to see if any court stay order was there against registering the property. This was done after obtaining a clean Encumbrance certificate, all the legal heirs being present for the registration. The agent went and promptly got the register which has the entry of court orders. ... There were no court orders regarding any properties in Jayalakshmiapuram. When this register was shown to her, again left with no choice she said she wanted to see the copy of the court order ... my advocate arrived and tried to reason out with her, but she did not listen. So he went back to the clerk ...took out files of all the court orders and started checking them personally. But the order we were searching for was not available. ...Then she reluctantly signed the initial form with a caveat that she will register the deed only after seeing the alleged court order. ...the [SR] suddenly disappeared (at around 1 pm). We were waiting for her to come back and she did not come back even at 3:00 pm. We were getting jittery as one ...seller had to leave Mysore to airport at 4:00 pm. Then I got a call from my friend ... [he] asked me why I had gone for registration through the lawyer when Mr Kiran (since he was not available that day), had already discussed my property with Ms Shashikala. So

Ms Shashikala had already known that Kiran had asked for Rs 25,000 bribe. What she did not know was that I had not agreed to bribe. ... my lawyer also [said if] she had already zeroed [in] on the amount then there is no way I can escape it and the amount she was asking was on the lower side only. He did not want to press the matter saying ...he will face difficulties when he comes next time. ... I did not have any other option but to register the deed on the same day. ... I agreed to pay the bribe and handed over the bribe to another agent specified by them. Then things again started moving fast. Even though Ms Shashikala was not available, she asked one of her deputies to sign the documents which were promptly done. In addition I had to pay the lawyer (who was there to help me register without paying bribe) another Rs 10,000 for his trouble He maintained that most of it would be distributed to the office workers. Except for the senior officers, most of the documentation work is done by outsourced employees who work for paltry salary. But take money from the agents to make documentation faster. So much for making documentation digital. There are unofficial fees for taking photo, scanning and even affixing stamp. I could not help but think that I had made a complete Idiot of myself. If only I had agreed to pay Rs 2,5000 bribe, I could have saved the Rs 10,000 paid to the Lawyer and more importantly [not lost] one day of work (I had to reschedule and postpone surgeries).

Sreeharsha C.K.

[This report has been edited for brevity. The original can be read on the IPAB web site at

<http://bit.ly/2n9Q77f>

In another instance, I interviewed an IPAB reporter, Donald Pinto, a bank employee, who informed me that he was harassed at every step and turn by bribe seekers. Lack of knowledge about the laws and procedures led him to engage an agent who made him pay “anticipatory bribes”, despite which Mr.Pinto was confronted with a demand, just before the Sub Registrar was due to sign the document, for Rs.10, 000.00. Fearing his case would be delayed interminably, he negotiated to bring down the bribe amount to Rs. 5,500.

Mr. Donald Pinto had posted on IPAB regarding his unpleasant experience with the registration of his flat in Kamanahalli. The sale price was Rs. 37 lakhs.

During the interview, he said he had gone to the SRO at Manyata Tech Park. It was the jurisdictional SRO and he was not aware of “any time any place registration”. Mr. Pinto hired a person to help him with the registration process as he was unfamiliar with the laws and procedures. At the office his agent asked him to pay out Rs. 100 “as a tip”. He was shocked when he ended up “tipping” 7 people in what he presumed to be a goodwill gesture. When the file reached its last phase (signature of the Sub Registrar), an official who was in the Sub

Registrar’s chamber and who had processed the file earlier, came out of the chamber and took Mr. Pinto into another room and asked for Rs. 10,000 for the work done. Mr. Pinto refused to pay but the official was adamant. To add to Mr. Pinto’s woes, the seller was from Chennai and wanted the process completed as soon as possible. So he negotiated the bribe amount down to Rs. 5,500. He paid as he was afraid of delay. He paid the official; he never met the Sub Registrar.

When asked what could be done, to prevent corruption, Mr. Pinto said the very atmosphere in the office was vitiated by officials who read newspapers even as crowds waited their turn. The person who made entries in the register was openly collecting Rs.100 from each citizen. The officials also lied about procedures so as to extract money. He recommended the following measures:

- 1) *Have a board with the names, phone numbers and email addresses of senior officers.*
- 2) *Contact phone numbers on the website need to be updated.*
- 3) *When the call goes through to the officer the response is poor. This needs to be improved.*
- 4) *Prominently display signage indicating office hours and lunch breaks.*

Donald Pinto

[This report has been edited for brevity. The original can be read on the IPAB web site at

<http://bit.ly/2oxrizj>

Many people do not want to pay bribes but are pressured by builders or touts or SRO staff and feel helpless. When you are harassed for a bribe and there is no recourse what do you do? Like Ms. Madhavi, they often seek help from IPAB.

I am preparing myself for registration of my apartment for next week. My builder says I have to carry [Rs]25-30 [thousand] extra for bribe. My property is in PSR Aster in Sarjapur hobli, Anekal taluk.

It shocks me, I feel angry, frustrated and ashamed. Why should I give away my hard earned money to someone who has to do their job for which they are paid? I don’t want to pay the bribe and then come here and complain. Please help me get my property registered without bribe. That is the kind of service we need to provide to all common man, if we really want to fight corruption. Thanks.

Madavi

[This report has been edited for brevity. The original can be read on the IPAB web site at

<http://bit.ly/2phWpCk>

People who absolutely will not pay bribes have inspirational stories to share on IPAB. Mr. Bhupati Shukla refused to kowtow to the builder's demands for bribes to be paid to the SRO for registration of an apartment. He made common cause with like-minded apartment owners who also did not want to pay bribes, researched the procedures and documents needed for registration and went ahead and got it done without paying a bribe

I, along with two of my friends [were] the first customers of our apartment complex to complete our registrations without paying any bribe. At the time of booking, the builder collected Rs. 35000 from all the customers as legal fees. We were told that builder would help us all the way from doing the final registrations to getting the khata from BBMP. We don't have to do any running around and they would take care of everything. Now at the time of sending the final demand note for registration they also asked us to get 2 DDs for Rs. 13000 in the name of 2 lawyers who would help us with the registration process. About the 35K that we had paid earlier, they simply said that it was for a different purpose and it is nowhere written in the agreement that they will take care of the registration process. Whether its 35K or 13K legal fees, it actually stands for "bribe". I told them that I won't pay 13K and do the registration myself. They tried to mislead me in several ways by postponing the dates and giving wrong information. I asked them for a soft copy of the

sale deed and took a print of those on Rs. 2/- stamp papers that you get in many of the BDA complexes in Bengaluru. You need 2 witnesses to sign on the deed, so I teamed up with two more customers of the apartment complex, so that we could sign as each other's witnesses. You must visit the Sub Registrar office in the morning because whole process may last for the entire day. The timings are 10:30 AM to 5:30 PM. Given below is a list of the documents that you may need for registration 1. Khata certificate 2. Tax paid receipts. 3. Encumbrance Certificate (EC) 4. Khata extract 5. Previous sale deeds of the entire property 6. Conversion copies 7. Sanctioned plan copy 8. Joint Development Agreement (JDA) with GPA (General Power of Attorney) 9. PAN copy of the seller 10. Sale deed. 11. DD's in the name of The Sub Registrar. 12. Pan Card of purchaser(s) 13. Address proof of purchaser(s) 14. Witness - 2. 15. Form #1 and #2 (To be provided and filled in at sub-reg office) Out of these items 1 to 9 will be provided by the builder. You can get the sale deed format from the builder and print it on stamp paper yourself. You need to get 2 copies of the first 3 items and it should be signed by you and the builder's representative. Documents no 4 to 9 were not asked for by the Sub Registrar office, but it is good to have them to avoid harassment from bribe seeking officials. Similarly it is good to carry the address proofs of the witnesses too. You need to fill 2 copies of form 1 and 2. Form 1 is in English. Here you have to put your name and address, the total area of your flat, the total amount on which you are paying the stamp duty charges and your signature. Form 2 is in Kannada. In the first set of 2-3 lines you have to write your name and address, in the second set of 2-3 lines you have to write the seller's name and address. Another set of 2-3 lines below this can be left blank. Finally sign on the right hand side bottom of the page. A clerk at the Sub Registrar office examines your sale deed and

fills up a form where he calculates the stamp duty and registration charges to be paid by you. Then you submit all the documents along with 2 DDs (one for stamp duty and the other for registration fees). Then you are called in to take your photo on a webcam and the impressions of your left thumb. Similarly the photo and thumb impression of your builder's representative are also taken. You are asked to verify the details for spelling mistakes etc. before clicking on the button for registration. Then you are assigned a document number and the reverse side of the first 4 pages of the sale deed is printed with these information (photo and thumb impressions of the buyer/seller, witness names and addresses etc.) Finally it goes to the Sub Registrar for his signature and the entire document is scanned into the computer. You have to pay Rs. 35 per sheet for scanning and they give you a receipt for that. You are then asked to get 2 photocopies of the sale deed to be deposited at the Sub Registrar office and you can take the original with you. This completes the registration process. I was asked for a bribe for Rs 5000 but the sub registrar insisting that it is much less

than Rs 13000 that your builder is asking you. He called it "office fees" and said he has to share it with his higher ups also. I told him that I am ready to pay the "office fees" provided he gives me a receipt. Without a receipt I won't even give him 1 paisa. He became so nervous when I said this and sheepishly released my papers. These people have a guilty feeling and they can't look into your eyes if you are firm in your resolve to not pay a bribe. Later he sent a message through the builder's representative saying that he can still create problems for us in future like getting the khata etc. I was eagerly waiting to see what he can do. However I have got my khata also, again without paying any bribe.

Bhupati Shukla

[This report has been edited for brevity. The original can be read on the IPAB web site at

<http://bit.ly/2nOryNK>

Another reporter on the IPAB web site refused to pay unofficial “office stationery charges” (i.e. bribe) much to the disbelief of the official seeking the bribe but his work was done without the payment of the bribe. In an interview with me, Adarsh Iyer, software consultant, said he was a bribe fighter, determined never to pay a bribe. He always ensured that he was acquainted with the laws and procedures and was prepared to report cases of bribe seeking to anti-corruption agencies

Mr. Adarsh Iyer had posted on IPAB regarding registration of his property 508/A/20, 5th cross, 7th main, Mahalakshmi Layout on 12th Nov, 2014 at the Rajajinagar Industrial town Sub Registrar's office. There he was asked to pay for “stationery charges” but refused to do so despite repeated requests and veiled threats. During my interview with him, Mr. Iyer clarified that before going to the SRO, he had acquainted himself with the registration process by reading the relevant Acts as well as information contained in the SRD website. All his documents were in order. The sale price was twice the market value. He was also aware of “anywhere any time registration” and went to the nearest SRO. Everything went smoothly till the document was scanned. Before handing him the receipt, the office worker in charge of scanning asked Mr. Iyer to meet with a person

who was standing inside the office in front of the Sub Registrar's table. This man asked for “something” for “office supplies”. He indicated Rs. 2000.00 would be adequate. Mr. Iyer refused to pay. The person appeared to be surprised and reiterated his demand which was again rejected. Mr. Iyer got his sale deed registered without paying a bribe.

When asked how he succeeded where many had failed, he said (1) he was familiar with registration procedures. This was his fourth registration, (2) he was prepared to resist bribe paying at any cost and (3) he was prepared to go to anti-corruption agencies for redressal. He claimed that in one case, the Sarjapur village accountant asked for a bribe of Rs. 1,250.00 which led to his being trapped by the Lokayukta police on the basis of Mr. Iyer's complaint. He said bribe fighting had its costs. It cost him more than Rs 1,250.00 (the bribe amount) to make frequent trips to the Lokayukta's office to register his complaint not to mention the delay in getting the khatha change but in the long run these inconveniences were irrelevant if bribe takers were stopped in their tracks.

Adarsh Iyer

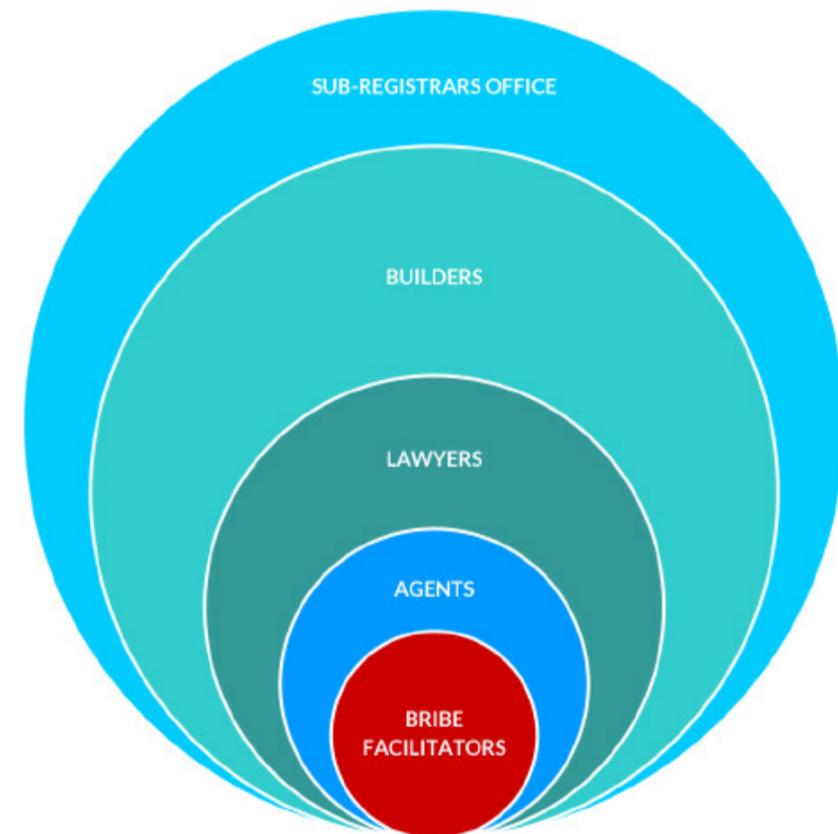
[This report has been edited for brevity. The original can be read on the IPAB web site at

<http://bit.ly/2p4QVuK>

BRIBE FACILITATORS

They are, according to I Paid A Bribe reports, the Sub Registrar's office (SRO), which may or may not include the Sub Registrar but includes other staff members including those who are not even government employees but are employees of the service provider of digital services, the builder, the agent variously known as middleman/tout, and the lawyer. There is a nexus between all 4 players as everyone claims to be taking the bribe money to facilitate the process at the SRO. The linkages are well exemplified in the figure below.

Figure 3.1 Bribe facilitators



The Sub Registrar's office

Over a 3 year period 2011-13, (table 3.1) data from IPAB shows that the maximum amount of bribe money was paid to the Sub Registrar's office. The number of counts of corrupt acts is uniformly the highest for the SRO across all 3 years.

The Sub Registrars, if they are corrupt (and not all are), reportedly do not ask for bribes directly. Usually, the modus operandi is that the bribes are demanded by lower level officials who justify it by saying the bribe will be distributed among all the staff. In some offices it is apparently done openly. It must be emphasized that a percentage of the bribes collected by other facilitators such as builders, lawyers, agents and touts reportedly also find their way

to these officers and officials. The staff is said to harass people at every stage of the registration process, forcing them to pay extra for copies, photographs and affixing stamps. It is possible to negotiate the quantum of the bribe to be paid but non-payment will receive severe reprisals. The process of registration can be deliberately delayed or irrelevant queries can be raised.

The builder

In recent times the number of complaints against the builder-SRO nexus has steadily increased on IPAB. Based on the total amount and count of bribes taken over a 3 year period 2011-2013, the builder ranks second in 2011 and 2013 (table 3.1)

As reported on IPAB, many

builders ask for the money upfront before registration. The amount varies according to the cost of the property. The general range reported is between Rs 10,000 to Rs 20,000.

If the money is taken in a "transparent" manner then it is billed as "Processing Fees", "Miscellaneous" or "Office Charges". In most cases the client must bring the "fixed" amount to the SRO along with the legitimate fees.

The lawyer

Many buyers hire lawyers to prepare the sale deed and steer it through the registration process. Reports on IPAB often reveal how some lawyers encourage their clients to pay bribes even when it is clearly not in the client's best

interest.

These lawyers justify their actions by saying the Sub Registrar should be placated and not paying a bribe will adversely affect the lawyer's other clients.

Based on the total amount and count of bribes paid over a 3 year period, the lawyer ranked at No 4 for 2011 and 2013; whereas in 2012 he ranked 2nd in terms of total amount and 4th in terms of count.

The agent

Although the Department strongly advises the public against using the services of an agent/tout, the middleman flourishes with the connivance of some staff in the Sub Registrar's Office. Their clout is visible in the quantum of bribes they collect.

IPAB reports reveal that middlemen have many avatars: they can be lawyers cum mediators introduced to clients by the builder or appointed by the buyer to ease the process, or they can be real estate agents and very often the tout is an “agent” who approaches the person in or near the office and s/he appears to have access to the Sub Registrar and the officials who push

through the registration process once the bribe amount has been settled on and paid.

Rankings from the three year comparison indicate the agent was no. 3 in terms of total count in 2011 and 2013 and no. 4 in 2012.

Picking the right agent who has free access to decision makers is critical. Just any person will not do.

Table 3.1 Bribe facilitators, bribe amounts and counts

Bribe Facilitators	2011		2012		2013	
	Amt (Rs)	No of bribes	Amt (Rs)	No of bribes	Amt (Rs)	No of bribes
SRO	6540090	342	1643050	75	843420	47
Lawyer	407970	25	336000	8	41500	3
Builder	1695490	86	201000	9	277000	13
Agent	697450	51	157220	17	52020	5

VOLUME OF BRIBES PAID

The volume of bribes paid can range from Rs 500 to over a lakh per transaction. According to the tables it varies between 0-10,000 and 10000-20000.

Table 3.2 Volume of bribes paid - 2011

Range (in Rs)	Frequency (count)	Mode (Rs/count)	Average (in Rs)
0-10,000	163	10,000 (59)	6,313
10,000-20,000	238	15,000 (74)	16,086
20,000-30,000	86	25,000 (46)	25,670
30,000-40,000	19	35,000 (12)	35,526
40,000-50,000	16	50,000 (15)	49,687
50,000-60,000	2	60,000 (1)	56,000
60,000-70,000	3	70,000 (2)	68,333
70,000-80,000	0	0	0
80,000-90,000	0	0	0
90,000-1,00,000	5	1,00,000 (4)	98,400
Above 1,00,000	5	4,00,000 (2)	2,84,000

Table 3.3 Volume of bribes paid - 2012

<i>Range (in Rs)</i>	<i>Frequency (count)</i>	<i>Mode (Rs/count)</i>	<i>Average (in Rs)</i>
0-10,000	46	10,000 (15)	6,170
10,000-20,000	43	15,000 (12)	16,046
20,000-30,000	15	25,000 (7)	26,733
30,000-40,000	4	40,000 (2)	37,750
40,000-50,000	0	-	-
50,000-60,000	1	55,000 (1)	55,000
60,000-70,000	0	-	-
70,000-80,000	1	75,000 (1)	75,000
80,000-90,000	0	-	-
90,000-1,00,000	2	1,00,000 (2)	1,00,000
Above 1,00,000	3	2,00,000 (1)	1,60,000

Table 3.4 Volume of bribes paid - 2013

<i>Range (in Rs)</i>	<i>Frequency (count)</i>	<i>Mode (Rs/count)</i>	<i>Average (in Rs)</i>
0-10,000	19	10,000 (5)	4,128
10,000-20,000	37	15,000 (12)	16,243
20,000-30,000	17	25,000 (8)	24,147
30,000-40,000	1	40,000 (1)	40,000
40,000-50,000	1	50,000 (1)	50,000
50,000-60,000	1	52,000 (1)	52,000
60,000-70,000	0	-	-
70,000-80,000	1	80,000 (1)	80,000
80,000-90,000	0	-	-
90,000-1,00,000	0	-	-
Above 1,00,000	1	2,00,000 (1)	2,00,000

SUB REGISTRAR'S OFFICES WITH THE MOST BRIBE REPORTS

Varthur topped the list of SROs with the highest number of bribe reports on IPAB in 2011 and 2012, after which Banaswadi had the highest number of bribe reports for 2013

Table 3.5 Sub Registrar's offices with the maximum bribe reports - 2011

<i>Office Location</i>	<i>Total Amount (in Rs)</i>	<i>Count</i>	<i>Average (in Rs)</i>
<i>Varthur</i>	2,91,000	15	19,400
<i>Begur</i>	1,60,600	12	13,385
<i>Koramangala</i>	1,83,010	10	18,301
<i>Banaswadi</i>	99,910	9	11,101
<i>K.R.Puram</i>	1,27,500	6	21,250

Table 3.6 Sub Registrar's offices with the maximum bribe reports - 2012

<i>Office Location</i>	<i>Total Amount (in Rs)</i>	<i>Count</i>	<i>Average (in Rs)</i>
<i>Basavangudi</i>	2,78,220	8	34,778
<i>Bommanahalli</i>	57,800	3	19,267
<i>Domlur</i>	95,000	3	31,667
<i>J.P.Nagar</i>	55,000	3	18,333

Table 3.7 Sub Registrar's offices with the maximum bribe reports - 2013

<i>Office Location</i>	<i>Total Amount (in Rs)</i>	<i>Count</i>	<i>Average (in Rs)</i>
<i>Banaswadi</i>	90,200	6	15,033.33
<i>Varthur</i>	58,500	5	11,700
<i>J.P.Nagar</i>	41,000	3	13,666.67
<i>Mahadevapura</i>	58,500	3	19,333.33
<i>Sarjapur</i>	51,000	3	17,000

WHY DO PEOPLE PAY BRIBES?

The three principal reasons cited by people for paying bribes over a 3 year period 2011-2013 are, a belief that there is no escape from bribe-paying and it is inevitable, the threat (overt or implicit) that services will be withheld or denied, and coercion (pressure). Speed money, and the urgency to get the work done were other reasons

Figure 3.2 Bribe report trends in Sub Registrar's offices - 2011 - 2013

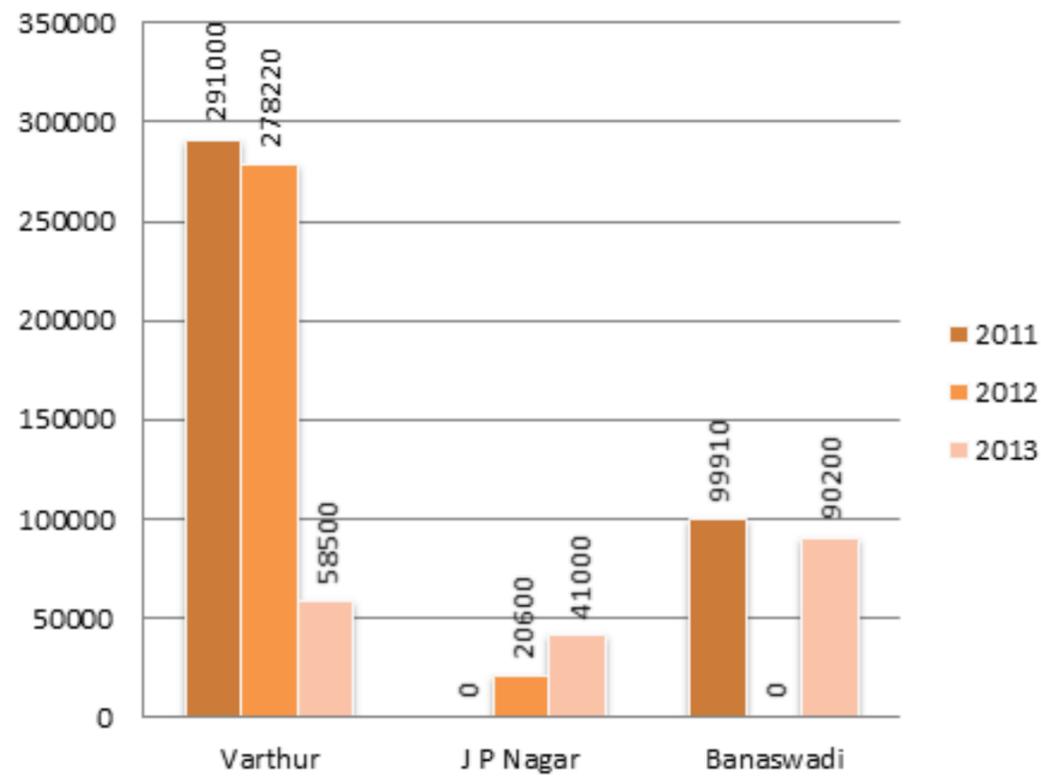
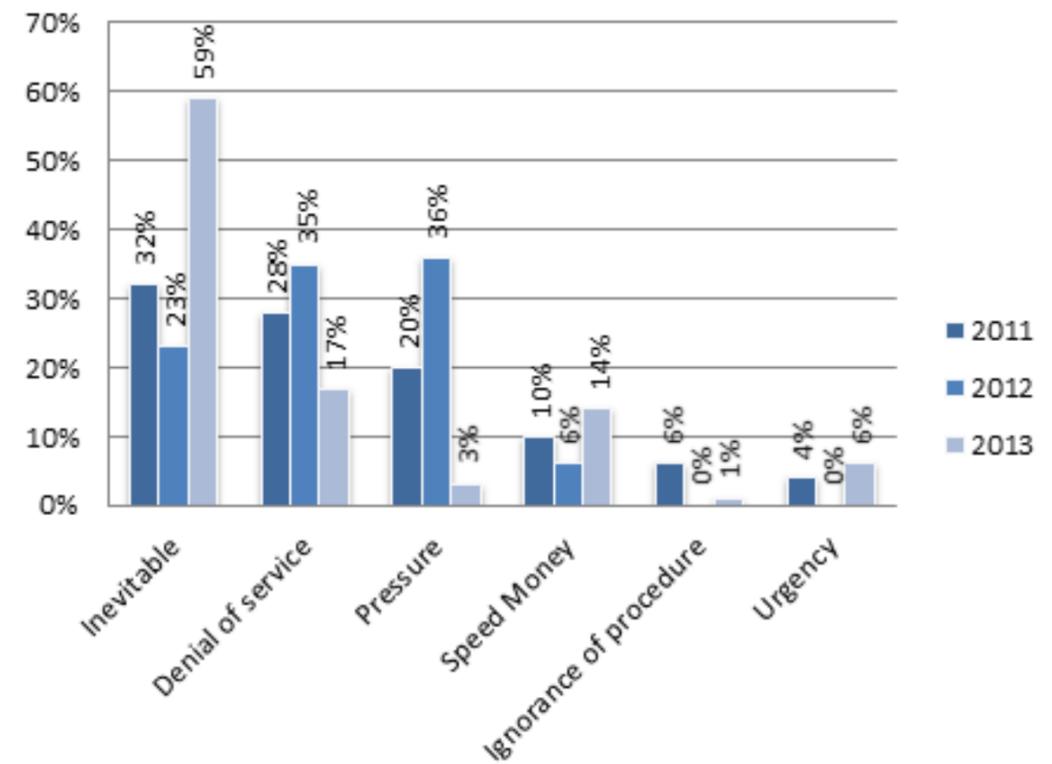


Figure 3.3 Reasons for paying bribes



In the Sub Registrar’s office, non-payment will reportedly receive severe reprisals. The process can be deliberately delayed, or irrelevant queries can be raised or more documents may be asked for. The registration process itself has points where the SRO can legitimately hold up registration: if admission of execution is not completed, the Sub Registrar can keep the document pending by giving reasons as to why the admission process was not completed.

Again, if the number of witnesses present is not sufficient, then the Sub Registrar can keep the document pending giving a reason as to why the identification process was not completed.

The builder warns buyers that the registration of the sale of property will not be done if the bribe amount is not paid.

Middlemen have a commendable understanding of what (to the layperson) is a complex procedure. They have links with the staff and officers and threaten clients that the registration will be delayed or rejected if the bribe is not paid. Most people are outraged or resigned to their fate. Some who tried to register without paying bribes met with frustrating delays and a demand for more and more documents or questions about the credibility of the transaction. They ended up believing that there was no escape from paying bribes

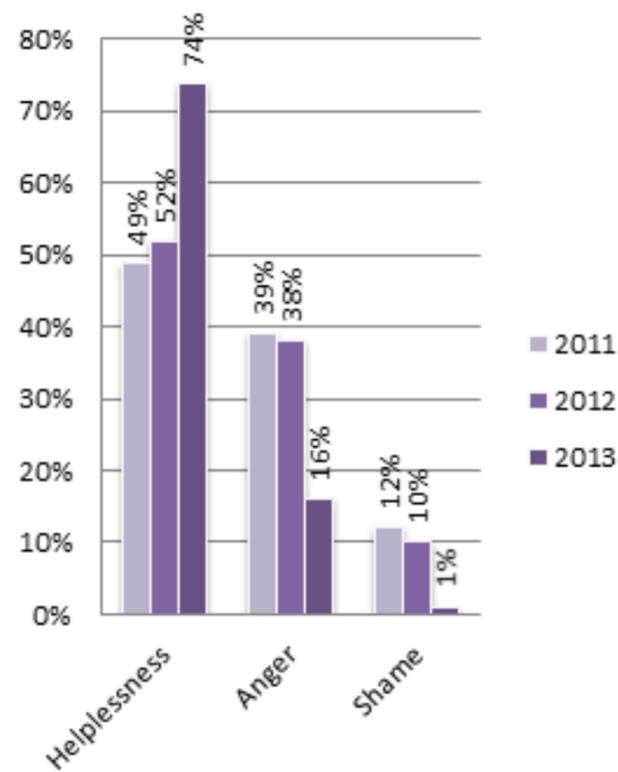
BRIBE HOT SPOTS

Figure 3.4 Bribe hot spots



REACTIONS OF BRIBE PAYERS

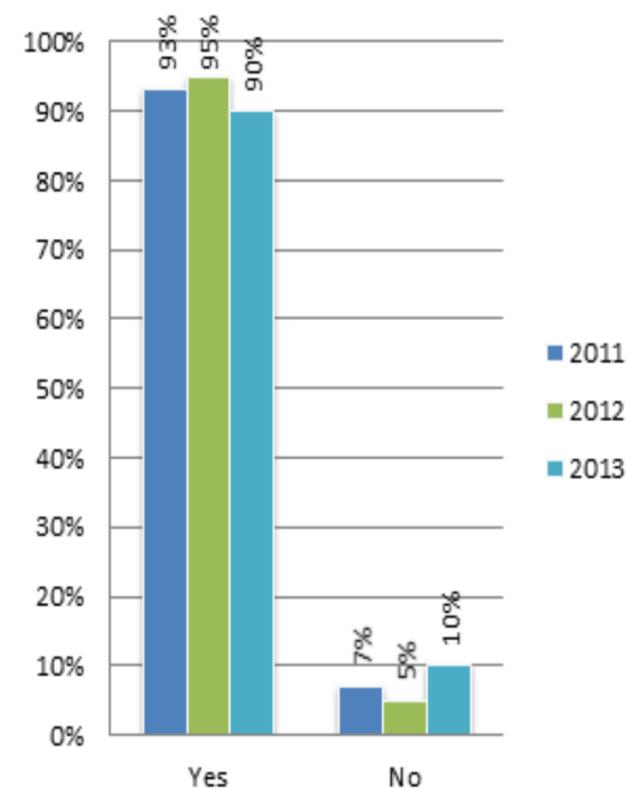
Figure 3.5 Reactions of bribe payers



The survey shows that the predominant emotion of the bribe payer is helplessness and this has been increasing from 49% in 2011 to 74% in 2013. It indicates the failure of redressal mechanisms. Anger is the second reaction though it is showing a declining trend from 39% in 2011 to 16% in 2013. Anger means the citizen does not want to pay a bribe for what is basically an entitlement but the reducing levels of anger may mean defeatism is taking over. The third emotion is shame which is a constant 10-12%.

DID PAYING A BRIBE HELP?

Figure 3.6 Did paying a bribe help?



The answer is a resounding "Yes". The majority who found bribe-paying delivered results averaged 90-95% from 2011 to 2013. Paying a bribe is necessary for getting your work done: a very disheartening trend.

Chapter 4



ADDRESSING PROCESS REFORM

CAUSES OF CORRUPTION

Figure 4.1 Causes of corruption

1

Information is not readily available in offices about current registration procedures and fees, and the procedures and processes often appear complex and opaque to the layperson

3

A government servant has the powers to approve or reject or keep a matter pending without ascribing a reason

5

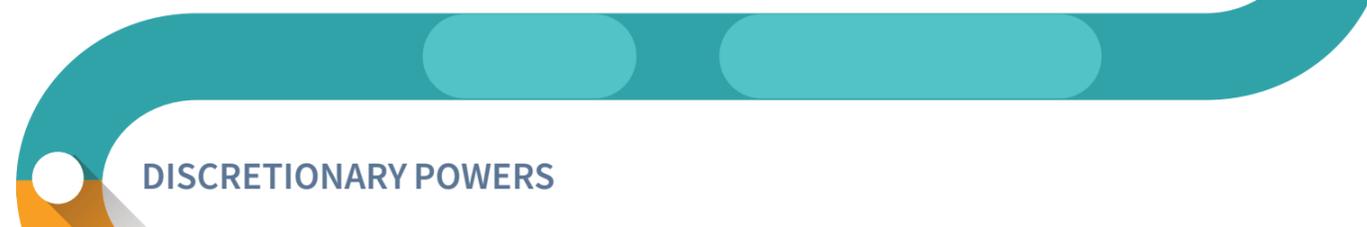
No effective, swift grievance redressal mechanisms: while there are many avenues for seeking relief such as complaining to the superior officer, or filing a complaint with the Lokayukta and Anti Corruption Bureau, the citizen lacks awareness about these mechanisms, the process is not transparent and relief is not always immediate

LACK OF TRANSPARENCY



2

Public servants are rarely held accountable for inefficiency and/or corruption



4

They are found in many public offices with tacit official encouragement



6

Very few public servants actually get punished. Punishment must be exemplary and swift to be effective



PUNISHMENT

A CITIZEN'S CHARTER

A citizen's charter informs the public about the mandate of the department, the services offered and how to seek redress if service delivery is unsatisfactory. It sets targets for levels of services offered. A Citizen's Charter also has expectations from the citizens the organization serves.

The department of Stamps and Registration has a Citizen's Charter which sets standards of service and transparency and encourages users to report acts of omission by officials. The SRD's Citizen's Charter is published on its website and comprises three issues:

Providing information to all citizens

The Citizen's Charter indicates that:

1. The names, residential addresses and telephone numbers of the officer must be published on the notice board of the office.

2. The rate of stamp duties/ registration fee payable on various instruments and market value of the immovable properties must be notified in a conspicuous place in all Sub Registrars' offices in the state.
3. Copies of the book "Nondana Kirana" ("Frequently Asked Questions") must be made available in all offices.

Grievance redressal strategy

1. Action will be taken against those who err and fail to rectify their mistakes and complainants will be informed of the action taken.
2. In case the "deficiency" persists then the reasons for the delay in rectifying the deficiency and the time likely to be taken for rectifying it, will be displayed

If implemented in spirit, the Citizen's Charter would reduce corruption by bringing in transparency about procedures, would discourage touts and those citizens who engage in collusive corruption and provide avenues for appeal against official misconduct.

On-the-ground compliance is non-existent at least in the SRO that Mukherjee, Janaagraha's Senior Associate visited on the 30th of May, 2016.

prominently in the office, for the information of the public.

3. Monthly review meetings will be held of all heads of offices to look into performance reports, grievances/complaints and their redressal.

Expectations of citizens

1. Citizens should only deal with officials and not touts and middlemen.
2. They should ascertain the market value of the property
3. They should not undervalue the property.
4. When buying an apartment, they must ensure the seller has a legal title to sell.
5. They must disclose the real consideration paid for the purchase of property while, obtaining the sale deed and buy stamp paper only from a licensed stamp vendor

Table 4.1 Prescribing timelines for work

<i>Work</i>	<i>Time</i>
Verification of market value	20 minutes
Preliminary scrutiny of documents	1 hour
Admission of documents, recording of signatures	1 hour
Issue of EC less than 1 years' search	1 day
Issue of EC less than 3 year's search	3 days
Issue of EC less than 15 years' search	10 days
Issue of certified copies	10 days

Table 4.2 Compliance with Citizen's Charter

<i>Compliance</i>	<i>Yes/No</i>
Are the name, residential address and phone no. of the officer published on the notice board?	No
Are stamp duties, registration fees and market value notified in a conspicuous place in the office?	No
Are copies of "Nondana Kirana" (FAQs) available in the office?	One copy printed in 2010 was located after a search
Are user feedback forms available in the office?	No

Source: Mukherjee

INFORMATION TECHNOLOGY AND e-GOVERNANCE

Information technology has demonstrated the capacity to change the dynamic between client and service provider and bring in more transparency, accountability and simplification of procedures.

The objectives of e-Governance are clearly enunciated by the department as well:

1. Simplifying the process of registration of documents.
2. Return of documents to the public within 30 minutes.
3. Issue of Encumbrance Certificates and certified copy of the documents on the same day.
4. Improvement of efficiency in the department.
5. Accountability and transparency in the functions of the department.
6. Built-in market value intelligence.
7. Issue of Encumbrance

Certificates from any Sub Registrar's office.

8. Generation of various MIS (Management Information System).
9. Reports for the use of the Department/Policy makers in Government/General Public.

In Karnataka, all the 235 Sub Registrars offices and 33 District Registrar offices in the state have been digitized since 2003-04.

A part of the work was outsourced to a private service provider. But while documents registered from 2003-2004 onwards have been digitized this still leaves a very

large number of documents being maintained as hard copies.

Some of the older Sub Registrar Offices are in the process of digitizing older records but the process depends on the availability of resources and manpower.

Table 4.3 Core SRD activities to be taken up for digitization

Registration of documents, marriages and firms
Scanning and archival of registered documents
Issue of certified copies of registered documents
Market value assessment and Stamp Duty evaluation.
Issue of Encumbrance certificate.
Recording of A-Register and compilation of Management Information System (MIS) Reports.
Scanning and microfilming of legacy records.
Digitization of legacy encumbrance data and integration with live data.
Establishment of a data centre for storage and archival of data.

Digitization of records is not without its problems. On August 7 2015, The Times of India reported "Over 2 lakh photographs and thumb impressions on documents of registered property owners, 15,993 registration deeds of firms and societies and over 4,000 certificates, including marriage certificates, are missing from the records of 43 sub-registrar offices here. That these are all e-documents is mystifying as even the back-up mechanism, a routine feature for any electronic documentation, has

failed. Sources in the department attribute the failure of this back-up to disinterested department officials and vendors tasked with updating and maintaining the e-records. The missing documents are said to be between 2003 and 2014."

The department reportedly brought in a high level team to fix the problem. As a back-up they now retain 4+1 copies of registered documents.

Table 4.4 Department's performance with reference to certain key tasks

Scanning and archival of registered documents	Completed
Issue of certified copies of registered documents	Completed and to be made public
Market Value assessment and Stamp Duty evaluation	Done for the year 2016
Issue of Encumbrance Certificate	Anywhere in Bengaluru
Recording of A-Register and compilation of Management Information System (MIS) Reports	Being done
Scanning and microfilming of legacy records	Will be implemented this financial year (2015/16)
Digitization of legacy encumbrance data and integration with live data	Digitization has been completed for all records after 2004
Establishment of a data centre for archiving and storage	Established at Chamarajapet

Source: Mukherjee

KAVERI

The SRD's website Kaveri has much to recommend it as it contains substantial information on Acts and Rules, procedures, registration fees and stamp duties, market values and model deeds.

The FAQs provide a reasonable amount of information to the uninformed.

The website is not updated regularly nor can one expect responses to questions for assistance. My emails seeking information from officers whose names and emails are listed on the web-site were met with silence.

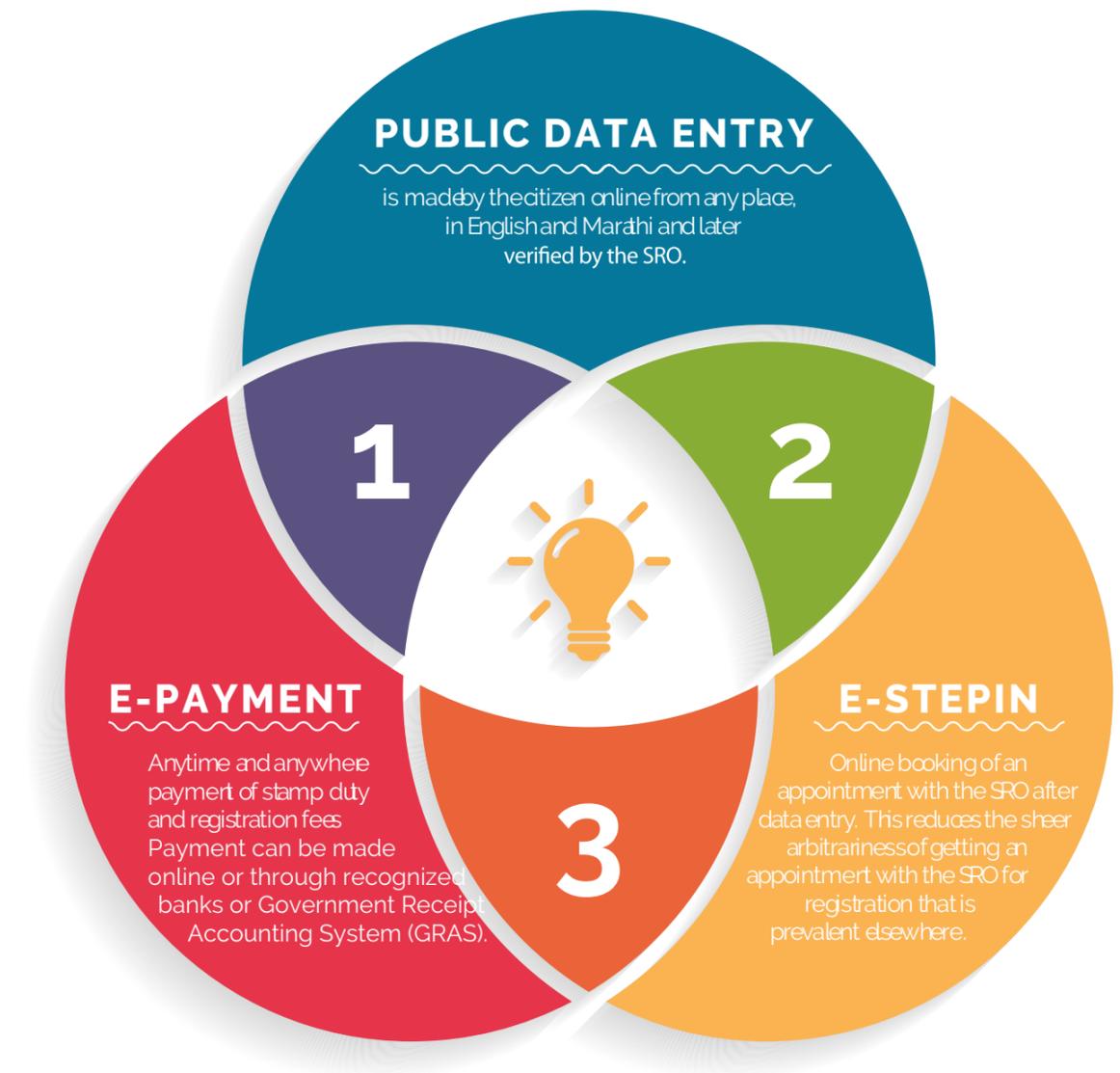
Attempts to post feedback also failed. Citizen interface on the web site clearly needs to be encouraged.

MAHARASHTRA'S ISARITA

Maharashtra's Department of Registration and Stamps started its computerization with SARITA in

2002 and by 2012 had moved on to the more sophisticated iSARITA.

Figure 4.2 Three important features of iSarita



Source: Case study on Department of Registration and Stamps, Maharashtra: Project I – Sarita: Wg Cdr (Retd) A K Srinivas and Bhavna Ghatge

Chapter 5

RECOMMENDATIONS OF THE JANA MAHITI REPORT

The focus of the recommendations is on (1) enhancing transparency and accountability and (2) modifying the registration processes to reflect these values.

Implement the department's Citizen's Charter

It will be recalled that a Citizen's Charter informs the public about the mandate of the department, the services offered and how to seek redress if service delivery is unsatisfactory. SRD's Citizen's Charter is enshrined in its website but is not implemented on the ground.

The Citizen's Charter must be notified on the office notice board of all offices. The department must:

- Publish prominently the name, residential address and telephone numbers of the officer on the notice board of the office. This is not being done at present.
- Notify in a prominent place in the SRO the rate of stamp

duties/registration fees payable on various instruments, other fees such as copying fees and the market value of the immovable properties. This information is not readily accessible to the citizen.

- Notify the market value of property prominently in a simple format. Currently the market values are not notified on maps and it is difficult for a person to calculate the market value of her property.
- Notify the timelines for the most-in-demand services.
- The public must be notified by prominently placed signage that copies of the book "Nondana Kirana" ("Frequently Asked Questions") are available in the office and the booklets must be made available on demand. Ideally, the English version should also be available. A small fee can be charged if necessary.
- Maintain a complaints box/book

to enable citizens to redress their grievances. The complaint box/book must be kept in a prominent place in the office and every complaint must be inquired into and appropriate action taken.

- The names and designations of all supervisory officers, their phone numbers and office addresses must be displayed on the noticeboard. This will enable people who have grievances to approach an appellate authority immediately.

Simplify procedures through IT-enabled services

As most people find the current procedures complex, convoluted and opaque, one of the best ways of simplifying systems and increasing transparency is to perform more procedures online. This will reduce paper work, eliminate redundant

procedures and cut down on the number of levels that a file must progress before final orders are passed.

- Introduce online data entry where the forms are filled online and scanned supporting documents uploaded by the applicant. This reduces the time spent at the SRO.
- Introduce online registering for appointments with the SR. This introduces transparency and also cuts down on the hours spent fruitlessly waiting in the office for an opportunity to meet the SR.
- Represent market value of property on maps: market values as currently displayed online are confusing to the layperson. They need to be represented on maps to enable users to calculate the correct amount instead of being forced to rely on touts or “helpful” staff.
- Introduce online “anytime anywhere” payment of stamp duty and registration fees. This

will make the process more transparent and convenient for the user.

- Provide information to users: An online helpdesk in real time would help resolve many problems and provide clarification regarding Acts, rules and procedures.

“Anytime-anywhere registration” to be implemented across the state

There is confusion on the ground about this. According to Mukherjee’s visit report, currently this is permissible within the 5 (registration) districts of Bengaluru.

Extra-jurisdictional registration is allowed only when the seller is selling two properties, one of which is within the jurisdiction of the District Registrar’s office. However, when I called someone at the office of the IGR, that person

Zero tolerance for corruption

The department needs to adopt a zero tolerance for corruption strategy. While the Citizen’s Charter sternly asks citizens not to approach middle men and touts, they appear to have the run of the office. Clearing the office of all but staff and people who have appointments will reduce the space for corruption. Clear signage prominently displayed will reduce the influx of people coming in with requests for information.

Updating the website regularly will improve citizens’ access to current information and reduce their dependence on builders/touts/SRO staff.

claimed that “anytime anywhere registration” was not being implemented.

So there is insufficient information about procedures within the department itself! This procedure needs to be extended to all the districts in the state but certain precautions must be taken. Unless all offices are connected digitally and there is data-sharing, it is possible for a person to sell the same property to multiple buyers by registering the sale in different SROs.

Address grievances promptly

The department must improve its response to citizens’ grievances. As we saw, the Citizen’s Charter has not been implemented. The website must be updated regularly and made more responsive to citizen’s grievances or simple requests for information.

Appendices



Appendix A

DOCUMENTS THAT MUST COMPULSORILY BE REGISTERED IN KARNATAKA

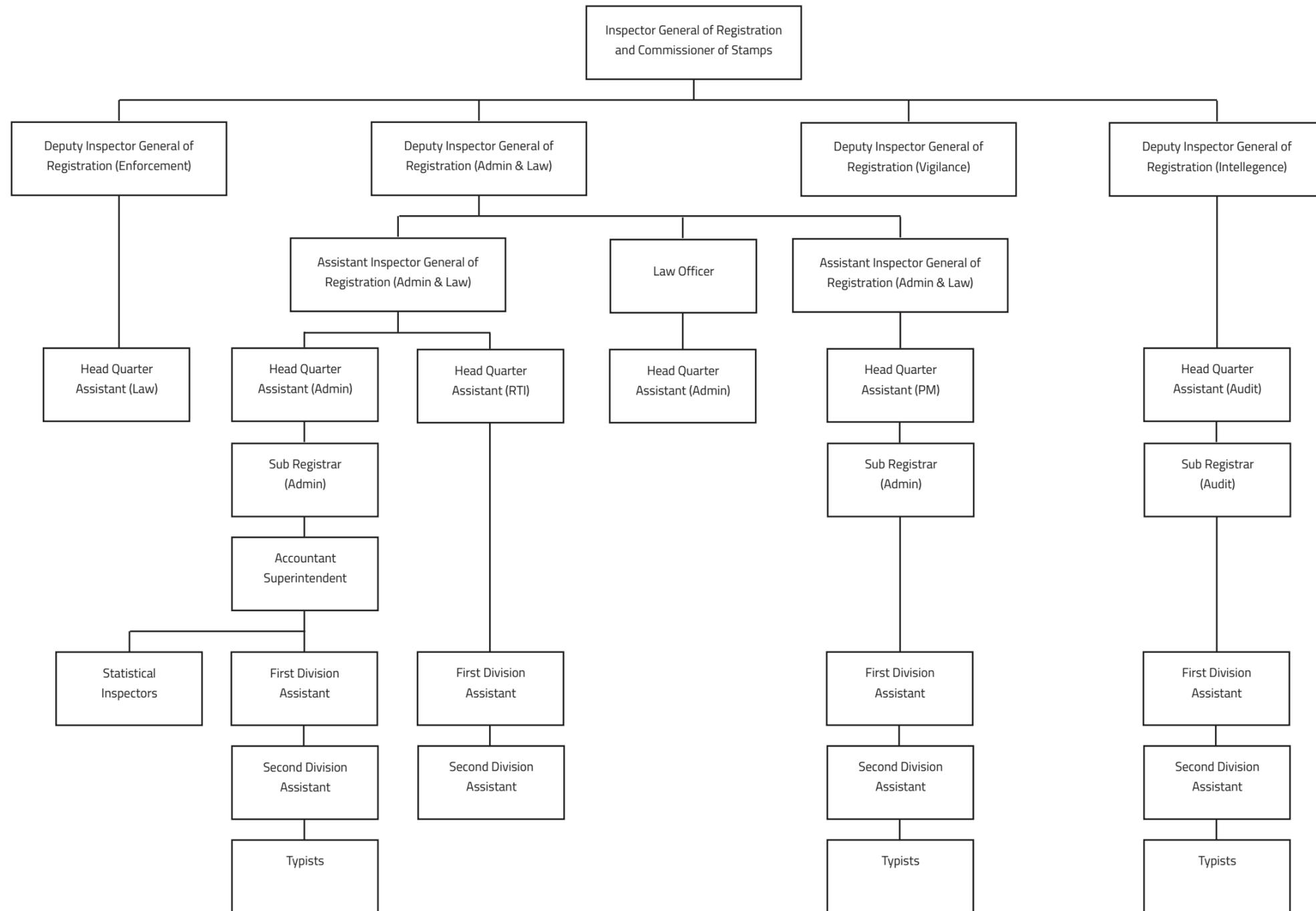
- Gift deed of immovable property.
- Other non-testamentary instruments, which purport or Operate to create, declare, assign, limit or extinguish whether in the present or in future, any right, title or interest, whether vested or contingent, of the value of one hundred rupees and upwards, to or in immovable property;
- Non testamentary instruments which acknowledge the receipt or payment of any consideration on account of the creation, declaration, assignment, limitation or extension of any such right, title or interest;
- Leases of immovable property from year or for any term exceeding one year, or reserving a yearly rent;
- Non testamentary instruments transferring or assigning any decree or order of a court or any

award when such decree or order or award purports or operates to create, declare, assign, limit or extinguish whether in the present or in future, any right, title or interest, whether vested or contingent, of the value of one hundred rupees and upwards, to or in immovable property;

- The documents containing contracts to transfer for consideration, any immovable property for the purpose of section 53A of the Transfer of Property Act, 1882 shall be registered if they have been executed on or after the commencement of the Registration and Other Related Laws (Amendment) Act, 2000 and if such documents are not registered on or after such commencement, then, they shall have no effect for the purposes of the said section 53A

Source: Department of Stamps and Registration, Karnataka

ORGANIZATIONAL CHART OF THE DEPARTMENT OF STAMPS AND REGISTRATION KARNATAKA



Appendix C

Department of Stamps and Registration, Karnataka: Citizen's Charter:
Feedback Form

• Name of the office you visited
• Purpose for which you visited the office
• Whether you contacted the officer directly or any agent or tout or advocate
• Did you notice the general information necessary for your purpose displayed in the office
• Is the officer you met courteous / polite / willing to give necessary information to you
• Was your work done smoothly without any harassment in the office
If not, please give the details
• Please offer any suggestion for the improvement of the performance of the office
• Have you seen the Website of the department at www.karigr.org

Place

Signature

Date

Source: Department of Stamps
and Registration, Karnataka

Appendix D

Notes of a visit to a Sub Registrar's Office, Bengaluru on
30/05/2016

(Names of the SRO and Sub Registrar withheld as per the Sub Registrar's request to Mukherjee)

Steps and documents for registration

The SRO has provided me with a set of Gov. Circulars which list the steps and documents required for registration.

Level of Computerization

In Karnataka, there has been computerization of all documents since 2004. Part of the work was outsourced. All documents registered from 2004 hitherto, are all digitised. Some of the older

SROs, like the ones which were established during British era, are trying to digitise older documents. Depending on the staff availability different District Registrars' Offices had different levels of outsourcing for digitization.

The information reported in newspapers that 2 Lakh e-records went missing, is correct. They had brought in a team from Europe to fix the problem. That's why now they keep 4+1 copies of the registered documents.

Level of computerisation

• Scanning and archival of Registered Documents	Completed
• Issue of certified copies of Registered Documents	Completed and to be made public
• Market Value assessment and Stamp Duty evaluation	Done for this year, raised
• Issue of Encumbrance Certificate	Anywhere in Bengaluru
• Recording of A-Register and compilation of Management Information System (MIS) Reports	Being done
• Scanning and Microfilming of legacy records	From this budget
• Digitization of legacy encumbrance data and integration with the live data	Digitization has happened for all records after 2004
• Establishment of Data Centre for storage and archival of data	Established at Chamarajpete

Citizens Charter compliance

• Are the name, residential address and phone no. of the officer published on the notice board?	No
• Are the rates of stamp duties, registration fees and market value notified in a conspicuous place?	No
• Are copies of “Nondana Kirana” (FAQs) available in the office?	One copy printed in 2010 available after a search
• Are user feedback forms available in the office?	No

e-Stamping

It exists but there is no provision for online payment yet. The only thing possible online is to check the authenticity of the stamp

Online Scheduling of Appointments

It hasn't started yet. It is to be done through Kaveri-2 software which is still under development.

Anytime – Anywhere Registration

Within the 5 districts of Bengaluru (i.e. under District Registrars) anytime anywhere registration is allowed. Extra-jurisdictional registration is done only when the seller is selling two properties, one of which is within the jurisdiction of the District Registrar's Office.

Changes in Value of Stamp Duty

From 8.4% in 2007, stamp duty reduced to 5.6%

2000 - 10% = 7.5% + CESS + Sundry charges

2009 - 6%

After 2011 - 5%

Change in Market Value

In Banaswadi in 2007, market value was Rs. 800 when actual value was Rs. 5000. It was due to the market crash globally.

Since 2011 the revision in market value is done annually (at least on paper). A hike of 100% is the maximum they have gone and can go.

Many areas within Whitefield and Mahadevpura have seen a 30% hike in guidance value, to bring the guidance value in tune with the market prices.

However quite a few places have also seen undervaluation because the location is not in demand, but because they are a part of a larger region which has seen an increase in prices, these places are valued at the market value which may be higher than the sale price. So, sometimes, the market value is more than the sale price and then, after DRO's approval (after engineers and experts visit the place) the registration and other fees can be fixed according to the sale price.

The SRO indicated that this is perhaps one of the best examples of collusive corruption. He did not give any example of such a locality where undervaluation has happened. There have been 5000 cases of undervaluation after he assumed office. DRO can take suo moto cognizance of undervaluation.

*Rajat Shubro Mukherjee
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The Jana Mahiti, based on citizens' reports on Janaagraha's website IPAB, examines how process reform in the functioning of the department of Stamps and Registration in Karnataka with reference to the registration of the sale of immoveable property can be implemented. The Jana Mahiti comprises

- *Information about the process of registration and the documents needed*
- *An analysis of bribe reports from IPAB*
- *Identification of those spaces in the registration process that are vulnerable to bribe taking and giving*
- *Recommendations for change*



Janaagraha Centre for Citizenship and Democracy



ERRATA

1) Page 9:

Since its launch on August 15, 2010, I Paid A Bribe (IPAB) has received around 10 million visits, recorded over 36,000 bribe reports amounting to over Rs 2875 crores from more than 1000 cities and towns in India.

2) Pg19:

Penalties

Section 81 and 82 of the Indian Registration Act, state that incorrect endorsement, translation or registration of any document or making false statements, copies or false personation, intentionally, can attract penalty.