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Arvind Goel

MCHI-CREDAÎ

Ref. No.: MCHI/GEN/15-16/004

August 25, 2015

To,
Shri N. R. Shende
Joint Director
Town Planning Department,
Government of Maharashtra,
Konkan Bhavan,
Navi Mumbai.

Sub: Suggestions & Objections on Gazette Notice published by UDD on 25th July 2015

Ref: Gazette Notice for Allowing Residential/Commercial user in Industrial Zone (conversion of Industrial Zone to Residential Zone)

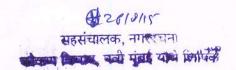
Notice on the subject matter published in "Indian Express "on 25th July 2015.

Dear Sir,

As per the above mentioned notice, we understand that the Government of Maharashtra intends to incorporate a new regulation in the prevailing DCPR of the Regional Plan to permit Residential / Commercial development in Industrial Zone upon payment of Premium at the rate 20% of the rate of the land as prescribed in the Annual Statement of Rates of the year for granting such Residential / Commercial permission. This payment of Premium shall be in addition to handing over 20% of land to the Authorities for public utilities and amenities as provided in Regulation 22.4.2.1.(v)(ii)(iii) of the prevailing DCPR of the Regional Plan.

We strongly object to the proposed modification to the "Standardised Development Control and Promotion Regulations for Regional Plans in Maharashtra" pertaining to above mentioned subject and reference, and note our objections as follows:--

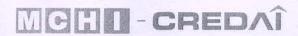
- In the present scenario, it is very difficult to operate industries in the areas under reference, on account of high costs of land, labour, infra-structure, rawmaterials, transportation, taxation etc. Additionally, power and water costs are also prohibitively high.
- Further, with increase in population in the region and the prohibitively high cost of housing in Mumbai, satellite town of Navi Mumbai and surrounding areas, there is genuine need of 'affordable housing' in areas further away from the already congested 'Development Centres'.



MCHI-CREDAI

Maker Bhavan II, 4th Floor, 18, V. Thackersey Marg, New Marine Lines, Mumbai - 400 020. Tel.: 4212 1421, Fax: 4212 1411 / 407 • Email: secretariat@mchi.net • Website: www.mchi.net

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- In view of the above, it is expected from the present government to promulgate an atmosphere and policies which are conducive to the promotion of economic, affordable and reasonably priced housing for the masses.
- Unfortunately, contrary to the above reasonable expectations, the presently proposed policy is defeating the very purpose of the stated aim of providing affordable housing to the masses, and hence, we vehemently oppose the same and note our objections further as follows.
- The proposal to charge a premium at the rate 20% of the rate of the land, in addition to handing over 20% of land to the Authorities for public utilities and amenities, would prove draconian as it will substantially increase the land cost component and investments, while significantly decreasing the permissible built-up area in any proposed Residential/ Commercial development, making it commercially unviable for the developers and thereby making it out of reach of the common house buyer.
- Further, there is no clarification as to whether the said premium is being charged on the entire piece of land or only on the balance 80% of land remaining with the land owner after providing 20% land for public utility and amenity spaces.
- The double aggravation by way of increase in land cost component by way of additional premium and substantial decrease in permissible built up area by way of surrendering over significant percentage of property to the government, is sure to affect the affordability of housing for the common man.
- This policy is against the vision of our beloved Hon'ble Prime Minister Shri Narendra Modi, and his stated goal of 'Housing for All by 2022'.

In view of this impediments, we strongly object to the proposed modification and sincerely appeal to the Government to repeal the said clause of the regulation. Therefore, we are requesting to give us, time for the personal hearing in order to hear our say and incorporate our points in the Gazette Notice.

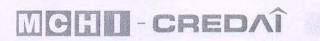
Thanking you,

Yours faithfully,

Mayur Shah President - Elect

Encl.:

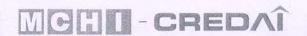
- 1. A brief comparison of procedures for said zone change *prior to* and *after* implementation of DCPR for Regional Plans is listed on following page.
- 2. Copy of Regulation from 'STANDARDISED DCPR' for Industrial to Residential Zone Change.



Annexure - 1

INDUSTRIAL TO RESIDENTIAL ZONE CHANGE PROCEDURE COMPARISON STATEMENT FOR PROCEDURES UNDER EARLIER GOVERNMENT AND PRESENT GOVERNMENT

ISSUE	PRIOR TO 2013	PRESENT
Governing Authority	Secretary-Urban Development Dept., Mantralaya	Divisional Jt. Director, Town Planning in consultation with District Collector.
Guiding Policy	No definite guidelines. Decisions subject to opinion of Officers.	Clear regulation in DCR allowing Zone Change.
Time Frames	No definite time frames – Lengthy Procedure.	Definite Time Frame of 90 days as per DCR. Practically, procedure possible within 6-9 months with continuous follow-up.
Handing Over Part of Property	No regulation or policy on compulsory handing over part of property.	Clear regulation in DCR for handing over 20% area (for plots above 2 Ha.) allowing Zone Change.
F.S.I.	Variable from 0.33 to 0.50, on assessment of Planning Authority.	Clear regulation in DCR for FSI par with residential zone in proximity. Ranging from 1.0 to 1.4.
Charges and Premiums	No standardised policy on premiums to be paid.	Premium at 20% of land rate (as per ready reckoner) to be charged. Amendment to DCR presently under process.



Annexure - 2

COPY OF REGULATION FROM STANDARDISED DCPR for RP OF INDUSTRIAL TO RESIDENTIAL ZONE CHANGE.

DCPR FOR REGIONAL PLAN AREA

- iii) Information Technology Establishments
- iv) Following uses may also be permitted:
 - (a) Petrol Pumps and Service Station as per the provisions contained in Regulation No.23.2.2, Table No.14.
 - (b) Parking lots.
 - (c) Electric Sub station.
 - (d) Building of public utility concerns except residence.
 - (e) The branches of Scheduled Banks.
 - (f) Storage Buildings.
 - (g) Drive-in -Theaters, cinema or theaters, subject to provision of separate entries and exits for

(v) Allowing Residential / Commercial User In Industrial Zone :- (Conversion of Industrial Zone to Residential Zone)

- (a) With the previous approval of the Authority/Collector in consultation with the concerned Divisional Head of Town Planning and on such conditions as deemed appropriate by him, the existing or newly built-up area of a unit, in the Industrial zone may be permitted to be utilised for residential or commercial purposes.
- (b) With the previous approval of the Authority/Collector, in consultation with the concerned Divisional Head of Town Planning, lands in the Industrial Zone including lands in Industrial Zone in Town Planning Scheme area, may be permitted to be utilised for any of the permissible users in the Residential and Commercial Zone or the Residential Zone subject to the following conditions:
 - (i) Residential/ Commercial user in respect of industries which are not in operation shall not be permitted unless NOC from Labour Commissioner, Maharashtra State, Mumbai, stating that all legal dues have been paid to the workers or satisfactory arrangements between management and workers have been made, is obtained However, in respect of any open land in the Industrial Zone where industry never existed, NOC from Labour Commissioner shall not be required.
 - (ii) In the layout or sub-division of such land admeasuring upto 2 Ha., 10% land for public utilities and amenities, like electric sub-station, bus-station, sub-post office, police out-post and such other amenities/utilities, as may be considered necessary shall be provided.
 - (iii) In such layouts or sub-division, having area more than 2 Ha., 20% land shall be provided for public utilities and amenities like electric sub-station, bus-station, subpost office, police out-post, garden, playground, school, dispensary and such other amenities/utilities as may be considered necessary.
 - (iv) The land under public utility / amenity shall be handed over to the Authority with proper access and basic land development and shall always be open for general public without any restriction. These areas will be in addition to the recreational space as required to be provided under these regulations.
- (c) The required segregating distance between the Industrial Zone and the area over which Residential use is permitted under this Regulation shall be provided within such land intended to be used for residential or commercial purpose.
- (d) Such residential or local commercial development shall be allowed within the permissible FSI of the nearby Residential or Commercial Zone.