

# **LAND; in Urban Perspective, by Mr.Lalit Kumar Jain, president, CREDAI**

The Confederation of Real Estate Developers' Associations of India (CREDAI) are the apex body for private real estate developers in India. CREDAI represents over 6,000 developers through 20 member state associations which have 74 city associations as their members across the country. Its numerous initiatives and activities help developers come together and work

Towards better practices, improved customer service and a stronger realty industry. CREDAI has now launched "MISSION TRANSPARENCY" Which envisages two fold purposes.

1. Transparent practices in dealing with consumers with remedial mechanism of consumer redressal forum in each city.
2. Transparency in governance in obtaining approvals for construction. (A document called "Comprehensive check list for one window approval" is submitted to Mr. Kamalnath and subsequently to Ms Kumari Shailaja for adjudication by various central and state government departments and municipal institutions (@48) and finalization. Upon implementation this will reduce time for approval of building proposal which takes about 3years to three weeks, remove people to people contact, thus result in removal of the corrupt practices in the sector. If implemented Real Estate sector's contribution to GDP can well become two-fold, reduce housing prices by 10 to 25%, increase housing stock by 100%, create 100% more jobs in the sector, increase revenue by 100% for Authorities from VAT, service tax, stamp duty, development charges etc.

Oxford Economics' projections: 'Double-digit growth would be possible if India were to push aggressively to remove barriers in product, land, and labor markets'.

**Cost of housing have five elements;**

1. Land(cost inverse to FAR)
2. Building material(ever increasing)
3. Labour cost( ever increasing)
4. Cost due to approval process (10 to 25% of sale value)
5. Taxation(30 to 36% of sale value)

Here point number 2 and 3 mentioned above are ever increasing and cannot be substantially changed even with technology in current circumstances.

**Costs due to Approvals** can substantially come Down with implementation of “One Window Clearance”.

**Taxation** will have to be considered by Central, State and municipal authorities.

**Land cost** can substantially come down if FAR is done away with.

The development rules in Hyderabad have proven that sale prices can be controlled through decontrol of FAR policies and also quality of development can be ensured.

Also major land owner in most of cities is government.

To promote cause of ‘MISSION TRANSPARENCY’ I Travelled across the the country and realized criminal waste of land resource.

Here are various types of activities in vogue in tier two, three and four type cities.

1. Low rise low density buildings
  2. Authorised layout of plots of 250 sq mtr onwards
  3. Unauthorised lay out activities of 50sq mtr onward lay outs
- The urban science globally speaks high density vertical development in urban areas for feasible physical infrastructure and saving environment through protection of green land.
  - The horizontal low density low rise development is a crime according to urban science
    - as it results in destruction of green land
    - makes physical and social infrastructure unviable
  - Unplanned small plotting will;
    - Create slums like scene around cities
    - Disaster management will be a challenge
    - Quality of human life will deteriorate
    - Providing social and physical infrastructure will be costly and challenging

- Law and order management becomes a challenge
- ❖ Floor Area Ratio
  - Current scenario
    - Across the country with few exception average Far is 1 to 2
    - The road width and other infrastructure are planned as per these densities.
    - Mass transit systems nonexistent and public transport not efficient
    - 60% of sewage is untreated and left in river or nalas
    - Water supply systems cannot reach all locations quickly
    - Kills green fertile land for horizontal expansion
    - Gives rise to unrest amongst farmers etc
  - solution
    - ◆ high density vertical growth
      - Asses the requirement of housing and other infrastructure and declare the development zones to satisfy them...
      - An area of 10 sq KM to be considered for assessing demand and supply and satisfy the needs within the same geographical boundaries.
- this will make public transportation(MRT) viable
- the drainage and water line development will be feasible and quick
- the sewage treatment plant will be efficient and can cover most areas
- recycled water can be reused or sent for farm land use
- this treated water can save drawing of water for urban and rural area separately from reservoirs by integrating the two
- travel time of citizens will substantially reduce giving quality time to families
- land costs will be divided over larger built areas making housing affordable
- will protect green land
- implementation of eco friendly building construction will be viable, less costly and planning authority will be able to lay uniform guidelines and monitor

- law and order situation can be monitored better

**Land titling Bill:** It's a welcome move. We have following suggestion.

- ◆ English language across the country
- ◆ All states to use metric systems
- ◆ Provide for same IT Platform enabling integration of Data across the country
- ◆ Detail information on all individuals recorded in title
- ◆ Connecting the land survey with Google satellite mapping, development plan, GIS Maps,
- ◆ Connecting the ready reckoner with land title
- ◆ Online search of title to be web based on payment of online
- ◆ Fees. Record of people searching the title to be made known to the owner in title using IT tool

**Land Acquisition Act;** more practical act is envisaged. Few suggestions

- ❖ Always give 25% of net plot out of the acquired land with full potential use. (on or near acquired Land with access and infrastructure) at cost to original land owner with development right for the user as may be permissible in development Zone
- ❖ Gujarat Land pulling (town planning act) may be referred.
- ❖ Assessment of required area for acquisition to be judicious (there is habit of acquiring more land than required to serve the purpose).
- ❖ As far as possible land acquisition should be through negotiation. For which a fix time of 3 months prior to commencement of acquisition process

**Conclusion:**

- **Land is important resource and should be sparingly used**
- **High density vertical growth is to be encouraged for viable physical infrastructure, protection of environment and agriculture production and bring down land cost element in cost of housing**
- **Use Hyderabad development rules (with suitable modifications) of no FAR restriction, for optimising land resource**
- **Higher land cess for low density low rise construction**
- **Asses the requirement of housing and other infrastructure and declare the development zones to satisfy them...**

- **An area of 10 sq KM to be considered for assessing demand and supply and satisfy the needs within the same geographical boundaries.**
- **Land Title effort to be in same language, It platform and metric system across the country for potential integration nationally and integrating it with development plan, GIS, Satellite maps, ready Reckoner prices etc.**
- **Land acquisition to be through negotiation and Land lord to get 25% of net plot of acquired land for development purposes.**