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**Thanks to the new land-pooling policy incorporated in the MPD-2021, people who always wanted to buy a house in Delhi, but could not owing to the affordability factor, can now secure a permanent address in the national capital. PRABHAKAR SINHA writes**

# DDA to release 21,000 HECTARES FOR HOUSING

End users and investors will have great opportunities to buy houses in Delhi at relatively affordable prices. In the last one decade, growth in the National Capital Region (NCR) was mainly driven by the construction activities in the satellite town of Gurgaon and Noida. This was mainly because of unavailability of land in Delhi.

In a report, DTZ—a global consultancy firm—said that due to lack of potential for future development in the capital city, the satellite towns of Gurgaon and Noida have been the growth drivers of real estate across the Delhi NCR.

However, this is going to change soon. The Delhi Development Authority (DDA) in a landmark decision has approved a path-breaking policy based on the concept of pooling of agricultural land to accommodate the increasing demand of urbanization.

The revised policy on the subject notified on September 5, 2013, has been incorporated in the Master Plan for Delhi (MPD-2021). This is not only going to increase construction activity in Delhi, it will also enable end users buy property in Delhi at prices that are relatively affordable compared to other parts of the city.

Thanks to this land-pooling policy, people who always wanted to buy a house in Delhi, but could not owing to the affordability factor, can now secure a permanent address in the national capital.

**With social and physical infrastructure around the identified zones already in place, these are going to be the most lucrative investment destinations.**

The MPD-2021 has identified transformation of Delhi into a 'Global Metropolis' as an underlying theme for most of its plan proposals.

As per the projections in the master plan, nearly four million residential units are required for an estimated 23 million people by 2021.

The scale of development in the city as outlined in MPD-2021 has, by all standards, outweighed the plan proposals of the 1962 and the 1981 plan documents, creating a need for an ever-evolving and dynamic urban planning approach, DTZ said in its report.

The large-scale 'Land Acquisition, Development and Disposal Policy' of Delhi approved in 1961 is still in operation. However, land acquisition and planned development has not kept pace with the increasing demands of urbanization in the last five decades.

The process of acquisition has been increasingly challenged by landowners, moreover, due to low compensation compared to the market value. Therefore, to handle such challenges of urbanization in the national capital, the DDA executed the land-pooling policy.

The underlying principle of the policy is to allow greater private sector participation in planning and development of the city, thereby facilitating the public sector in meeting the growing demands of urbanization.

### QUICK BITES

- UNDER-DEVELOPED RURAL AREAS IN SOUTH, WEST, AND NORTH DELHI HAVE BEEN IDENTIFIED FOR BUILDING FIVE NEW SUB-CITIES ON THE LINES OF ROHINI AND DWARKA

This covers various facets of development like land assembly, construction, infrastructure creation, capacity building, and provision of essential services and utilities. For this, the underdeveloped rural areas in south, west, and north Delhi have been identified for building five new sub-cities on the lines of Rohini and Dwarka. The DDA has earmarked land in Zones J, K, L, N, and P for urban extension.

The plan envisages residential real estate development across all categories—plotted, high-end, mid-end apartments, and housing for Economically Weaker Sections (EWS) within the city. From an investment perspective, the land in Zones J, K, L, N, and P earmarked for urban extension, once developed, will be the most lucrative destination in the Delhi NCR by a wide margin.

According to the DTZ report, these zones rank highest amongst all of the emerging real estate destinations with respect to financial returns, connectivity, social and physical infrastructural development, and global appeal.

The new land policy is based on the concept of 'land pooling' where the land parcels of individuals or group of owners are legally consolidated by transfer of ownership rights to the designated land-pooling agency, which later transfers the ownership of a part of the land back to the landowners for development of those areas. Landowners, including farmers, can form associations and engage private builders to consolidate their land parcels for development.

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# DDA to release 21,000 HECTARES FOR HOUSING

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Balvinder Kumar, vice-chairman of DDA, said that around 24,000 hectares is likely to be made available for development under the scheme. Nearly 21,000 hectares will be available for residential purposes while around 2,073 hectare will be allocated for commercial activities in the periphery of the existing city.

According to one estimate made by DDA, for every 1,000 hectare of land pooled, the gross residential distribution provides around 50,000 dwelling units for EWS housing. This means that nearly 12 lakh housing units are likely to be developed for the economically weaker sections.

Under the scheme, there will be two categories of land pooling. Under Category I, total land area pooled should be between 20 hectares and 60 hectares. Under this category, 60% of the land pooled will be returned to a developer entity and the rest 40% will be kept by the DDA as a cost and the land utilized to develop external infrastructure.

Under Category II, the land-pooled area should be more than 2 hectares and up to 20 hectares. In this case, the DDA will retain 52% of the land for infrastructural development while it will turn over 48% of the land to the developer entity.

Interestingly, in all the cases, all the land need not be at one place. Only the total area of the land should meet the criteria. But DDA will return the land at only one place and that too within 5km radius of the major chunk of land surrendered to the DDA.

To make the venture successful, the DDA has allowed residential floor area ratio (FAR) at 400 (four times the land area on which the entire project would be built) for group-housing societies on net residential land, which is exclusive of the 15% FAR reserved for EWS housing. Not only this, the density, that is the number of persons per hectare of land, of 15% FAR for EWS population, shall be considered over and above the permissible gross residential density of 800 to 1,000 persons per hectare.

According to the notified norms, 50% of the EWS housing stock would be retained by developer entity and disposed only to the apartment owners at market rates to house community-service personnel working for residents of the group-housing projects. The remaining 50% of dwelling units developed by the developer entity would be sold to the DDA for EWS housing purpose at a base cost of Rs 2,000 per sq ft as per CPWD index of 2013, which can be enhanced as per CPWD escalation index.