

NO.F.37/16/50-Delhi(1)
Government of India
Ministry of Home Affairs

ANNEXURE 'A'

New Delhi-11.
the 2nd May, 1961
12th Vaishakha, 1983

From

Shri A.V.Venkatasubban,
Deputy Secretary to the Govt. of India,

To

The Chief Commissioner,
DELHI.

SUB:- Control on land values in the urban areas of Delhi Acquisition
Development and Disposal of Land.

Sir,

I am directed to invite a reference to your letter No.782/ST/CC/59, dated the 6th June, 1959, forwarding the Report of the Committee which was set up to study the problem of introducing measures of control on land values and stabilising land prices in the urban areas of Delhi. The Government of India have considered the recommendations made in the Report of the Committee. They have also considered the proposals made in your note dated 25th April, 1960, regarding acquisition, development and disposal of land. The following decisions have been taken by the Government of India:-

- (1) Private investment in housing in Delhi should be facilitated. Setting up of colonies which could be located elsewhere ~~where should be located elsewhere~~ should be discouraged.

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(2) No institution should be given allotment of Government land in Delhi unless it subverses directly the interest of the population of Delhi or it is definite that the nature of the work to be carried out is such that it can not with equal efficiency be carried out elsewhere that in Delhi.

(3) The size of residential plots to be leased out to individuals should not exceed 800 Sq.Yds. This ceiling would not apply to plots on which residential accommodation is constructed by Government. In the case of cooperative houses-building Societies, the ceiling may be extended to 1,200 Sq.Yds., except in the case of such cooperative societies as had either acquired land for development under their own arrangement and had been dispossessed of that land in the acquisition proceedings by Govt. in 1957 or had deposited money with Govt. before the 31st December, 1959, for the acquisition of land for housing purposes or had themselves bought land (otherwise than through acquisition proceedings) prior to the 13th November, 1959, where the ceiling may be relaxed upto 2,000 Sq.Yds. Special care should be taken to see that no land was allotted to a body which was not a genuine cooperative society. Care should also be taken to ensure that the total quantity of land allotted to a cooperative society does not exceed its real needs for residential accommodation only its members and that the cooperative societies which may be permitted to have a ceiling of 2,000 Sq.Yds. on individual plots are not allowed to supply for allotment of additional land merely on the ground that large plots are required for some of their members.

2. Subject to the above-mentioned general conditions, the scheme detailed below for the acquisition, development and disposal of land has been approved by the Government of India.

(1) About 8,000 acres of land should be acquired in the first instance, under the provisions of the land acquisition, Act 1984. The land so acquired will be developed by the following authorities:-

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- (i) The Central Public works Department for housing of Government Employees.1,200 acres
- (ii) The Delhi Development Authority for provision of Plots for
- (a) Private housing including Plots for individuals whose land has been acquired under this scheme.
 - (b) industries and manufactures.
 - (c) shopping centres and business premises;
 - (d) public and private institutions; and
 - (e) public utilities and community facilities.....4,00 acres
- (iii) The Delhi Municipal Corporation for
- (a) slum clearance projects and jhuggies and jhonpries scheme * 950 acres and
 - (b) industrial use for the relocation of industries to be shifted from city areas = 1000 acres.....1,950 acres
- (iv) Cooperative Societies for house building and industrial cooperatives 850 acres
- Total 8,000 acres

The Delhi Municipal Corporation is being requested separately to take urgent steps to provide trunk municipal services in the areas to be developed under the scheme.

(2) The responsibility for the development and disposal of land allotted to the Central Public Works Department will be that of the Ministry of works, Housing and Supply.

(3) The acquisition and development of land should generally follow the time-schedule and targets indicated in Annexure I. The central Public works Department will provide adequate engineering and other necessary staff to work for the Delhi Development Authority, according to the existing procedure.

- (4) Normally, developed land should be provided for
- (a) public and private institutions and for public utilities and community facilities like open spaces, parks, playgrounds, etc.
 - (b) industrial and commercial use; and
 - (c) housing plots for individuals including those whose land has been acquired by Government under this Scheme.

However, in the case of house-building cooperative societies, and cooperative societies of industrialists and manufacturers, undeveloped land may be allotted if such societies need land for bona fide purposes and have the necessary resources and organisation to develop such land. In all cases where undeveloped land is allotted, it should be stipulated that development should be completed within a period of three years, failing which land should be resumed and the premium originally paid refunded to the society concerned, after deducting 10% thereof as penalty for not carrying out the development within the stipulated period.

(5) Out of 8,000 acres of land proposed to be developed, in the first instance, about 2,500 acres of land which had already been declared as "development area" should be acquired expeditiously and placed at the disposal of the Delhi Development Authority for development and disposal under this scheme. Proposals for declaring more areas as 'development areas' may, in due course, be submitted to Government in consultation with the Delhi Municipal Corporation.

(6) All land acquired under the scheme will be nazul land and will vest in the President and will be given out in his name only on lease hold basis to local bodies and private parties, including cooperative societies, industrialists, individuals, institutions, etc.

(7) An additional charge, over and above the cost of acquisition and development, which should be merged in the price of land, should be charged at the following rates:-

Developed residential plot of the first 200 Sq. Yds. or part thereof.....	Rs.3/-	per Sq.Yds.
the next 200 Sq. Yds.	"	Rs.4/-
the next 200 Sq. Yds.	"	Rs.5/-
the next 200 Sq. Yds.	"	Rs.6/-
the next 200 Sq. Yds.	"	Rs.7/-
thereafter at	"	Rs.8/-

(.) As a general policy, disposal of developed land should be made by auction and the premium should be determined by the highest bid, except in the following cases, where land may be allotted at predetermined rates, namely the cost of acquisition and development plus the additional charges mentioned in sub-paragraph (7) above.

(i) to individuals whose land has been acquired as a result of the Chief Commissioner's notification dated the 7th March, 1957, the 3rd September, 1957 the 13th. November, 1959, and the 10th November, 1960 or other such subsequent notifications, provided that this concession will not be available in the case of individuals affected by the notification dated the 7th March, 1957, and the 3rd September, 1957, if the acquisition proceedings have been completed and payment made or deposited in Court by the 1st January, 1961, In these cases:-

(a) If a residential plot is to be allotted, the size of such plot, subject to the ceilings prescribed may be determined by the Chief Commissioner, taking into consideration the area and the value of the land acquired from the individual and the location and value of the plot to be allotted, and

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(b) If an industrial plot is to be allotted, its size may be determined with reference to the requirement of the industry to be set up, provided that the setting up of such an industry is in accordance with the Master Plan and the industrialists concerned has the capacity to establish and run such industry and provided further that the extent of land allotted at predetermined rates should not exceed the area acquired from the industrialist concerned. In making such allotments for industries the Chief Commissioner will be advised by an Advisory Committee to be nominated by him.

(ii) to industrialists who are being asked to remove their factories from their present locations. Such allotments will be subject to the condition that the location of the industry concerned within the urban area in accordance with the Master Plan. The Advisory Committee referred to in the previous sub-paragraphs should be consulted in making such allotments.

(iii) to individuals in the low-income group. These allotments will be made by drawing of lots under the supervision of an Advisory Committee to be nominated by the Chief Commissioner. A suitable percentage of the area developed for private housing by the Delhi Development Authority may be reserved for this purpose.

(iv) to cooperative house-building societies and cooperative societies of industrialists and manufactures.

(9) Ground rent should be charged at the nominal rate of Rs.1/- per annum per plot for the first five years in the case of such allotments, whether by auction or at predetermined rates. Thereafter, the annual ground rent shall be payable at 2½% of the premium originally paid. The rate of ground rent will be subject to revision after every 30 years.

(10) The following conditions shall govern the allotment of land whether by auction or otherwise to individuals including those whose land has been acquired):-

(a) No plot should be allotted to any person who or whose wife/husband or any of his/her dependent relations including unmarried children owns a house or residential plot of land in Delhi, New Delhi or cantonment.

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the question of taking an exception in the case of persons living in a congested locality or whose family has outgrown should be considered after some experience has been gained of the working of the scheme.

(b) The allottee of a plot should be required to construct the house in accordance with the sanctioned plans within two years of the date of allotment failing which the land would be liable to be resumed.

(c) The allottee of a plot shall not sell or transfer his rights in the plot or part thereof for a period of 10 years from the date of allotment except with the previous approval of the Chief Commissioner which will be given only in exceptional circumstances. Thereafter, the permission to sell will be given by the Chief Commissioner. In both the cases, 50% of the unearned increase in the value of the plot will be paid to Government before the transfer is permitted.

(d) Lease deeds may be simplified and may contain the following conditions:-

(i) Due observance of municipal by-laws;

(ii) use of the land for the purpose for which it is allotted;

(iii) construction within the stipulated time

(iv) requiring permission before transferring any interest in the land;

(v) sharing with the Government fifty percent of unearned increase on transfer of the land.

(vi) obligation to any ground rent regularly; and

(vii) re-entry and forfeiture of premium in part or in full if any of the above conditions is not fulfilled.

(I) It has been decided that, in the case of co-operative house-building societies listed in Annexure-II, the following concessions will be given.

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- (a) The additional charge over and above the cost of acquisition should be recovered at half the rates mentioned in sub-paragraph (7).
- (b) The ground rent should be recovered at Rs.1/- per annum per plot for a period of 10 years and thereafter at the rate of 2% of the premium originally paid. The ground rent will be subject to revision after every 30 years.

In view of the concessions referred to above, only undeveloped land should be allotted to those co-operative house building societies, subject to the conditions prescribed in sub-paragraph (4). Where, however, the co-operative house-building society is not in a position to develop the land developed land will be allotted to the society as mentioned in sub-paragraph (8).

In the case of other co-operative house-building societies, whose requests for acquisition of land had been received prior to November, 13, 1959, including those for which a preliminary notification under section 4 of the Land Acquisition Act, 1894, has been issued, land will be allotted as mentioned in sub-paragraph (a).

The following other conditions, in addition to the conditions mentioned in sub-paragraph (10) should be applicable to co-operative house-building societies;

- (i) The society will be required to offer to every person who owned land on the date of initial notification in the area proposed to be acquired, membership of the society and allot him land on the same terms and conditions as in the case of the original members of the society.
- (ii) No land allotted or sold to a member of a co-operative society should be sold by him in any form, 'benami' or otherwise, to a person who is not a member of that society.
- (iii) No member of any co-operative house-building society shall have the right to transfer or sell his plot to any other member of the society except with the permission of and in accordance with the rules that may be framed by Government in this behalf.

(12) The allotment of land to and the rates of premia and ground-rent recoverable from:-

- (i) schools, hospitals, social, cultural and other charitable institutions;
 - (ii) religious, political or semi-political organisations; and
 - (iii) local bodies for remunerative, semi-remunerative and unremunerative purposes;
- will continue to be governed by the existing orders of the Government of India;

(13) In order that private investment in housing in Delhi is encouraged and to provide houses for those who prefer to live in rental accommodation, certain number of residential plots should be leased out regularly by unrestricted public auction, i.e., the condition that one should not own any other plot or house in Delhi, New Delhi or the contonment being waived in such cases, after providing for the requirements referred to in the previous sub-paragraphs. The auction price in such cases will be the premium and ground rent shall be charged at 2½% of such price from the date of allotment of the plot subject to revision after every 30 years. Other conditions of allotment mentioned in sub-paragraph (10) (b), (c) and (d) should apply.

(14) It has been decided that the entire responsibility for the acquisition, development and disposal of land under the scheme should be that of the Chief Commissioner, Delhi.

It is understood that steps have been taken to acquire about 300 acres of land and to make available about 2,000 plots for disposal by auction by October, 1961. Necessary action should be taken expeditiously in this regard.

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In demarcating areas for acquisition, care should be taken to demarcate such areas where water supply and power could be made available soon. In preparation of lay-out plans for the various areas to be acquired, the Town Planning Organisation under the Ministry of Health may be utilised.

Yours faithfully,

Sd/-
(A. V. VENKATATSUBBAN)
DY. SECRETARY to the Govt. of India.

No: F.37/16/60-Delhi

Dated the 2nd May, 1961

Copy forward to:

1. All Ministries.
2. Planning Commission.
3. The Chief Engineer, CP&D, New Delhi.
4. Ministry of Finance (Delhi State Division)
with 10 spare copies) with reference to their
U.O.No: 31/DSPS/61 dated 1.5.1961 for communi-
cation to AGCF, New Delhi.
5. Financial Advisor, Delhi Administration, Delhi.

Sd/-
(A. V. VENKATATSUBBAN)
DY. SECRETARY to the Govt. of India.

L.S.