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2013 - 2014

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Paras Gundecha

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Arvind Goel

MCHI - CREDAI

Ref. No. MCHI/PRES/13-14/056

March 21, 2014

To,
Shri. Manu Kumar Shrivastava (I.A.S.)
Principal Secretary (I)
Urban Development Dept.
Govt of Maharashtra
Nirmal Bhavan,
Mumbai - 400 032

gsk
Urban Development Deptt.
Maharashtra, Mumbai - 400 032.

Sub: Regarding EWS / LIG Notification u/no. TPB 4312 / CR-45 / 2012 / (2) / UD-11 dated 8th November 2013.

Respected Sir,

MCHI-CREDAI, formed in 1982, is the most prominent and the only recognized body of Real Estate Developers in Mumbai and MMR. MCHI-CREDAI brings together members dealing in Real Estate Development on one common platform to address various issues facing the Industry. MCHI-CREDAI has a strong Membership of over 1000 leading Developers in Mumbai and has expanded across MMR, having its own units in Thane, Kalyan -Dombivli, Mira - Virar City, Raigad and Navi Mumbai.

We would like to bring to your kind notice some of the points which we feel that will be relevant as far as the creation of Housing Affordable stock/tenements is concerned. In this regard we would like to further point out that we fully support you in this government's effort to create the sizable affordable housing stock in the MMR region.

Government's noble and appreciable steps need to be taken up in right earnest by all, including all government authorities who are in this business as special planning authority of land management and urban development.

In this connection we would also like to point out that it is rather surprising that planning authorities like MHADA, MMRDA, CIDCO are not strengthening government's hands in developing affordable housing. They are selling parcels of lands (basically government land) as commercial venture to the highest bidder for earning profits instead of constructing the affordable housing over them. There was a news that MMRDA and CIDCO have sold their plots of land in their respective areas at the rate of Lakhs of rupees per sq. meter.

We would like to submit our suggestions on the Notification, illustrating the following examples and the words are used as follows :-

"For a plot of land, admeasuring 4000 Sq. Mts. or more to be developed for a Housing Scheme consisting of one or more buildings (hereinafter referred to as

MCHI-CREDAI (ISO 9001:2008)

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"the said Scheme), EWS / LIG Housing in the form of tenements of size ranging between 30 to 50 Sq. Mts. (hereinafter referred to as "Affordable Housing Tenements") shall be constructed at least to the extent of 20% of the basic zonal F.S.I., subject to the following conditions:-

The built up area of the EWS / LIG tenements constructed under the Scheme shall not be counted towards F.S.I."

The 20% is required on the basic FSI. The basic FSI has already been used at the time when the building was made. At that point of time the area of our flats in the range of 30 Sq. Mts., 40 Sq. Mts., 50 Sq. Mts. The current flats that we need to construct and hand over are also between 30 to 50 Sq. Mts. So we were also constructing houses/tenements for the Economically Weaker Section, Low Income Group at that point of time.

That the land and building are belonging to the society and the Government cannot force them to give 20% FSI. These tantamounts to reservations and giving the land for use of Economically Weaker Section and Low Income Group.

The 20% is required on the basic FSI. The basic FSI has already been used over there and at that point of time the project that was made there in the year 1960, 1975, whatever is the year, the society should mention. At that point of time the area of our flats were 30 Sq. Mts., 40 Sq. Mts., 50 Sq. Mts. Similarly the current flats that we need to construct and hand over are also between 30 to 50 Sq. Mts. Meant for Economically Weaker Section, Low Income Group etc. Over a period of time the area is developed and today because of TDR we are getting other new flats we as society or we as members of the society are not contributing any money only because the policy of TDR has come up, only because the prices in the locality have gone up. Is it becoming affordable for us to offer our projects for joint development with a developer? This is becoming affordable but basically the point is that we were also EWS, LIG or MIG at that point of time when this building had come up.

It is the choice, it is the right of the society to admit a member to the society. There is a procedure laid down for admitting a member to the society. In this case what is going to happen is, that all the members who will be coming, will not be in any position to have any control on the type of person and the member who is coming to stay over there.

In so many schemes we have seen where the project affected people have been given tenements, they don't stay over there but they give it out on rent to anti social elements for undesirable uses where the society will not have any control.

Regarding the timely payment of maintenance of taxes, if they don't pay then the entire plot will be auctioned and because of such people all other members will be suffering.

The valuation of the flats will dramatically go down because now there will be a clear distinction of a development of a plot below 4000 Sq. Mts. where there is

no EWS or LIG and a plot above 4000 Sq. Mts. where 20% people are EWS and LIG.

Today the 'Government' has the number of vacant lands or the lands that are partly utilized-

1. Bus Depot
2. Police Station
3. Fire Brigade
4. Municipal School
5. Retail Market
6. Municipal Hospital
7. Government Hospital
8. Post office
9. Sports Centre
10. Collector office
11. Railway Station
12. Municipal lands,
13. State Government lands,
14. Central Government lands,
15. Lands of Defence,
16. Lands of Railways
17. Lands of MHADA
18. Lands of Housing Board
19. Lands of CIDCO
20. Lands of MIDC
21. Lands of Port Authorities
22. Salt pan lands

The above lands can be utilized for Affordable Housing.

The Government basically have a policy of developing its own land and using it for affordable housing, hence the Government basically needs to use its lands and develop them and use them for affordable housing.

CIDCO, MMRDA and Railways, everybody wants to unlock the highest value of the land by doing auctions, nobody is concerned about delivering Affordable Housing, private lands have been made "Scapegoats".

Today plots are available with LIC and other organization, Government can purchase the plots in the open market and do the same. Say how in slum rehabilitation is happening, it is by way of a joint development where additional FSI is given, where all kinds of concessions are given so basically;

All societies which are for redevelopment, this circular should not apply where redevelopment is to be done.

This request is without prejudice to the rights available to challenge the notification itself. Because by the notification, there is a major modification

being carried out to the development plan and the land is indirectly being acquired without proper compensation which cannot be insisted or resorted upon by the Government.

Request -

- 1) Wherever the plot is fully built-up i.e. FSI 1.00 has already been consumed, in such cases EWS / LIG at the rate of 20% should not be insisted upon.
- 2) Hence we request that the Government where all lands mentioned under number 1 to 22 should also be utilized for Affordable Housing.

For your kind and positive consideration please!

Thanking you,

Yours Sincerely,
For **MCHI-CREDAI**



Vimal Shah
President