

Land pooling policy will reduce property prices in the long run, take load off Gurgaon and Noida Sanu Sandilya | 11 June 2015, 11:54 AM IST

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*A new land pooling policy, a transit oriented policy, a redevelopment policy, the Delhi Development Authority (DDA) has its hands full with development plans for the city which promise to change its landscape. In an interview with **Sanu Sandilya** of ETRealty.com, **Balvinder Kumar**, vice-chairman of **DDA** opens up about the different initiatives that are the talk of the town these days and the way forward for the city. Excerpts:*

What is happening on the land pooling front? By when will the policy be implemented?

The Ministry of urban development has approved the policy and I think it will take another two months to get formalised. We are taking an urbanisable area of 20,000 hectare, which needs to be declared as development area. Also, 89 revenue villages that fall in the area need to be declared as urban villages, which will nullify the land reform act applicable on agriculture land in those villages. These two notifications are pending.

It is being reported that villagers are not convinced about the idea to pool their land. What is the scenario on the ground?

You can't come to a conclusion that farmers are not interested in land pooling by taking the opinion of one or two farmers. We need to educate farmers about the benefits of the policy. For example, the policy earlier had a clause where farmers had to pay an external development charge of Rs 5 crore per hectare, which was obviously not practical. But this new policy has an option where if farmers surrender 8% of their land, the external development charges would be waived off. It is a big change. Now, groups of farmers can come to us and get 35% of basically residential land, whose market value will be huge.

What are you doing to increase awareness about the land pooling policy among villagers?

We had invited expression of interest for agencies to spread awareness. We have received 70 applications, of which we will finalise 5-10 agencies in the next one week, who would be responsible to do meetings in villages to educate villagers about the actual benefits of the land pooling policy. We hope to start awareness campaigns soon.

How will the land pooling policy affect the housing supply in Delhi? Will it also impact home prices?

The policy will have a good impact on housing supply in the long run. However, I don't see any major change for another five to seven years. If the policy is cleared in the next two months, it will take another seven to eight months to give lands to people, another two years to start work and another three years for the construction, which is normal with big projects. So, may be in six to seven years we can see change in the landscape.

If we take 1,000 hectares, it has a potential to have 2.5 lakh units, with 50,000 EWS houses. So, in 10,000 hectares, 25 lakh units can come up. This is the potential of that area. We will have to see how this area will come under land pooling policy.

Home prices will surely get affected in the long run. But I don't see any immediate impact. Load of housing on Gurgaon and Noida and will come down, which will in turn reduce prices.

Is the land pooling policy mainly focusing on affordable housing? Will DDA also make flats under this policy?

Developing projects is solely at the discretion of private developers depending on the market scenario. If he thinks there is a market for high end flats, he will go for it. Affordable housing has been given 15% FAR; so if 400 FAR is allowed for a particular project, 60 FAR would be for affordable housing.

DDA will not be developing any flats and will only focus on developing infrastructure here.

What are the different developments that we can see in the transit oriented development (TOD) policy? How much FAR would be allowed?

The influence zone in the TOD policy will be 500 metre on both side of metro corridor. The policy will allow mix land use, which will have a blend of residential, commercial and institutional developments. We expect an intensive and vertical development to take place at the sides of the Metro corridor.

There is no limit of number of floors, and all depends on the approval of Airport Authority of India. The allowed FAR can go up to 400 for mixed land use. We will take up 1 hectare for layout plan, of this we would need 3,000 metre to be implemented under the TOD norm.

Is the current crop of buildings in Delhi capable of resisting a Nepal-like earthquake? What about DDA buildings? Is DDA doing something in this front?

We are working out a redevelopment policy for quite some time, which will have enough incentivisation for people to come forward for redevelopment. However, there is a provision in the current master plan of 50% additional FAR, but this policy has not been attractive so far. So, we are modifying the policy keeping in mind all the factors.

We will try to formalise a redevelopment policy in two to three months, because if we are not going for redevelopment it can have disastrous impact in the times of a natural calamity.

Current buildings in many unauthorised colonies are very vulnerable and will not survive an earthquake. DDA buildings that are 10-15 years old have been built by taking precautions for such calamities. But for the old DDA buildings, we are planning to go for redevelopment. We have just last week taken approval for redevelopment in Rajender Nagar DDA colony.

How much unutilised land is available with DDA at present? What are you planning to do with the same?

We have recently added 8,300 acres in our inventory and have put all the details about the same on our website. We are also taking measures for protection of this land. We have made quick response teams under chief engineers of every area, who will check the area for encroachments every month.

This unutilised land is categorised under different land usage, and in times to come the land will be allotted or auctioned.

What is the status of the planned Rs 40,000-crore convention and exhibition centre near the Indira Gandhi International (IGI) airport in Dwarka?

This is a project proposed by the department of industrial policy and promotion (DIPP) and I am not sure of the position right now. All the issues regarding land transfers have been resolved and a total of 90 hectares is available without litigation now.

What is DDA doing to clean up the Yamuna and stop the dumping of construction material and debris on the river bed as directed by NGT in March this year? What will happen to the areas falling under active flood plains?

The National Green Tribunal (NGT) had ordered us for delineation of floodplains along the Yamuna. We have done the exercise. We are putting up the matter ahead of principle committee under the chairmanship of special secretary environment, after which the report will be submitted to NGT. This process will take around 10 days. NGT will then take a call on what to do with the area, whether to regularise or demolish the encroachment in the active flood plain.

There are 1,000 multistoried buildings that have already been developed in the area, so is it possible to demolish so many homes is yet to be seen.