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PRESIDENT, NAVI MUMBAI Prakash Baviskar Ref. No. MCHI/PRES/17-18/211A

April 12, 2018

To,
Shri C. K. Mishra (I.A.S.)
Secretary,
Ministry of Environment, Forest & Climate Change,
Indira Paryavaran Bhavan
Govt of India
New Delhi

Sub:

Suggestions/objections regarding.....

Ref:

Gazette Notice No. S.O. 1132(E) dated 13th March 2018.

Dear Sir,

We appreciate the Ministry's endeavour to simplify the procedure for environmental clearance for housing industry so as to provide housing for all by 2022, a very noble objective of Hon'ble Prime Minister Shri Narendra Modi ji. However, there are some provisions of the draft notification, S.O.1132(E) dated 13th March 2018, that would come in the way of achieving this objective and actually push the dead line of year 2022 at least by over 10 years defeating the very purpose of Hon'ble PM's dream. These provisions neither help achieving this objective of providing housing for all by 2022 as they do not simplify/minimise the procedural delays particularly for the housing projects of above 50,000 Sq. Mtrs but below 150,000 Sq. Mtrs, nor do they anyway help protecting environment. We, therefore, wish to invite your kind attention to these provisions hereunder so that necessary corrective measures can be incorporated before publishing the final notification.

- 1. Kindly refer to the Notification S.O. 3999, Dated 9th December, 2016, in which the housing projects up to 150,000 Sq Mtrs did not need any EC, while as per the draft notification dated 13th March 2018, this limit is reduced from 150,000 Sq. Mtrs to 50,000 Sq Mtrs. You will kindly appreciate that if we want to provide housing for all by 2022, the biger projects (upto 150,000 Sq. Mtrs.) must be allowed to remain in this category of exemption from taking prior EC. In any case, the project proponents are mandated to submit "Self Declaration Form" to comply with the environmental conditions as given at Appendix XIV" In case of prior EC also when the project is completed, the inspection is needed to ensure that no violation is committed of the terms of the EC. Similarly, in case of "Self Declaration", as per the prescribed format, also the inspection can be done when the project is completed to ensure that no violation is committed to the commitment made in "Self Declaration". In this case, precious time would be saved that is wasted on prior EC causing time and cost over run of the projects. Any reduction in time taken to complete the project will reduce the cost also making housing more affordable to the general public.
- 2. Here, we are reminded of an incidence that the Hon'ble Prime Minister Shri Narendra Modi ji has been telling. As the Chief Minister of Gujarat, he had scrapped the requirement of periodic certification by Boiler Inspector and had





introduced "Self Declaration" by the industry that the Boiler is maintained as per prescribed engineering requirements. The industry was saved of the hassle of getting periodic Boiler inspection which was a mere formality and more a source of corruption. In last 15 years, ever since the requirement of periodic certification by Boiler Inspector was done away with, there had not been a single accident involving mall functioning of the boilers in Gujarat!

- 3. Self certification by any responsible business should be considered enough. Besides, on completion of the project, if any violation to the undertaking in terms of "Self Declaration" is observed, the project proponent will have to make good of it at his cost or the same penalties can be imposed that are imposed when conditions of prior EC are violated.
- Only big projects (50,000 Sq. Mtrs. to 150,000 Sq. Mtrs) can help achieving the objective of providing housing for all by 2022. The order/directions of Hon'ble NGT dated 8th December 2017 (while disposing the challenge to December 9th 2016 notification) has not observed that the exemption limit of 150,000 Sq. Mtrs. be reduced to 50,000 Sq. Mtrs. This order/direction of Hon'ble NGT was not in favour of any increase in the threshold limit and the MoEF&CC have rightly challenged the same before the Apex Court. MoEF&CC's earlier decision vide notification 3999 dated 9th December 2016 of keeping exemption limit upto 150,000 Sq. Mtrs. was well considered and in line with the Hon'ble Prime Minister's objective of Housing for all by 2022. In fact, if media reports are any indication, for this exemption limit up to 150,000 Sq. Mtrs., the Prime Minister's office had required this so as to meeting the target of affordable housing for all by 2022. If the said exemption limit is kept at reduced area of 50,000 Sq. Mtrs. then it will defeat the above objective and push the dead line by at least 10 years from 2022. Even the Hon'ble NGT, while disposing the Application of Applicants had appreciated and observed that the "....the impugned Notification has certainly good and effective aspects as well. As already noticed by us, it brings into effect a social cause of providing affordable housing to the poor strata of the society....."

The said order/directions further observed that, "....The Notification specifically provides for emphasis on the aspects that are required to be considered by the environmental cell with special focus on energy use, energy gererated on site from on site renewable energy sources, etc....".

It further goes to observe that, "....32. The object of the Notification is loudable that is providing housing to the poor. The provisions of the existing regime under the Regulation/Notification of 2006 are sought to be liberalized and expanded for obtaining that object. Some of the provisions of the Notification are being amended to provide for decentralized regulation in relation to building projects. Certain specified building and construction projects of specified area are proposed to be exempted from the regours of the Notification......" and thus, louded the purpose of that notification dated 09-12-2016.

5. We therefore, suggest following amendments in the draft Notification before it is finally published.

"14 Integration of environmental condition in building permissions A Self Declaration Form to comply with the environmental conditions as given at Appendix XIV shall be submitted online by the project proponent besides application for building permission to the local authority for building



permission to the local authority for the Building and Construction projects ≥ 150,000 Sq. Mtrs. Thereafter, the local authority may issue the building permission incorporating the environmental conditions specified in Appendix XIV and allow the project to commence based on the conditions / "Self Declaration" by the project proponent which must incorporate these conditions. The local authority shall ensure the compliance of the environmental conditions through existing mechanism. However, no changes in the environmental conditions specified in Appendix XIV shall be permitted.

(II) In the Schedule, for item 8 and the entries relating thereto, the following item and entries shall be substituted, namely:

	(1)	(2)	(3)	(4)	(5)		
"8			Building / Co	nstruction projec	cts / Area Development		
			projects and townships				
8 (a)		Building and Construction projects		≥ 1,50,000 sq. mtrs.	The term "built up area" for the purpose of this notification shall be FSI/FAR Area as defined by the Government of India, Ministry of Finance (Department of Revenue) Notification No. 1/2018- Central Tax (Rate), dated 25th January, 2018.		
					Note 1. The projects or activities shall not include industrial shed, universities, college, hostel for educational institutions, But such buildings shall ensure sustainable environmental management, solid and liquid and implement environmental conditions given at Appendix-XIV.		
					Note 2General Condition shall not apply.		



			Note 3The exemptions granted at Note 1 will be available only for industrial shed after integration of environmental norms with building permissions at the level of local authority.
8 (b)	Townships	covering an	Note:- General
	and Area	area ≥ 50 ha	Condition shall not
	Development		apply".
	Projects		

We also invite your kind attention to the Government of India, Ministry of Finance (Department of Revenue) Notification No. 1/2018- Central Tax (Rate), dated 25th January, 2018. In this notification the definition of the "built up area" as FSI/FAR Area is given. We have a humble suggestion, that is to harmonize/synchronise/coordinate the definitions of different ministries of the Government of India with that of the above referred notification of the Finance Ministry be adopted, so as to avoid any confusion/multiplication of requirements.

As per the draft notification of the MoEF & CC No. S.O. 1132 (E), dated 13th March, 2018 in column no. 5, some definitions of the built up area are given, while in the notification of the Ministry of Finance (Department of Revenue) Notification No. 1/2018- Central Tax (Rate), dated 25th January, 2018, there is another definition. The building construction industry needs to deal with both these ministries amongst others and as such it is desirable that no ambiguity is created on account of different definitions.

Hence, a clear mention is required as "The term "built up area" for the purpose of this notification shall be FSI/FAR Area as defined by the Government of India, Ministry of Finance (Department of Revenue) Notification No. 1/2018- Central Tax (Rate), dated 25th January, 2018.

Finally kind request to consider the above suggestions positively and favourably in the interest of the on time completion of the project.

Thanking you,

Yours faithfully, For CREDAI-MCHI

Mayur Shah President

Domnic Romell Hon. Secretary **S. S. Hussain,** I.A.S. (Retd.) Chief Executive Officer