

Land Pooling Policy of DDA

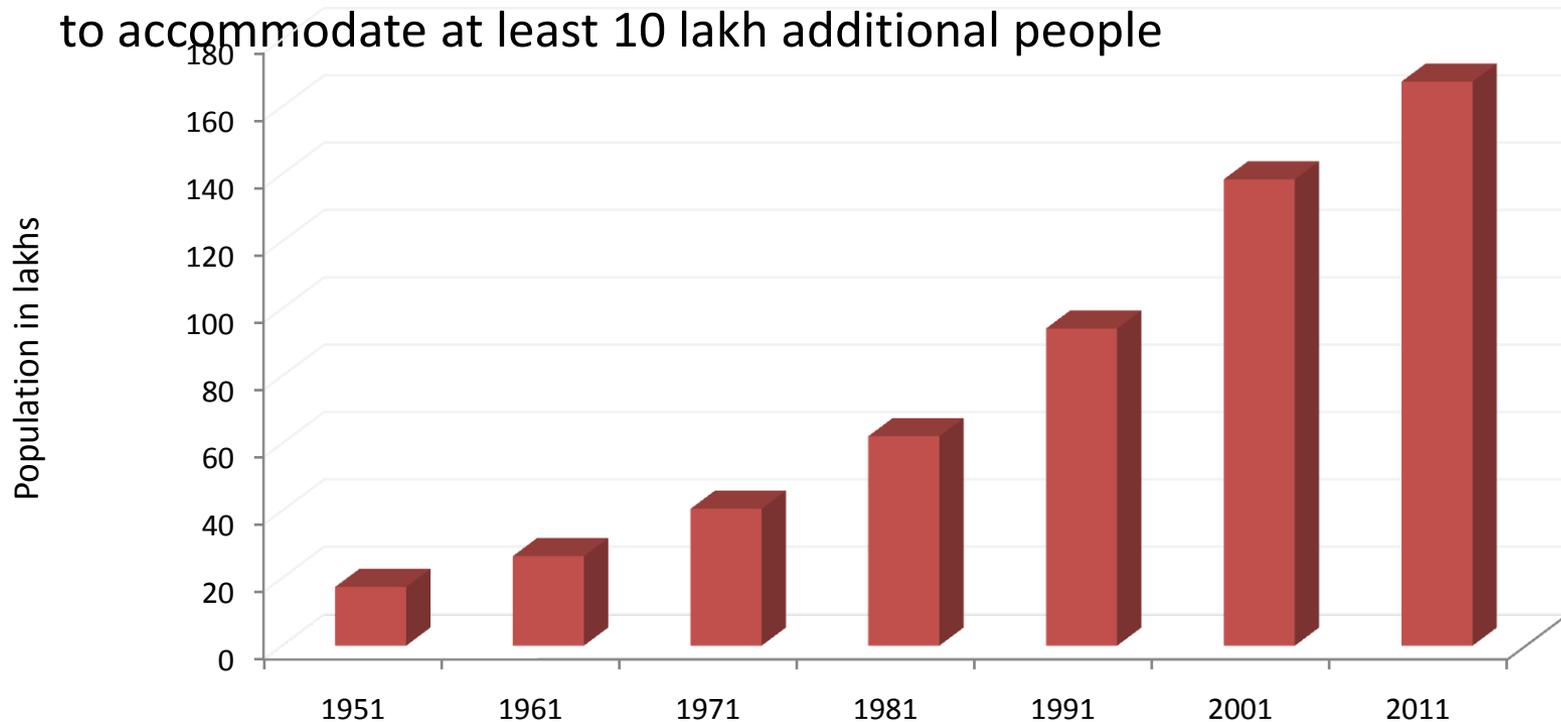


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Population growth in Delhi

- Population of NCT-Delhi had been growing at rates of 50% + per decade from 1950 to 1991
- It increased from 17 lakhs in 1951 to 167 lakhs in 2011
- The net addition to Delhi's population during the decade 2001-2011 has been more than 29 lakh persons (21%)
- The Master Plan 2021 proposed five new sub-cities or urbanisable zones to accommodate at least 10 lakh additional people



Source: Census of India

The demand-supply gap

- The population growth of Delhi implies a continuing requirement for land
- Delhi has also been attracting investment, employment opportunities, small industry, wholesale and retail trade and myriad of activities
- All these new activities require space and increase demand for land for industrial, institutional, commercial and residential uses.
- While demand for land kept increasing since 1950s, the supply has been relatively inelastic in responding to the demand
- This has resulted in a number of problems, such as spiraling real estate prices, restricted land supply, unaffordable housing, formation of slums, etc.
- The reasons are many: but a very major reason has been the difficulty in acquiring land for development

Land Supply in Delhi

- Land development and disposal in Delhi is the responsibility of the Delhi Development Authority, constituted under DDA Act 1957.
- The Land & Building Department of the Delhi Government acquires land for DDA.
- DDA then undertakes the process of development for various purposes including housing. In addition, DDA also disposes off land to private developers and cooperative group housing society for the purpose of housing.
- Over the years it has been observed that DDA has not been able to fulfill the demand for land of the capital, leading to formation of unauthorized colonies. Also, DDA has not been able to fulfill its housing targets.
- It was therefore necessary to look at the major problems and suggest alternative solutions.

Analysis of land acquisition/development in Delhi

Analysis of land acquisition/development under the current land policy shows that:

- Only an average of 777 hectares of land was acquired annually instead of 1372 hectares as intended to meet the targets of the development set in MPD-62
- During 1981-2001, against a planned acquisition of 24,000 hectares, 9507 hectares were acquired by 2001, which was only 40% of the target.
- Around 14479 hectares of land was proposed to be developed in the plan period 1961-81. However, by 1984 the land actually developed for residential purpose was 7316 hectares.
- In the various sub cities envisaged under MPD-2001, of the total 17493.15 hectares proposed to be developed, only 8388.15 hectares (47.95) of serviced land was made available by 2001.

Issues

The shortfall in land acquired/developed can be primarily attributed to the following reasons:

- Dissatisfaction of the landowners with the compensation package leading to disputes and litigations thus slowing down the process of land acquisition.
- Delays in alternate allotment leading to further increases in cost.
- Enhancement in compensation awarded by the court implying additional resources and extra administrative work
- Pockets and plots of land that remain under litigation for a long time and hence left vacant have been encroached upon by unauthorized and JJ colonies.

Issues

- Slow pace of land development and pricing out of the LIG/EWS from the formal land market has also been another reason for the proliferation of unauthorized colonies, slums, and squatters in urban and rural Delhi.
- The present urban land policy is not in consonance with the Master Plan proposals both in terms of phases of development and in land use.
- All the above have resulted in public supply of land falling short of demand and physical targets not being met.
- Thus, the need of the hour is an alternate land development model that is simple to operate and attractive to the landowner and which can quicken the process of land assembly

Alternate Techniques of Land Assembly

Land for development can be assembled either through land acquisition or through purchase.

In between these two, there are several other models of land assembly which are being used in different States.

The UDPFI guidelines classify these as:

- Land pooling and distribution schemes, popularly known as town planning schemes
- Mechanism of transfer of development rights
- System of accommodation reservation

Alternate Techniques of Land Assembly

Town Planning Schemes – the Gujarat experience

- The basic concept of Town Planning Schemes is pooling together all the land under different ownerships and redistributing it in a properly reconstituted form after deducting the land required for open spaces, social infrastructures, services, housing for the economically weaker section, and road network.
- This process enables the local authority to develop land without fully acquiring it and gives it a positive control over the design and the timing of the urban growth.
- This method is extensively practiced in Gujarat and Maharashtra, selectively in Kerala and occasionally in Andhra Pradesh and Tamil Nadu.
- To achieve the ultimate objectives of the Development Plan, Town Planning Schemes are prepared for smaller areas of about 100 hectares
- Implemented under the Maharashtra Regional and Town Planning Act, 1966 in Maharashtra and under the Gujarat Town Planning & Urban Development Act, 1976 in Gujarat
- Since the reconstituted plot has better accessibility and good potential for development, its value gets enhanced. Part of such increment in land value is contributed for the cost of development work in the scheme. The landowners get the net amount of increment value of the plot worked out after deducting the amount of compensation payable for the loss in area.

Alternate Techniques of Land Assembly

Haryana Model

- Haryana experimented with a new model of land assembly under the Haryana Development and Regulation of Urban Areas (HDRUA) 1975 permitting, under grant of license from the DTP, private developers to assemble lands from the market through negotiations and develop these to build residential colonies.
- Private developers are allowed to negotiate on market price with agricultural and other land owners to buy land
- Private colonizers prepare layout plans for integrated development of residential areas, with their internal infrastructure considering the space norms specified in the city's development plan
- A developer is required to reserve 20% of housing for EWS and LIG, another 25% can be sold in the market on "No Profit No Loss" basis, while the rest 55% can be sold freely in the open market
- The developer is required to pay to the HUDA, in proportion of its development costs for a colony, "External Development charges" (EDC) for getting connected to the HUDA's trunk lines of utilities and a "Infrastructure Development Charge" or IDC for city-wide infrastructure development.
- The DTP is the nodal agency for regulating the functions and activities of the licensed private developers including checking their income and expenditure.

Alternate Techniques of Land Assembly

Ghaziabad Model

- GDA Model has been implemented for developing land and constructing houses under Urban Planning and Development Act, 1973
- Basic reason is to make funds available for infrastructure development
- It is envisaged as a joint venture between Ghaziabad Development Authority and private developer
- The equity sharing between the GDA and the private developer is in the ratio of 10:90. This reduces the cost burden on the Authority
- The compensation package streamlines implementation by reducing the litigations and constraints of the traditional land acquisition process.
- The private developers earn revenue from sale of 60% of plots in free market.
- The model is attractive for the Development Authority as apart from the less investment, and free of cost facilities, it earns annual revenue of 1% from the private developer (tie up cost index).
- The model is applicable in selective residential areas with a minimum size of 50 acres.

Alternate Techniques of Land Assembly

Noida Model

- Compensation rates are revised after every financial year by linking them to “consumer price index”.
- Compensation rates are determined irrespective of location.
- A separate rehabilitation package in the form of additional 15% on basic land acquisition rate along with land compensation @ 1/5 of actual plot value.
- Development levies are charged from villagers.

Relevance of the Models to Delhi

- In view of the fast pace of development that Delhi needs in order to cater to the rapidly increasing population, a model of land development is required that is replicable and applicable on a large scale of 1000 hectares and above. Also, the model should not be confined to the residential pockets only.
- In the case studies (excluding the Noida model), scale is limited up to 100 or 80 hectares and that too within the residential pockets. The viability of replicating and up-scaling these models were assessed.
- The Haryana and Ghaziabad models provide for a reservation of 20% of plots for EWS/LIG. However, it needs to be considered whether this quantum of provision in Delhi's context would be sufficient
- It was to be seen whether the linking of compensation rates to the consumer price index as in the case of Noida, can be worked out in Delhi
- Be it the TP schemes, or the Haryana and Ghaziabad models, the provision of infrastructure is limited to the layout level and does not take into account the Master Plan/Zonal Level facilities.

AMDA Model for Delhi

AMDA proposed a “land pooling cum barter model” for development within the planned project areas in Delhi, the main features of which are:

- To ensure rational and attractive returns to the farmers. This can be achieved by returning net residential developed land upto 16% land under notification of section 4 surrendered to DDA by the landowner.
- This leaves upto 84% of land with DDA to meet the plan requirements.
- DDA gets 100% of the land for an area earmarked for development in lieu of the net residential land upto 16% returned to the landowner within a developed area.
- 16% of the land given for barter is based on the plan prepared and executed by the DDA and the conditions mentioned in the plan will be applicable.
- In the 84% of the land remaining, DDA develops all housing for EWS and part of the total DUs for LIG along with all the facilities at Master/Zonal plan level. The landowner on the other hand has to provide all housing for HIG and MIG and a part of the total DUs for LIG in the land returned to him. Through this the model seeks to achieve the social equality of land.

AMDA Model for Delhi

The landowner does not feel deprived of his land when he is given compensation in terms of land and he is also left with numerous options like:

- retaining the land with him, to partially or totally dispose the land
- waiting for land prices to rise in the market and selling to developers at market rates
- coming forward as a promoter

The barter system takes into account the entire spectrum of development, including the facilities to be provided at Master Plan/Zonal Plan/Layout level.

AMDA also advised change in the institutional setup of DDA. The existing institutional mechanism under the DDA dealing with acquisition/development and disposal of land is highly centralized and has not been kept pace with provisions of Master Plan. Therefore, the following changes are suggested:

- Decentralize land assembly, development and disposal
- Establish an autonomous body to monitor and regulate land acquisition/development and disposal under DD Act



Towards a New Land Pooling Policy for Delhi

Since future land availability potential to accommodate the needs of future lies in urban extension areas, planned development of these areas was deemed essential. A study on evaluation of different models of land pooling in Delhi was commissioned by DDA.

NCAER studied 3 alternate models of land pooling including financial evaluation based on data from 11 recently developed DDA projects and information from leading private developers in & around Delhi.

Since infrastructure development also requires resources, PPP model was suggested in order that public authorities are able to recover external development charges (EDC) so that all essential services can be extended to the proposed urban extension areas.

The new land pooling policy was notified as alternative to land acquisition, with active involvement of the private sector. It has been incorporated as Chapter 19 of the Master Plan Review.

Land Pooling Policy for Delhi

- Ministry of Urban Development vide Notification dated 05.09.2013 modified the Master Plan 2021 to include the new Land Pooling Policy as Chapter 19 of MPD 2021.
- The new land policy is based on the concept of Land Pooling wherein the land parcels owned by individuals or group of owners are legally consolidated by transfer of ownership rights to the designated Land Pooling Agency for undertaking of development for such areas.
- Under the policy transfer of development rights is also allowed.
- It is expected to yield land to accommodate 10 million people and facilitate creation of 1.6 million dwelling units
- A part of land (48-60%) is later transferred back to the owners (in two different modes)
- The policy is applicable in the proposed urbanisable areas of the Urban Extensions for which Zonal Plans have been approved.

Guiding Principles

- Govt. / DDA to act as a facilitator with minimum intervention to facilitate and speed up integrated planned development.
- A land owner, or a group of land owners (who have grouped together of their own volition/will for this purpose) or a developer, hereinafter referred to as the "Developer Entity" (DE), shall be permitted to pool land for unified planning, servicing and subdivision / share of the land for development as per prescribed norms and guidelines.
- Each landowner to get an equitable return irrespective of land uses assigned to their land in the Zonal Development Plan (ZDP) with minimum displacement.
- To ensure speedy development of Master Plan Roads and other essential Physical & Social Infrastructure and Recreational areas.
- To ensure inclusive development by adequate provision of EWS and other housing as per Shelter Policy of the Master Plan.

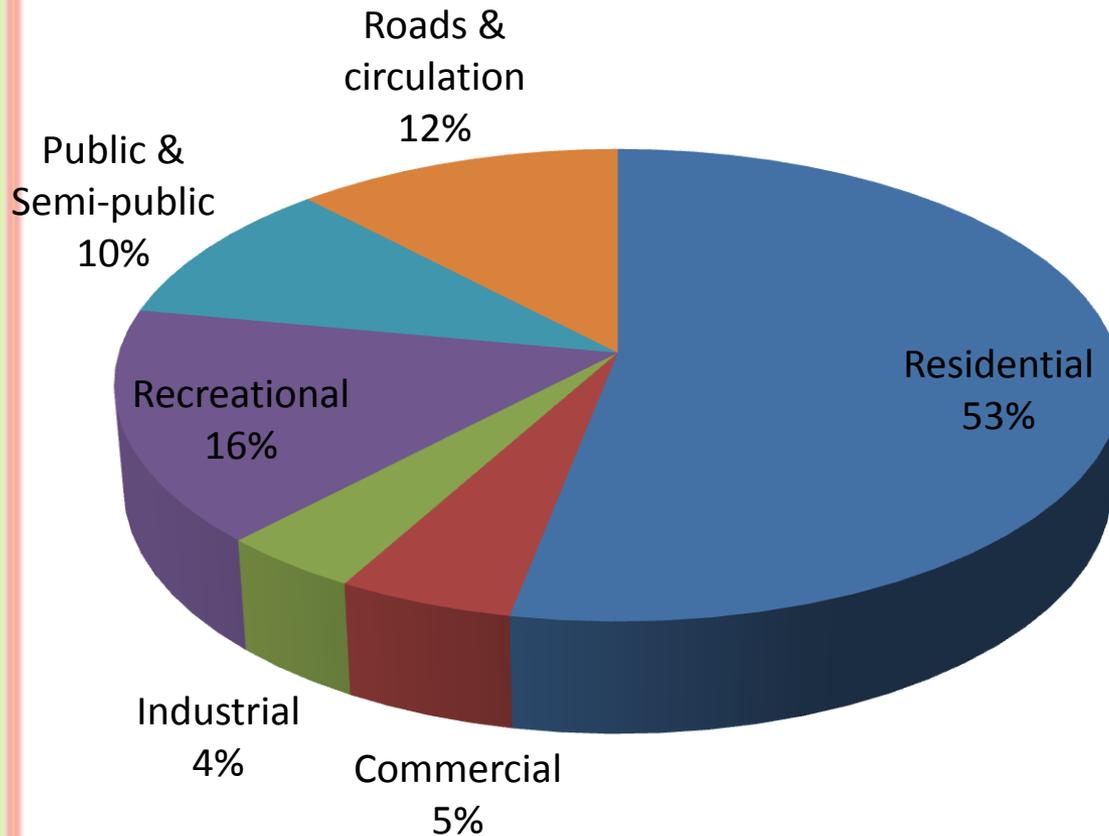
Role of DDA/Government

- Declaration of areas under land pooling and preparation of Layout Plans and Sector Plans based on the availability of physical infrastructure
- Superimposition of revenue maps on the approved Zonal plans
- Time bound development of identified land with Master Plan roads, provision of physical infrastructure such as water supply, sewerage and drainage, provision of social infrastructure and traffic and transportation infrastructure including metro corridors
- DDA shall be responsible for external development in a time bound manner
- Acquisition of left out land pockets in a time bound manner shall only be taken up wherever the persons are not coming forward to participate in development through land pooling

Role of the Developer Entity (DE)

- Preparation of the layout plans/detailed plans as per the provisions of Master Plan and the policy.
- Demarcation of roads as per Layout Plan and Sector Plan within the assembled area and seek approval of layout plans/ detailed plans from the DDA
- Develop sector roads/internal roads/ infrastructure/services (including water supply lines, power supply, rain water harvesting, STP, WTP etc. falling in its share of the land.
- DE shall be allowed creation of infrastructure facilities, roads, parks etc. at city level subject to approval of Competent Authority
- Return of the prescribed built up space/ Dwelling Units for EWS/LIG Housing component to the DDA as per the policy.
- Timely completion of development and its maintenance with all the neighbourhood level facilities i.e. open spaces, roads and services till the area is handed over to the Municipal Corporation concerned for maintenance. The deficiency charges if any, shall be home by the DE at the time of handing over of the services to the Corporation.

Land Use Distribution



For every 1000 ha of land pooled, the gross residential distribution provides approximately 50,000 DU's for EWS housing. Recreational land use does not include green areas within the various gross land use categories.

The share of city level remunerative land to be retained by DDA shall depend on the categories/size of land pooled under this policy.

- DDA's share in residential land shall vary between 0-10%
- Commercial Land shall vary between 0-2%
- Entire Industrial Land of 4% shall be retained by DDA

Norms for Land Assembly/ Land Pooling

The land pooling model proposed for land assembly & development with Developer Entities are as follows:

- i. The two categories of land pooling are Category I for 20 Ha and above and Category II for 2 Ha to less than 20 Ha.
- ii. The land returned to Developer Entity (DE) in Category I (20 Ha and above) will be 60% and land retained by DDA 40%.
- iii. The Land returned to Developer Entity (DE) in Category II (2 Ha to less than 20 Ha) will be 48% and land retained by DDA 52%.
- iv. The distribution of land returned to DE (60%) in terms of land use in Category I will be 53% Gross residential, 2% City Level Public / Semi-Public and 5% City Level Commercial. The distribution of land returned to DE (48%) in terms of land use in Category II will be 43% as Gross residential, 2% City Level Public/Semi-Public and 3% City Level Commercial.
- v. DE shall be returned land within 5km radius of pooled land subject to other planning requirements.

Development Control Norms

- Residential FAR, 400 for Group Housing to be applicable on net residential land which is exclusive of the 15% FAR reserved for EWS Housing
- Net Residential land to be a maximum of 55% of gross residential land
- FAR for City Level Commercial and City Level PSP to be 250
- Maximum Ground Coverage shall be 40%
- Density of 15% FAR for EWS population shall be considered over and above the permissible Gross Residential Density of 800-1000 pph
- Adequate parking as per norms of 2 ECS/100 sqm of BUA to be provided for Residential development by the DE. In case of EWS, the norms of 0.5 ECS/100 sqm of BUA to be provided
- Incentives for Green Building norms as per MPD-2021 to be applicable to Group Housing developed under this policy
- Basement below and beyond building line up to setback line may be kept flushed with the ground in case mechanical ventilation is available. In case not prescribed, basement up to 2 mts from plot line shall be permitted
- Sub-division of gross residential areas and provision of facilities (local and city level) shall be as per MPD 2021
- Local level facilities to commensurate with the density specified
- Tradable FAR is allowed for development. However, in case of residential use, tradable FAR can only be transferred to another DE in the same planning Zones having approval/licence of projects more than 20 Ha

Other terms and conditions

- Development along TOD corridors in urbanisable areas will be as per TOD policy
- In case of fragmented land holdings, land shall be returned in the vicinity of the largest land holding within the same zone.
- EWS Housing unit size to be ranging between 32-40 sqm.
- 50% of the EWS Housing Stock shall be retained by Developer Entity (DE) and disposed only to the Apartment owners, at market rates, to house Community Service Personnel (CSP) working for the Residents/ Owners of the Group Housing. These will be developed by DE at the respective Group Housing site / premises or contiguous site.
- Remaining 50% of DUs developed by DE to be sold to DDA for EWS housing purpose will be sold to DDA / Local Bodies at base cost of Rs. 2000/- per sq. ft. as per CPWD index of 2013 (plus cost of EWS parking)
- Necessary commercial and PSP facilities shall also be provided by the DE for this separate housing pocket.
- The EWS housing component created by the DE shall be subject to quality assurance checks, as prescribed in this regard by Govt./DDA. The final handing/taking over of this component shall be subject to fulfilling the quality assurance requirements.
- The DE shall be allowed to undertake actual transfer/transaction of saleable component under its share/ownership to the prospective buyers only after the prescribed land and EWS housing component is handed over to the DDA.
- External Development Charges and any other development charges incurred for the city infrastructure shall be payable by the DE on actual cost incurred by DDA.

Framework for Implementation of the Policy

The detailed Regulations for operationalisation of the Land Pooling Policy including process and timeframe for participation shall be framed separately in a time bound manner.

In order to make the Policy people friendly and transparent the detailed Regulations shall be put up in Public domain for inviting views of the stakeholders giving 30 days time in the newspapers and website since it involves development through participation.

Creation of a dedicated Unit in DDA for dealing with approvals of Land Pooling applications.

The option of outsourcing of the scrutiny for legality of applications and online submission of building plans to experts may also be considered.

Thank you

