



LAND POOLING POLICY

Overview: The population of Delhi has grown rapidly over the last few years and has increased approximately ten-fold (to 1.7 crores) in just six decades. However, according to the Delhi Development Authority's (DDA) estimate, the current infrastructure can serve only 1.5 crores people.

About 60 lakhs people are expected to be added to Delhi's population by 2021. Thus, the city requires adequate infrastructure to support about 80 lakh people to cover the existing deficit. This requires the development of about 50,000-60,000 acre of land and a strong financial commitment from the government.

Direct acquisition of large tracts of land may be not feasible due to ever-increasing land prices. Landowners have anyway challenged direct acquisition due to less transparency in the process and unfair compensation.

To address these concerns, DDA recently introduced the Land Pooling Policy to facilitate faster and efficient development. The policy is aided by incentives such as **high floor are ratio (FAR) and a single window mechanism.**

DDA and the government have restricted themselves to being just facilitators and are promoting public-private partnership for the development of urban infrastructure in Delhi. The new land pooling policy is expected to result in the availability of at least 40,000 acre of new land.

Such large scale development is expected to make Delhi a major property market in the entire NCR region. Developers have already about 20,000 acre of land in outer Delhi areas and they are preparing development plans.

MASTER PLAN FOR DELHI (2021)

The Delhi Development Authority (DDA) was established in 1957 to accommodate growing population, provide adequate infrastructure and oversee planned development in Delhi in 1962, the first 20-year Master Plan for Delhi was introduced. Thereafter, it was modified extensively to cover the period up to 2001 (MPD) under which Dwarka and Rohini were developed. Currently, the development of Delhi is being governed by the Master Plan 2021(MPD-2021).

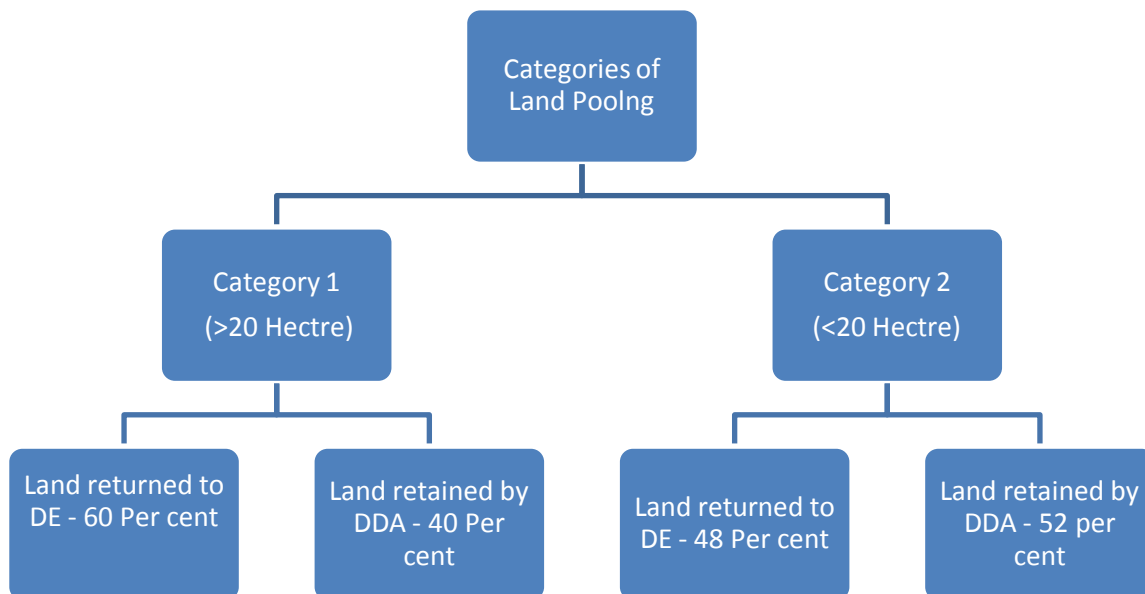
LAND POOLING POLICY

Notified on 5th September, 2013 via Gazette No. S01234, Land Pooling Policy aims to prevent acquisition of land without the owner's consent. In land pooling policy, DDA has enabled developers to directly acquire land from farmers or landowners (Land owner can be anybody)

can surrender their land holding into the central pool and become a stakeholder to the development proposed on their land.

Once the land is pooled, the land owner would get back either 48% or 60% of the total land surrendered within a time bound period (according to the regulations defined in Land Pooling Policy issued by DDA) as developable land and the rest would be retained with the DDA for creation of infrastructure as well as shall monetized for specific purposes.

For Assembling of land, the following land pooling model has been proposed.



Distribution of land returned to DE (60 Per cent)

- Gross residential-53 percent.
- City level (commercial) – 5 percent.
- City level (public/semi-public) – 2 per cent.

Distribution of land returned to DE (48 percent)

- Gross residential – 43 per cent.
- City level (commercial) – 3 percent.
- City level (public/semi-public-2 percent.

NEED FOR LAND POOLING POLICY

Delhi implemented its first land policy in 1961. However, in recent years, the need for a new policy was felt to provide for increasing demand for urban infrastructure and address issues such as transparency in acquisition and assessing the fair market value of land. Further with significant increase in prices of land, it is financially difficult for DDA to go for a large scale land acquisition. Therefore, a new land policy was introduced on September 5, 2013 to protect the interests of all stakeholders, namely landowners and development authorities.

SIGNIFICANCE/APPRICIATION POTENTIAL OF LAND POOING AREAS

The Circle rates of agriculture land till August 4, 2015 were Rs. 53 lakhs per acre. The government now, vide the notification dated August 4, 2015 has increased the minimum rates of land for the purposes of chargeability of stamp duty from **53 lakhs per acre to Rs. 3.5 crores per acre** in the areas selected for Land Pooling in South West District of Delhi (L-ZONE).

With this hike, the minimum stamp duty per acre (@7% of the total cost) for land pooling areas has been hiked from 3.71 lakhs per acre to 24.5 lakhs per acre for land pooling areas.

For the agriculture land in the same district where land pooling is not applicable, the circle rate has been hiked from 53 lakhs per acre to only 1.5 crores per acre. By thinking the circle rate from 53 lakhs to 3.5 crores per acre for land pooling areas in South West District (L ZONE), the Govt. has guaranteed that the Land in these areas will be used for Land Pooling because it has imposed additional financial implications on the land buyer in these areas meant for land pooling.

An extra Rs. 20.79 lakhs per acre is being charged from the land buyers in the areas where land pooling policy is applicable.

Hence, the circle rate of the agriculture land in land Pooling Areas comes to 3.5 Crores per acre. Each acre has 4000 sq mt. The circle rate per sq mt is, therefore, Rs 8,750 per sq mt. Once pooled the land owner shall get back about 48 percent as

developed plot. The latest circle rate of developed plot in Dwarka, 3.5 Kms away, is Rs 1.5 Lakhs per sq mt. The appreciation potential of such an agriculture land is written on the wall.

ROLE OF DDA AND DE (DEVELOPER ENTITY IN LPP)

As per the Master Plan, both DDA and Developer Entity shall ensure speedy development of Master Plan roads and other essential physical and social infrastructure, and the recreational areas. The master plan has highlighted the following roles in infrastructure development for each.

DDA

- Time bound development of Master Plan roads.
- Create provision for physical infrastructure such as water supply, sewerage and drainage, provision of social infrastructure, and traffic and transportation infrastructure including metro corridors.
- External development in a time bound manner (external development charges and other development charges incurred for city infrastructure shall be payable by DE on actual cost incurred by DDA).

DEVELOPER ENTITY (DE)

- Approval of layout/detailed plan from DDA.
- Demarcation of roads as per Layout and Sector Plan, and obtain verification of same from the concerned authority.
- Develop Sector/internal roads/infrastructure/services in its share of land. This will include water and power supply lines, rain water harvesting, STP/WTP etc.
- Timely completion of development and its maintenance with all facilities i.e. open spaces, roads, and services till the area is handed over to the Municipal Corporation.

Further, for infrastructure development, following land use distribution in the urbanisable areas shall be adopted.

- Gross Residential – 53 per cent.
- Recreational – 16 per cent.
- Roads and Circulation – 12 per cent.

- Public/Semi public facilities – 10 per cent.
- Commercial -5 per cent.
- Industrial – 4 per cent.

Note:

The 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 percent commercial land shall vary between 0-3 percent, and entire industrial land of 4 percent shall be retained by the DDA.

As per the Master plan, the developer entity shall ensure adequate provision of EWS and other housing as per Shelter Policy of the Plan. Apart from this, the developer entity shall also return the prescribed built up spaces. EWS dwelling units and LIG Housing Components to the DDA as per the policy.

Further for EWS, following terms have been adopted by the Master Plan.

- EWS Housing unit size to range between 32-40 square meter.
- 50 percent of EWS housing stock to be retained by DE for regulated sale for Community Service Personnel and the remaining 50 percent to be sold to DDA at Base cost of Rs. 2000/sq.ft. which shall be enhanced as per CPWD escalation index at the time of handing over.
- The EWS housing component created by the DE shall be subject to quality assurance checks as prescribed by the DDA.

Touchdown

terraces

UPDATE ON LAND POOLING POLICY

1. **Clearance/Notification for Land Pooling Policy:** Urban Development Ministry notified (via Gazette No. S01234), the land pooling policy. **(September 5, 2013).**
2. **Approval from Governor:** DDA Chairperson and LG approve Land Pooling Policy. **(October 2014).**
3. **Approval for Implementation of Land Pooling Policy:** The Urban Development Ministry approved the implementation of Land Pooling Policy. **(May 24, 2015).**
4. **Circle Rate Enhanced:** Delhi Government increased circle rates in the areas selected for Land Pooling in South West District of Delhi from 53 lacks/acre to 3.5 crores/acre. **(August 4, 2015).**
5. **Gram Sabha land transferred to Delhi Govt:** Lieutenant Governor Najeeb Jung has allowed the transfer of the ownership of “Gram Sabha Land” in 95 villages earmarked for Land Pooling to the Delhi Government, thus clearing the way of early implementation of Land Pooling Policy. **(October 29, 2015 - Published in Hindustan Times dated November 5, 2015 and November 16, 2015 in TOI).**
6. **Appointment of Private Consultant:** The Urban Development Ministry appointed KPMG as the consulting partner for developing work class infrastructure by 2021. KPMG will prepare the action for NDMC Corporation. It has also organized a publication consultation program to shape up the ideas for Delhi’s smart city zones L, N, K, and P. **(November 5, 2015).**
7. **Special Package for Development (UER-2):** Urban development minister Venkaiah Naidu on Sunday announced Rs 3,250 crores package for the

capital, to be used for construction of flyovers, underpasses and rail over-bridges to free up arterial roads. The projects to be undertaken by DDA include construction of a rail under-bridge at Holambi; a rail over-bridge at Mundka on Urban Extension Road II; a rail bridge at Narela; a tunnel near Bhagya Vihar and Meer Vihar and construction of the Dwarka Expressway from Urban Extension Road II to Northern Peripheral Road. The work on UER-2 has commenced. **(November 23, 2015).**

8. **World Class Exhibition-Cum-Convention Center:** The government has cleared the setting up of a world class state-of-the-art Exhibition-Cum-Convention Center (ECC) at the cost of nearly Rs. 40,000 Crores over 100 Hectares in Dwarka. **(January 26, 2016).**
9. **New Route of Delhi Metro Phase 4:** The Delhi Metro Rail Corporation has added a new line to connect Dwarka-Kanjawala-Prem Piao. There will 18 stations on this evaluated route. The first phase will be completed by December 2019. **(February 11, 2016).**
10. **Kissan Sammelan:** Delhi Government organized' Kissan Sammelan on Land Pooling' held at FICCI Auditorium, Lodhi Road , New Delhi on **13 Feb 2016**. There were intense celebrations seen on the Sammelan on Land Pooling Policy. **(February 13, 2016)**
11. **Single Window Clearance for Housing projects in Delhi:** In a major development towards ease of constructing housing projects in Delhi, Minister of Urban Development, Shri M. Venkaish Naidu announced the Unified Building Bye-laws for Delhi. **(March 30, 2016).**