A NEW URBAN LAND POLICY

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INTRODUCTION

In most parts of the country, Urban Land Policy is based on freehold disposal system except in some super metropolitan and large cities. In Delhi, leasehold policy came into operation by a Government Order of 1961 and then amended form time to time. In the last 25 years, many achievements have been made and are measurable in terms of development of 3,00,000 residential, 9,000 industrial, 5,000 institutional plots and few hundreds commercial plots. Delhi Development Authority also constructed about 1,50,000 residential flats, few hundred commercial flats, multistoried office buildings, huge stadium, sports pavilions etc. In spite of huge achievements many set-backs are there partly due to leasehold system. Some of them have been listed below:

- Sprang up of 1375 jhuggi clusters with 1,40,000 families upto 1975. 95% of these families were rehabilitated in 16 large planned resettlement colonies in 1976-77. Again in a period of less than one decade more than 600 jhuggi clusters with equal number of jhuggi families have sprung up in different parts of Delhi and created a problem of environmental pollution and strain on services.
- More than 700 unauthorised colonies in an area of 4500 hectares. With one million population have came into existence. Magnitude of the project is so large that its cost of development shoted up to Rs. 3.2 billion.
- 1.8 million people live in slum designated areas declared under Slum Clearance and Improvement as well as clearance of some of the pockets which have poor type of structures and inadequate infrastructure and community facilities.
- About 140 village have engulfed in urbanization and have lost their rural character and creating problems of environmental pollution.
- More than 40,000 non-confiring industrial units.
- Traffic has increased to such an extent that 10 to 12 intersections need grade separators.

When there is such an alarming situation, then should we continue with the same policy of leasehold system in Delhi of should switch to a better one? If to switch then what better policy should be evolved for a super metropolitan city or a large urban settlement has been given in this paper.

In the last 45 years, we have seen merits and demerits of freehold as well as leasehold system. If merits of both the systems are combined then a ‘New Policy of Urban Land Policy’ will emerge covering element of urban land policy; acquisition of
land; planning and development of land; disposal of land; control of land uses; land management; and maintenance of developed land.

**Acquisition of land**

Land Acquisition Act which was enacted in 1894 and amended at few occasions needs further modifications due to tremendous socio-economic change in the last nine decades. There is a lot of planned and unplanned urbanization and if this has to be brought into a systematic way, then speed of acquisition has to be geared up. For this, a limited time gap should be given between Section 4, 6 and 17 Land Acquisition Act.

Total time to be taken for the all final acquisition should be curtailed to six months in case of important and emergent projects and one year in normal cases. It is imperative to give adequate compensation to the owners of the land along with alternate accommodation to the owners of tenants as per policy. Cost of acquisition should be added to the cost of the project. It may also be tried to acquire land by negotiations by a High Powered Committee to avoid litigations.

**Planning and development of land**

Planning and development of the area should be based on sound principles of urban planning with a rational approach. It has also been seen that at many times qualified planners make more mistakes than a common man, in violating zoning regulations and principles of planning. Only few planners know the comprehensive concept of urban of planning.

**Disposal of land**

A Sound Urban Land Policy should have a system of dispersal on scientific lines by a public authority. For this following two formulae have been given:

a. Calculation of price of developed land should be done after including following components:
   - Cost of acquisition of price of land for various purposes.
   - Cost of internal infrastructure, roads and lines.
   - Cost of development of parks, playgrounds and open spaces.
   - Cost of development of sites for public facilities at neighbourhood level.
   - 50% of the proportionate cost of trunk infrastructures and trunk routes.
   - 20% of the cost of construction of public and semi-public buildings.
   - 50% of the proportionate cost of beautification of the entire zone or neighbourhood.

b. Rational disposal price of land for different uses:
   - Assuming that cost of land on the basis of the formula stated above is X, then percentage of cost of land for different uses should be as under. Lines marked...
as* will be subject to the condition that there should be a gross profit of 25% or net profit of 15%.
- For economic weaker section of the society; 50% of the X.
- For low income group of the society; 75% of the X.
- For middle income group of the society; X.
- *For high income group of the society; 2X or more.
- For district parks, playground and open spaces; 5% of the X.
- Sites for education, health facilities; 10% of the X.
- Sites of other social and cultural institutions; 50 of the X.
- *Sites for commercial use; 20X of more.
- For shifting of non-conforming industrial units; 75% of the X.
- * For new industries; 4X or more.
- For informal sector, X.

Control of land uses
Control of land use is very important and can be controlled with the help of zoning regulations, building bye-laws, land use planning and development acts.

Larmanagement
A proper land management is feasible only in the case of leasehold system. The system of leasehold should be continued not only in Delhi but in other metropolitan cities of the country that, but, with proper check on this, so that demerits of this are avoided.

Maintenance of developed land
Problems of maintenance of a colony starts from the time when it is developed and inhabited. Maintenance of a colony is a tremendous task. To give an idea, Delhi Development Authority is spending Rs. 18 million per annum on the maintenance of 45 resettlement colonies where one million people live.

PREVAILING URBAN LAND POLICIES IN DELHI

Land Acquisition and Development Schemes (1959)
Land Acquisition and Development Scheme for the grant of loans to State Government for bulk acquisition and development of land for house building and connected purpose; came into force on October 20, 1950; with the following main features:

a. Financial assistance under the scheme will be provided to the State Government in the shape of loans with a rate of interest of 4 percent per annum to be repayable in ten annual equated instalments, with a moratorium period of five years.
b. The loans would be used for acquisition and development of land for different purposes.
c. While making allotment, preference would be given to those who are eligible for aid and under the various housing and slum clearance schemes in the order of priority noted below:
- Slum Clearance Scheme
- Subsided Industrial Housing Scheme
- Low Income Group Housing Scheme
- Middle Income Group Housing Scheme
- Rental Housing Scheme for State Government Employees.
d. Plots intended for commercial or commercial-cum-residential purpose shall be sold by public auction or open tender except for the above five categories.
e. The State Government shall, ensure that there is no loss to the project and the entire profit gained by the sale of land for commercial purposes and to persons in higher income groups, would be used for the purpose of reducing the price of land to be utilized for public housing for people falling in low income group and economic weaker section of the society.

Other conditions would be as under:
- Not more than one plot to an individual.
- The land would be given on leasehold basis.
- Building should come up within a reasonable time.
- Avoid misuse of the land.
- Prohibit misuse of the land.
- Prevent transfer or resale of plot/house to persons not eligible for the benefits of the scheme.
f. Discourage transfer or resale of plot/house.

Control of Land Values in the Urban Areas of Delhi
This is the basic policy on which the entire work of Delhi Development Authority is revolved and came on May 2, 1961.

a. Private investment in housing should be facilitated.
b. Setting up of colonies by private developers should be discouraged.
c. No allotment should be made to any of the institutions till it serves the interest of Delhi.
d. Developed land should be provided to various institutions.
e. All the land acquired under the scheme will be nazul land, will vest in the President of India and will be given out, in his name only on leasehold basis to local bodies, private parties, cooperatives house building societies, industrialists, institutions etc.
f. As a sound urban land policy, disposal of developed land should be made by public auction except in following cases
 Alternate allotment of land
- Shifting of non-conforming industries
- Low income group of the society
- Cooperative housing building societies

g. The following conditions shall govern the allotment of land whether by auction or otherwise:
- One plot for one family on the entire Union Territory of Delhi, except in case of persons living in congested localities.
- Construction of structure on the allotted land should be completed within two years.
- The plot cannot be transferred before ten years from the date of allotment and that also after payment of 50 percent of the unearned increase of the value of the plot.

h. It was decided that the entire responsibility for the acquisition, development and disposal of land under the scheme should be that of the Administrator of Delhi.

**Modifications in the Above Scheme**

a. The scope of the scheme was enhanced and following activities were added:
- Flatted factories;
- Single-storeyed sheds for industries;
- Warehouses;
- Bus terminals;
- Parking sites for idle trucks;
- Car parks;
- Development of district, community, local and convenient shopping centres;
- Construction of special markets, as cycle market vegetable market etc;
- Acquisition and development of land in Narela.

b. The scope was further enhanced to the extent any other development project which the Lt. Governor, Delhi considers essential for the implementation of the Master Plan of Delhi and the Zonal Plans can be taken subject to the condition that such projects are self-financing and do not incurred any loss.

c. The scheme was further modified to the extent by adding of:
- Allotment of land to owners and tenants of properties in areas which have been declared as clearance areas under the Slum Area Improvement & Clearance Act, 1956.
- Registration of new Cooperative House Building Societies on group housing basis.
- Allotment of plots to persons owning houses/plots in congested localities.
- Realization of premium/price of plots in instalments according to the stage of development.
NEW URBAN LAND POLICY

Upto 1950, the Urban Land Policy in Delhi was based on freehold system, when development was only to a limited extent. During 1940-60, the development and construction work was in the hands of colonizers and individuals on freehold basis. Plans were prepared by few reputed companies and got approved from Local Bodies before implementation.

Colonies prior to 1960 were small as such problems of trunk and peripherial services as exist today were not there. For example, Hari Nagar ‘L’ Block in a total area of 10 hectare was approved in 1959. Greater Kailash Part I in 90 hectare was approved in 1959, Jai Dev Park in 6.4 hectare in 1959, Green Park in 25 hectares in 1958 etc.

Ministry of Rehabilitation after the partition of the country also developed many colonies namely Jheel Kurenja, Nijamuddin, Jangpura, Lajpat Nagar, Kalkaji, Bharat Nagar, Malka Ganj, and Narela etc.

Delhi Improvement Trust also developed 24 residential estates, area varying from one hectare to 800 hectares, but most of these residential estates are on leasehold basis.

We have also seen demerits of leasehold policy in the last 25 years and have felt that one of the main reasons of sprang up of sub-standard areas in the leasehold system of Urban Land Policy. Unauthorised colonies, which in an area of 4500 hectares with more then 700 colonies, Delhi Development Authority of Delhi Administration is not able to execute lease system even after trying since 1969.

In the proposed Urban Land Policy, it has been tried to coordinate and integrated public and private sector so that there is healthy competition between the two. From this policy, gap between the demand and supply of residential and commercial spaces will be reduced to a great extent.

In these paragraphs, it has been given that how private sector in planning and development of colonies can be evolved. This has been given based on the experiences of last 25 years as well as demand the time. Private sector can be involved in plotted development and group housing in case of residential use; flatted factories and plotted development in case of industrial use; and plotted development and construction in case of commercial use. For this following details are necessary:
a. The party should be a owner of piece of land of minimum are of 0.4 hectare in urban limits of Delhi. The party should be technically and financially capable to develop the land and construct structure as per norms and specifications to be fixed by the authority. The party should have a bank balance of 10% of the total cost of the project at the time of taking permission. The party will submit an application to the Authority in prescribed form with the following details: title of the land; extent and situation of the land; capacity to develop the colony and construction of structures; and tentative layout of the colony, building designs alongwith a small project report.

b. The Authority will examine the application with reference to the financial soundness of the party and layout plan of the colony and building design of structures with reference to land use, type of structures, details of trunk, peripherial and internal infrastructure; and compatability of proposal with reference to environment. The Authority will inform the party within one month of receiving the application about changes/modifications to be made for approval of the project. If the scheme/project is approved in principle, then following formalities should be completed between the party and the Authority.

1. The party will give a bank guarantee equivalent to an amount of 25 percent of the total cost of the project.
2. The party will fill up and execute and agreement form with following terms and conditions:
   - Internal development which includes leveling, dressing, laying of water, serer and electric lines, construction of storm water drains, roads and service roads, plots of parks, playground and open spaces, development of plots for community facilities, viz., schools etc., will be done by the party.
   - Proportionate cost of trunk and peripherial development; means roads, water lines, sewer lines, drains will be paid by the party to the Authority.
   - 20% of the cost of construction of various buildings of community facilities, viz., schools, dispensaries, garbage depots, milk booths, telephone booths, taxi stands, bus queue shelters should be paid by the party to the Authority.
   - Proportionate cost of 50 percent of the cost of horticulture work of the zone in which the plot is situated will also be paid by the party to the Authority.
   - Maintenance of services and roads will be done for a period of 5 years, after getting a completion certificate from authority.
- Payment of deficiency charges, if any, to the local body, i.e., water supply and sewage disposal undertaking, DESU, General Wing of Municipal Corporation of Delhi will be made by the party at the time of handing over of services.

3. Type of plan to be submitted by the party to the Authority.
   Layout plan of the colony in a scale of 1:1000 or in a scale as to be prescribed by the Authority on a physical survey showing important physical features and contours. Following plans will be submitted:
   - Circulation plan, layout of roads, their inter-section, inside the plot and on its periphery giving details of ramps, retaining walls, road curves (under and over) parapets etc.
   - Landscaping features including areas of shrubs, trees, flower beds, fountains etc.
   - Layout plans of services, viz., water supply, sewerage, drainage, power, telephone.
   - Plan showing phasing of development.
   - Sub-division plan showing plots of various sizes with all the dimensions, angles etc.
   - Development plans at various levels including basement, showing all approaches and connections with necessary sections to explain development of the area.
   - Detailed drawings and specifications of street furniture, kiosks, telephone booths, public lavatories, dust bins and other conveniences etc.
   - Details of underground roads and parking, if any including light and ventilation system.
   - Structural details of development and construction works like beams, columns, slabs retaining walls, staircases, ramps, cut-out etc.
   - A comprehensive project report, giving economics of the project with estimates and specifications of development of different works along with quantities after following latest government schedule of rates.

PROPORTION FOR SOCIO-ECONOMIC MIX

*Residential use (plotted)*
- 10% of number of plots for poorest of the poor of a size between 15 sq.mtr. To 21 sq.mtr.
- 20% of number of plots for EWS of a size between 26 sq.mtr. to 36 sq.mtr.
- 10% of number of plots for LIG of a size between 48 sq.mtr. to 90 sq.mtr.
- 10% of the number of plots for MIG of a size between 100 sq.mtr. to 150 sq.mtr.
- 50% of number of plots as per the choice of the party.
Industrial use (plotted)
- 20% of the number of plots for poorest of the poor or EWS of a size between 20 sq.mtr. to 50 sq.mtr.
- 20% of the plots for LIG of a size between 100 sq.mtr. to 150 sq.mtr.
- 10% of the plots for MIG of a size between 200 sq.mtr.
- 50% of the plots as per the choice of the party.

Commercial use (plotted and constructed)
- 20% kiosks upto a maximum size of 8 sq.mtr.
- 80% should be used as per the choice of party.

Residence use (flats)
- 10% of the number of the flats for poorest of the poor or EWS of the society of a size between 15 to 20 sq.mtr.
- 10% of number of flats for LIG of a size between 35 to 45 sq.mtr.
- 10% of the number of flats for MIG of a size between 55 to 75 sq.mtr.
- 50% of the number of flats as per choice of the party.

Industrial use (Flatted factories)
- 10% units for poorest of the poor with a size of 10 sq.mtr.
- 20% units for EWS and LIG with a size of 20 sq.mtr.
- 10% units for MIG with a size of 40 sq.mtr.
- 60% as per the choice of the party.

Pricing
Disposal price of development land has been given in paragraph no. 2.3
The pricing should be decided in such a way that the party should get a gross profit of 25% or net profit of 15% Gross profit will be calculated before the payment of taxes and depreciation while the net profit will be after payment of taxes and depreciation.
Sites of various develop or construction will be given within the following land use parameters:

<table>
<thead>
<tr>
<th>Land use</th>
<th>Share of development in Various sectors %</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Public</td>
</tr>
<tr>
<td>Residential</td>
<td></td>
</tr>
<tr>
<td>Plotted</td>
<td>60.0</td>
</tr>
<tr>
<td>Group Housing</td>
<td>33.3</td>
</tr>
<tr>
<td>Urban Villages</td>
<td>100.0</td>
</tr>
<tr>
<td>Unauthorised colonies</td>
<td>50.0</td>
</tr>
</tbody>
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Arms of any Urban Land Policy should be get more and more development land to reduce the gap between demand and supply, as such to control unintended, unorganized, unsystematically and unplanned development and construction. Development of land is a huge task. It involves leveling and dressing, laying of internal peripheral and trunk infrastructure; construction of internal peripheral and trunk routes, roads or rails; development of sites for parks. Playground, open spaces, various community facilities concerning to education, health, social security, social justice and recreational; construction of building of various community facilities street furniture and houses for economic weaker section of the society; and plantation of trees and other necessary measures to improve environment.

Before the enforcement of Delhi Master Plan, a lot of colonies was going in the hands of few private persons. Within a period of three to four years, i. e., between 1956 to 1960, 110 unauthorised colonies came into existence with the help of unscrupulous colonizers. Due to necessity of that time, it was thought to switch over from freehold system to leasehold system. This system controlled development and construction by private colonizers but even then in the last 25 years, a lot of construction has been added is of sub-standard nature it has been made clear in the paper that in a period of 20 years, more than 2.000 shanty pockets (jhuggi clusters) sprang up, more than 700
unauthorised colonies with 1.2 million population came into existence, more than 110 urbanvillages became slum and likewise 1.8 million population is living in slum areas.

Urban Land Policy needs a further change, so that gap between demand and supply is reduced, unauthorised construction is controlled to a great extent so that people of Delhi get housing accommodation of good quality. This is feasible only if private sector is involved but with full controls over it.