# Analysis of the Housing Delivery Mechanism & DDA's role in it

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Ву

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#### INTRODUCTION

The human civilization originated millions of years ago. It has been continuously evolving ever since. With this evolution, its needs are also expanding. However, no matter how much humans evolve, their basic needs will remain the same. At the end of the day, it's all about *Roti, Kapdaa aur Makaan*. This paper is going to analyze one of these three necessities, *Makaan*.

A house is generally defined as a shelter or building or structure that is a dwelling or place for habitation by human beings. The term includes many kinds of dwellings ranging from rudimentary huts of nomadic tribes to high-rise apartment buildings. Whatever may the kind be, a house provides basic shelter to the human beings. In this age of ever increasing human wants, it is necessary that the basic need for shelter is fulfilled first.

Looking at the houses in Delhi, it would not be wrong to say that Delhi comprises several cities. Old Delhi with its densely populated colonies, low and medium-rise building, narrow and congested streets etc., provides a low-quality housing environment to its residents. The imperial city of New Delhi, on the other hand, is characterized by impressive grandeur, low-density and low-rise houses in the central areas and medium density colonies with multi-storeyed tenements in the peripheries. Delhi Cantonment, like the central parts of New Delhi, has low-density colonies separated by wide streets and open spaces or gardens.

This paper will look into the following questions:

- ➤ Which agency is responsible for public sector housing in Delhi?
- ➤ What are its roles and how does it function?
- ➤ What is the exact housing delivery mechanism?
- ➤ How has been the supply of houses over the years?
- What are the problems and issues related to public sector housing?
- ➤ What are the possible solutions to the housing problems?

# **EXECUTIVE SUMMARY**

Unlike most states in India, public sector housing in Delhi is outside the purview of the State Government. The major agency responsible for public sector housing in Delhi is the Delhi Development Authority, formed in 1957. DDA is an autonomous body which reports directly to the Ministry of Urban Development, Government of India. It started its housing activities way back in 1967.

The Land & Building Department of the Delhi Government acquires land for DDA. DDA then undertakes it for the process of development. After land development, DDA constructs houses/flats on a certain percentage of the land and then disposes them off. In addition, DDA also disposes off land to private developers and Cooperative group housing society for the purpose of housing.

Over the years it has been observed that DDA has not been able to fulfill the housing demand of the capital. It can be seen by the increase in the sprouting up of unauthorized colonies. Also, DDA has not been able to fulfill its housing targets. It therefore becomes necessary to look at what the major problems are and suggest alternative solutions.

# RESEARCH METHODOLOGY

The research can be divided into three parts:

In the first part, efforts were made to study how DDA came into being, what are its functions, how does it arrange for it finances etc. Then, the exact housing delivery mechanism in Delhi was studied. For this purpose, The Delhi Development Act 1957 was carefully studied. Also, the existing literature on housing delivery mechanism was studied. This was complemented by informal interviews with the DDA officials who helped in charting out the various steps involved in housing delivery.

The second part focused on the actual housing experience in Delhi so far. For this purpose, DDA Annual Administration Reports, NSSO Reports, Economic Survey of Delhi, Census Reports, CAG Reports, Newspaper Reports etc were carefully analyzed.

The third part mainly dealt with provision of recommendations and alternate solutions for the problems witnessed. For this, different models of housing delivery in other states were studied and interviews were conducted with DDA as well as AMDA officials.

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# **DELHI DEVELOPMENT AUTHORITY**

#### **HISTORY:**

After the independence of India in 1947, the population of Delhi increased by leaps and bounds due to migration. The result was that new residential colonies started to sprout up without a proper layout or the basic amenities of life. To check this haphazard growth and unplanned development, the Central government in November 1955 set up the Delhi Development (Provisional) Authority. On the 30<sup>th</sup> of December 1957, the Delhi Development Authority – an 11 member body with the Administrator of the Union Territory of Delhi as the exofficio chairman, was constituted by an Act of Parliament, called the Delhi Development Act, 1957, to promote and secure the development of Delhi according to plan.

#### **OBJECTIVE OF DDA:**

The DD Act-1957 laid down the following objective for the Delhi Development Authority:

The objects of the Authority shall be to promote and secure the development of Delhi according to plan and for that purpose the Authority shall have the power to acquire, hold, manage and dispose of land and other property, to carry out building, engineering, mining and other operations, to execute works in connection with supply of water and electricity, disposal of sewage and other

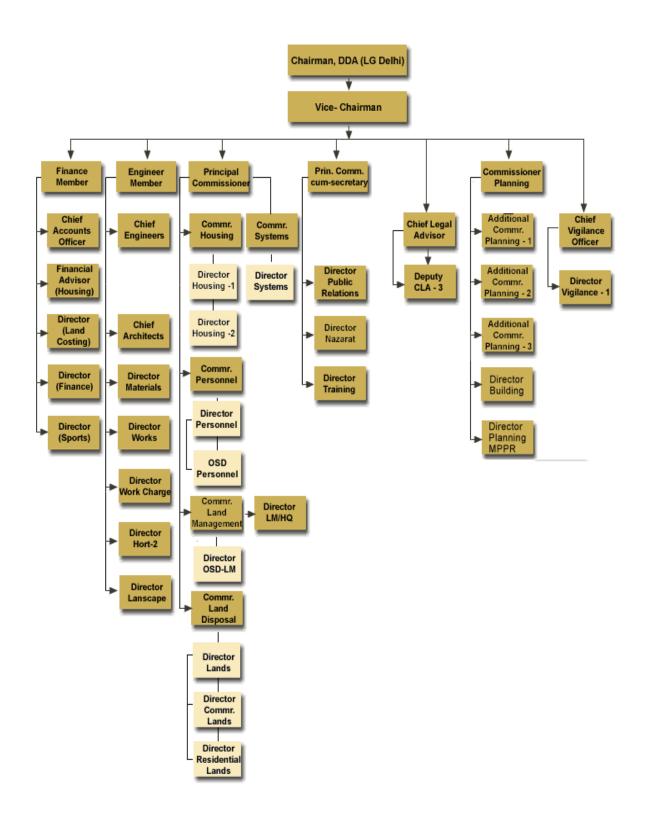
services and amenities and generally to do anything necessary or expedient for purposes of such development.

#### **FUNCTIONS OF DDA:**

The DD Act-1957 assigned the following functions to DDA:

- Carry out a civic survey and prepare a master plan for Delhi (Section 7)
- Simultaneously or as soon as preparation of master plan, prepare a Zonal
   Development Plan for each Zone (Section 8)
- Submit the plans to the Central government for approval (Section 9)
- Make modifications to the Master and Zonal Plan (Section 11)
- Carry out and regulate development (Section 12, 13, 29, 30, 31)
- Regulate the uses of land/buildings according to the plan (Section 14,29)
- Development/disposal of land acquired by the central government (
   Section 15, 22)
- Order owner of the land to provide amenities and carry out development (
   Section 35 )
- Requires the local authority to assume responsibility for maintenance and provision of amenities (Section 36)
- Levy betterment charges (Section 37-40)

#### **ORGANISATIONAL STRUCTURE:**



Position of staff<sup>1</sup> as on 31-03-2007:

GROUP	PERSONNEL IN POSITION
A	454
В	1416
С	5235
D	2728
Total	9833
Regular	9833
Work Charged	9919
	19752

#### **FUNDS OF DDA:**

DDA is a self-sustaining organization receiving no grant from the Government of India. It maintains its own fund which is credited by-

- (a) All moneys received from the Central Government by way of grants, loans, advances or otherwise;
- (b) All moneys borrowed from sources other than Central Government by way of loans or debentures;
- (c) All fees and charges received under the DD Act-1957;
- (d) All moneys received from the disposal of lands, buildings and other properties, moveable and immoveable; and
- (e) All moneys received by way of rents and profits or in any other manner or from any other source.

#### **BUDGET:**

The Budget is prepared in accordance with Section 24 of DD Act 1957 and Budget and Accounts Rules 1982, according to which the Authority shall prepare

in such form and at such time every year as may be prescribed by rules a budget in respect of the financial year next ensuing and the revised budget estimates for the current financial year showing the estimated receipts and expenditure of the Authority.

The budgets of the authority are kept in three different accounts:

- Nazul (land) Account I represents transactions relating to old estates
  managed by the erstwhile Delhi Improvement Trust. It includes
  transactions relating to the preparation and implementation of the Delhi
  Master Plan and Zonal Development Plan. This account is kept on behalf
  of the Delhi Administration.
- Nazul Account II consists of transactions pertaining to the "Scheme of Large-scale Acquisition, Development and Disposal of Land" in Delhi. The proceeds of land, recovery of ground rent, etc, are accounted for in this account, which is rendered to Delhi Administration.
- 3. General Development Account is the main account of the authority. The assets and liabilities arising from the transactions under this account are wholly the concern of the authority. All housing schemes of the DDA are accounted for here. Housing activities are mainly financed by the resources raised through registration deposits from the intending purchasers of flats, loans sanctioned by the agencies like the HUDCO, LIC,

GIC and the central government. This account records transactions of houses, shops, various deposit works and M.O.R. land.

# ACHIEVEMENTS OF DDA<sup>2</sup>:

# Planning

The planning department of DDA is responsible for making Master plans and Zonal plans for different zones of the city. So far DDA has come up with the following master plans:

- 1. Master plan for Delhi 2021
- 2. Master plan for Delhi 2001
- 3. Master plan for Delhi 1969

In addition to the Master plans, the planning wing has also come up with:

- 1. Zonal plans
- 2. Urban extension projects The extension plan to accommodate Delhi's changing requirements is named as "Urban Extension Plan". This plan entails development of three sub-cities namely Rohini, Dwarka, Narela.
- Special projects It includes projects such as Development of River Yamuna
   Front and Integrated Freight Complex at Ghazipur.
- 4. Other projects Apart from special projects, DDA's Planning Department has undertaken planning and development of two other major projects, that is, Jasola and Dheerpur.

Policy modifications – Policies in respect of Urban Development, Development
 Areas, Buildings Bye-laws, Mixed land use, Housing, Transport and
 Infrastructure Development.

International Society of City and Regional Planners (ISOCARP) conferred DDA with "2008 ISOCARP Award for Excellence" to Master Plan for Delhi – 2021 on 17<sup>th</sup> July, 2008.

#### **Green Areas**

- DDA has 5050.97 hectares of green area under its jurisdiction. Out of this,
   DDA has developed 4587.14 hectares while remaining 463.83 hectares is being developed.
- 2. DDA has done exemplary work in protecting Delhi's natural environment on the ridge and on the Yamuna River Front. It has maintained the green gardens around historic monuments. It has created a network of innumerable parks and playfields that purify the environment and give joy to the city of Delhi. Above all, DDA has turned wastelands into beautiful manicured parks, reclaiming for Delhi the title of "City of Gardens".

#### **Sports Facilities**

DDA has envisaged the development of sports complexes over an area of 20
ha for a population of 10-12 lakhs, district sports centre of 8 ha for a
population of 1-1.5 lakhs, neighborhood play areas of 1.5 ha for a population
of 15,000.

- DDA has developed 13 Sports Complexes, 26 playfields, 13 multi-gyms in sports complexes and 24 multi-gyms in green areas.
- 3. In addition, DDA has also constructed 13 swimming pools.
- DDA constructed the first Public Golf Course of the country Qutab Golf
  Course and has also undertaken the development of another golf course Bhalaswa Golf Course.

# Housing<sup>3</sup>

DDA commenced its housing activities in 1967 and has played a crucial role in providing more than a million houses to the people of Delhi, housing about half the population of the national capital. Out of a total of 42 housing schemes launched by DDA, only 2 are live today. A total of 3, 71, 215 allotments have been made as on 31-03-2008. The details of the allotments are as follows:

S.No.	NAME OF THE SCHEME	TOTAL ALLOTMENTS MADE
1.	Housing General Scheme	65590
2.	SFS / VVAY	169391
3.	NPRS-1979	53938
4.	AWA-1989	17918
5.	Expandable Housing Scheme,1995-96 / NHS / Sharmik Awas Yojna etc	22352
6.	Janta Housing Registration Scheme 1996 / Punjab & Kashmir migrant / Motia Khan	21632
7.	Retiring Government Servants / JK migrants (RPS)	1015
8.	Miscellaneous	440
9.	Government organizations	4670
10.	Jasola Janta Tenements-2003	2252
11.	TBRHS (MIG)	2356
12.	Festival Housing Scheme-2004	2506
	(HIG-1287, MIG-862, EWS-357)	
13.	New Housing Scheme-2006 (HIG-1504, MIG-2018, EWS-296)	3818

#### HOUSING DELIVERY MECHANISM

#### THE PROCEDURE

The planning wing of the DDA prepares master plans and zonal plans for planned development within Delhi. As far as housing and shelter policy is concerned, the plan examines the housing need and proposes a housing strategy that incorporates specific approaches for development of new housing areas, upgradation and re-densification through redevelopment of existing housing areas including unauthorized colonies, housing in villages and Special Area. In order to undertake this planned development, DDA has been acquiring land in areas earmarked under the Master Plan for urbanization. Acquisition of land is undertaken by GNCTD on the basis of requisition given by DDA. The Land Acquisition Collector (LAC), GNCTD carries out the acquisition under the provisions of the Land Acquisition Act, 1894. Further to provide for the peculiar nature of acquisition in Delhi for planned development, a scheme for Large Scale Acquisition, Development and Disposal of Land, was also formulated by the Government in 1961. While the Land Acquisition Act provides for compensation to land owners at the rates approved by the Govt. from time to time, the Scheme for large scale acquisition provides for allotment of alternate residential plots to land owners, by DDA, based on the certification of eligibility by GNCTD. For the simplification of land acquisition process, a standard operating procedure has been finalized between DDA and Land & Building Department of GNCTD. As far as monetary compensation is concerned, LAC/L&B Deptt / Dy Commissioner of

GNCTD are competent to acquire land as per the Land Acquisition Act. The compensation rate is fixed and award is passed by the LAC. The award is also approved by the Competent Authority in GNCTD, after which the amount of compensation is released by DDA. After the acquisition of land, DDA develops the land and allocates a certain percentage for the purpose of housing. DDA currently undertakes construction of four categories of housing units, namely, High Income Group (HIG) and Self Financing Schemes (SFS), Middle Income Group (MIG), Lower Income Group (LIG) and housing units for the Economically Weaker Sections (EWS) i.e. Janta Housing. After the construction of flats, DDA makes allotments to dispose them off. Applications are invited by the DDA so that the interested Home Buyers can deposit the minimum amount to book the Flats and then the DDA carries out a computerized draw after which the selected applicants pay the remaining amount to acquire the possession of DDA Flats. Other than this, there are few more ways through which housing is provided within Delhi:

#### **Central Government Agencies**

The Ministry of Urban Development (MoUD) is responsible for making policies for urban development which also includes the housing activities. Other than launching projects that target certain sections of the society, it is also responsible for laying down the policy perspectives, building data systems for the whole country and over viewing the state level programs. Through the Public Works

Department (PWD), the central government undertakes various housing schemes for its employees in all the union territories.

# **State Level Agencies**

The legislative assembly of NCT of Delhi has the power to make laws for the whole or any part of the NCT with respect to any of the matters enumerated in the State list or Concurrent list except with respect to entries, 1, 2 and 18 of State list and 64, 65 and 66 of that list in so far as they relate to the said entries 1, 2 and 18.

Entry 18 of the State list pertains to land, that is to say right in or over land, land tenures including relation of landlord and tenant, and the collection of rents, transfer and alienation of agricultural land; land improvement and agricultural loans, colonization.

Therefore, although provision of public sector housing is the responsibility of the state, Delhi government has little role to play in it. However, it does undertake some amount of housing projects especially for the economically weaker sections through the Delhi State Industrial and Infrastructure Development Corporation (DSIIDC) and the slum departments of MCD & DDA.

#### **Primary Cooperative Societies**

Cooperatives receive preferential treatment in the allotment of land from the Delhi Development Authority. A cooperative can be formed by registering at the office of the registrar of cooperative societies as per The Delhi Cooperative Societies Act; 2003. There are basically two types of cooperative housing

societies. First is the Individual ownership type where the individual member becomes the owner of the plot once the loan is repaid. Second is the Co-ownership or tenant co-partnership society where members reside as tenants of their own societies and they cannot legally sell their plot individually.

#### **Private Developers and Builders**

Prior to the enactment of Delhi Master plan 2021, large builders functioned primarily in the periphery of Delhi. This is because DDA had the monopoly of acquiring land in Delhi and as a result private builders could not buy land within Delhi. However, now the Delhi Master plan 2021 has allowed real estate developers to build residential apartments and townships on 27000 hectares of land which is located in the north-west and south-west areas of Delhi. MoUD will decide on the profit margins for these builders as per the Real Estate Bill.

#### Individuals or Households

DDA allots residential land to individual applicants through public auction. The individuals then are themselves responsible for arranging labour, finance and management. However, only the rich build houses using engineers and contractors. The poor usually resort to informal methods of shelter acquisition wherein the houses built by them are generally unhygienic and substandard.

# THE EXPERIENCE SO FAR

TYPE OF STRUCTURE	DELHI (%)	INDIA (%)
Pucca	96.98	48.94
Semi Pucca	2.01	30.16
Katcha	1.01	20.90

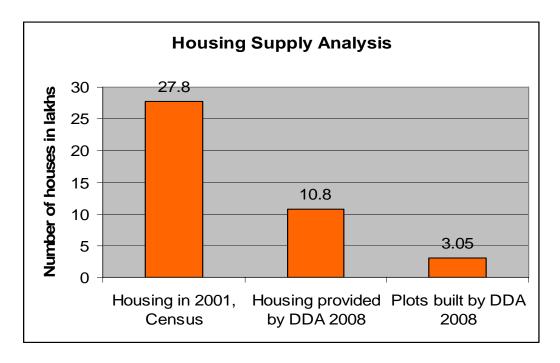
The NSSO Report 2002<sup>4</sup> shows that the housing structures in Delhi are way better than the national level. More than 96% of the structures are of the *pucca* category as compared to the national value of less than 50%. However, simply looking at the type of structure is not sufficient to get a clear picture of housing in Delhi. The following table<sup>5</sup> gives a clear picture of the types of housing in the years 1991 and 2001.

Type of housing	1991	2001
	'000	'000
Plotted development including cooperatives	304 (16%)	540 (20.2%)
including cooperatives	304 (1078)	340 (20.276)
DDA flats	209 (11%)	351 (13.1%)
Cooperative group housing flats	152 (8%)	324 (12.1%)
Resettlement and squatter units	437 (23%)	594 (22.2%)
Slum rehousing units	38 (2%)	71 (2.7%)
Government housing	129 (6.8)%	169 (6.3%)
Traditional area and urban village housing	361 (19%)	357 (13.3%)
Unauthorized and regularized housing	270 (14.2%)	270 (10.1%)
Total	1900	2616

From the above table it is clear that the majority of the housing units in 2001 are the resettlement and squatter units. This is followed by plotted development (including cooperatives) which comprised of 20.2% of the total housing types. It is extremely important to note that a large chunk of the houses in Delhi in as late as 2001 are of the traditional type and that the unauthorized and regularized housing units too form a dominant part of the total housing supply in Delhi. Despite great efforts on the part of the government to provide for planned development within the capital, a major part of the population still does not have access to planned housing. According to the Delhi Water and Sewerage Project Preparation Study Report, only 21% of the total population in Delhi will be fortunate enough to reside in Planned Colonies by 2011. However, this figure is extremely low keeping in mind that the Delhi Development Authority is a more than fifty years old organization dedicated to the task of providing planned housing to the people of Delhi since 1967. It becomes therefore extremely important to study how DDA has provided housing for all these years.

Settlement wise population (in millions) <sup>6</sup>				
TYPE OF SETTLEMENT	YEAR 2006	YEAR 2011 (projected)		
JJ Clusters	2.448	2.819		
Slum designated areas	3.148	3.625		
Unauthorized colonies	0.874	1.007		
Resettlement colonies	2.099	2.416		
Rural villages	0.874	1.007		
Regularized unauthorized colonies	2.099	2.416		
Urban villages	1.049	1.208		
Planned colonies	3.909	4.01		
Total population (millions)	16.5	19.0		

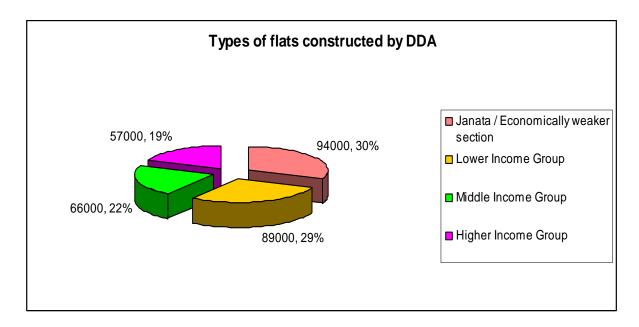
As of 2005, DDA has acquired a total of 28000 hectares of land, of which 46% of the land is under housing schemes. On closely analyzing the housing supply in Delhi, it is found that DDA has been able to assist for the provision of only 40% formal housing (10.8 lakhs) (deducting unauthorized colonies and urban villages). Out of those 40%, DDA built just 28% of the houses (3.05 lakhs)<sup>7</sup>.



Further details on the types of dwelling units facilitated by DDA till 31<sup>st</sup> March 2008<sup>8</sup> are given as under:

TYPES OF DWELLING UNITS	NUMBER
Dwelling units constructed by DDA	3.05 lacs
Dwelling units on DDA plots by private individuals	2.50 lacs
Dwelling units in JJ resettlement colonies	2.40 lacs
Dwelling units constructed on plots allotted to co-operative group housing societies	2.00 lacs
Dwelling units through Rohini plotted scheme	0.85 lacs
Total	10.80 lacs

As far as flats constructed by DDA are concerned, 59% of the flats built till March 2008 are for the people belonging to the lowest income strata. As much as 30% of the flats are for the Economically Weaker sections and around 29% are for the Lower Income Group<sup>9</sup>.



Just building houses for the people belonging to the lowest income strata is not sufficient. There is no mechanism in place that ensures that the houses built for EWS and LIG category are actually used by them. It has been found that most houses allotted to the EWS and LIG category are resold or have been taken up by households belonging to the MIG or HIG groups instead. This is basically due to the various stipulations of the programmes, i.e. large initial payments and prohibitive monthly installments, complicated procedures of registration etc. Also, a large number of the flats are lying vacant in the capital. This gives a slight indication that the houses are not used for the purpose of shelter but have

rather become tools of investment for the rich. Also, there are inherent problems within the DDA policy which encourages such a behavior. There has been a shift from the Hire Purchase housing schemes towards Self Financing Schemes (SFS). Since under SFS, the entire price of the house has to be paid before possession of the house, it becomes extremely difficult for the poor to arrange such a large sum when it is known that obtaining housing loan is not easy for them. Such a policy excludes the poor from the formal housing delivery mechanism. Besides the high cost, the poor are also deterred by the distance of the project sites from the business/industrial centres. In addition, the houses created for the EWS category especially in the resettlement colonies lack the basic infrastructural requirements. "The condition of services in these colonies is much below the standards which a modern city should offer and in fact, there is a rising demand from the inhabitants of these localities for adequate basic services of water supply, sewerage and electricity." (Shelter, Delhi-2001 Perspective Planning Wing, DDA, 1982).

The following table<sup>10</sup> looks into the proposed targets and the achievements of DDA in the housing sector. It reveals that DDA has not been able to achieve its targets even once in the five year span from 2002-03 to 2006-07. The shortfall in achievement ranges from 58% to 88.5% in case of new projects and 17% to 72% in case of ongoing projects.

Year	New projects/Houses		Ongoing projects/Houses		ouses	
	Target	Achievement	Shortfall	Target	Achievement	Shortfall
			per cent			per cent
2002-	18966	2370	16596	6623	5521	1102
03			(88)			(17)
2003-	14511	3988	10523	5919	1676	4243
04			(72)			(72)
2004-	7943	3356	4587	12662	9896	2766
05			(58)			(22)
2005-	10676	1670	9006	8695	2570	6125
06			(84)			(70)
2006-	25556	2936	22620	5070	3081	1989
07			(88.5)			(39)

An analysis of the DDA budget reveals that the budget estimates are being prepared on an unrealistic basis.

The budget allocation, budget estimates and actual expenditure on housing schemes during 2002-03 & 2006-07 are stated below<sup>11</sup>:

Financial	Budget	Revised	Actual	Percentage of
Year	Estimates	Budget	Expenditure	shortfall in actual
		Estimates		expenditure vis-à-
				vis Budget
				Estimates
2002-03	476.27	295.47	290.58	39
2003-04	607.43	426.52	327.84	46
2004-05	627.13	414.16	344.30	45
2005-06	455.22	282.73	278.15	39
2006-07	506.01	272.34	237.05	53

It can be easily seen from the above table that the actual expenditure was significantly less than the budget estimates over the five year period 2002-03 to 2006-07. This means that despite availability of funds, projects could not be completed/initiated. This implies that the problem lies not with the availability of finances but elsewhere.

Let us now look at the pace of land acquisition/development under the current land policy<sup>12</sup>:

- Only an average of 777 hectares of land was acquired annually instead of 1372 hectares as intended to meet the targets of the development set in the MPD-62 in the period of 1962-1981. During 1981-2001, against a planned acquisition of 24,000 hectares, 9507 hectares were acquired by 2001, which was only 39.6% of the target.
- Around 14479 hectares of land was proposed to be developed in the plan period 1961-81. However, by 1984 the land actually developed for residential purpose was 7316 hectares.
- In the various sub cities envisaged under MPD-2001, of the total 17493.15 hectares proposed to be developed; only 8388.15 hectares (47.95) of serviced land was made available by 2001.

These details point out that the flaw in the current housing delivery mechanism is in the "Land Acquisition" part of the process.

# FINDING A SOLUTION

The short fall in land acquired/developed can be primarily attributed to the following reasons:

- Dissatisfaction of the landowners on the compensation package led to disputes and litigations thus slowing down the process of land acquisition.
- Delays in alternate allotment further increases costs.
- Enhancement in compensation awarded by the court means managing additional resources and extra administrative work on the part of DDA, which in turn delays the land acquisition and development process.
- Pockets and plots of land under litigation for a long time and hence been left vacant has been encroached upon by unauthorized and JJ colonies. Such pockets have no sanctions by the authority.
- Slow pace of land development and pricing out of the LIG/EWS from the formal land market has also been another reason for the proliferation of unauthorized colonies, slums, and squatters in urban and rural Delhi.
- The present urban land policy is not in consonance with the Master
   Plan proposals both in terms of phases of development and in land use.

All the above have resulted in public supply of land falling shot of demand and of physical targets not being met. Thus, the need of the hour is an alternate land development model that is simple to operate and attractive to the landowner and which can quicken the process of land assembly.

#### ALTERNATE TECHNIQUES OF LAND ASSEMBLY:

The alternate techniques of land assembly followed in other parts of the country and their salient features are:

#### 1. Town Planning Schemes – the Gujarat experience

- The responsibility of initiating, implementing, and investing in the schemes rests with the Development/Local Authority. The cost of implementation of a TP scheme is met through the annual budget of the local authority. Cost recovery from a TP scheme project is in the form of owners' contribution which is up to half of the estimated increase in land value due to the implementation of the projects.
- The model is applicable in residential pockets with an average size of
  a scheme varying between 22 hectare to 400 hectare. TP schemes
  incorporate only layout level facilities. The model is most attractive
  to the landowner who gets back 54% of the land.

# 2. Haryana Model

The development authority acts as the facilitator by issuing licenses
after permitting the acquisition of land by the private developers
from the farmers directly at negotiated market prices. The private

developer thereafter assumes the role of a colonizer. The model is applicable in residential sectors only and the minimum viable size for the scheme is 40 hectares.

- The model takes care of the layout level facilities only. The entire process of negotiating the land purchase and development is to be completed within three years.
- The model requires the colonizer to provide for 20% of the plots to EWS/LIG categories at predetermined rates.

#### 3. Ghaziabad Model

- A joint venture between the development authority and the private developer, where, the land acquisition provisions are combined with financing proposals. The equity sharing between the development authority and the private developer is in the ratio of 10:90. this not only reduces the cost burden on the authority but, at the same time, the compensation package streamlines implementation by reducing the litigations and constraints of the traditional land acquisition process.
- The private developers earn revenue from the sale of 60% of plots in the free market. However, the model is most attractive for the development authority, as apart from the less investment, and free

of cost facilities, it earns annual revenue of 1% from the private developer (tie up cost index).

- In this model, 20% of the plots are reserved for the EWS/LIG at predetermined rates.
- The model is applicable in selective residential areas with a minimum size of 50 acres. It does not take into consideration the city/zonal level infrastructure facilities.

#### 4. Noida Model

- Compensation rates are revised after every financial year by linking them to "consumer price index".
- Compensation rates are determined irrespective of location.
- A separate rehabilitation package in the form of additional 15% on basic land acquisition rate along with land compensation @ 1/5 of actual plot value.
- Development levies are charged from villagers.

#### RELEVANCE OF THE MODELS IN THE CASE OF DELHI:

In view of the fast pace of development that Delhi needs in order to cater to the rapidly increasing population, that model of land development should be adopted that is replicable and applicable on a large scale of 1000 hectares and above. Also, the model should not be confined to the residential pockets only.

- In the case studies discussed above (excluding the Noida model), scale is limited up to 100 or 80 hectares and that too within the residential pockets. The viability of replicating and up-scaling these models have to be seen.
- The Haryana and Ghaziabad models provide for a reservation of 20% of plots for EWS/LIG. However, it needs to be considered whether this quantum of provision in Delhi's context would be sufficient, considering that approximately 70% of the total population belongs to EWS and LIG.
- It has to be seen whether the linking of compensation rates to the consumer price index as in the case of Noida, can be worked out in the current Land acquisition policy of Delhi, so as to streamline implementation.
- Be it the TP schemes, or the Haryana and Ghaziabad models, the provision of infrastructure is limited to the layout level and does not take into account the Master Plan/Zonal Level facilities.

#### PROPOSITION OF A MODEL FOR DELHI:

The Association of Urban Management and Development Authorities (AMDA) proposed a "Land pooling cum Barter model" for development within the planned project areas in Delhi. The main features of the model are as follows:

- To ensure rational and attractive returns to the farmers. This can be achieved by returning net residential developed land up to 16% of the land under notification of section 4 surrendered to DDA by the landowner.
- This leaves up to 84% of land with DDA to meet the plan requirements.
- DDA gets 100% of the land for an area earmarked for development in lieu
  of the net residential land up to 16% returned to the landowner within a
  developed area.
- 16% of the land given for barter is based on the plan prepared and executed by the DDA and the conditions mentioned in the plan will be applicable.
- In the 84% of the land remaining, the Development Authority develops all housing for EWS and part of the total DUs for LIG along with all the facilities at Master/Zonal plan level. The landowner on the other hand has to provide all housing for HIG and MIG and a part of the total DUs for LIG in the land returned to him. Through this the model seeks to achieve the social equality of land.

- The landowner does not feel deprived of his land when he is given compensation in terms of land and he is also left with numerous options like:
  - > Retaining the land with him, to partially or totally dispose the land.
  - Wait for land prices to rise in the market and sell the land to developers at market rates.
  - Come forward as a promoter.

The Barter system takes into account the entire spectrum of development, including the facilities to be provided at Master Plan/Zonal Plan/Layout level. It is not a piecemeal approach to development.

The following advantages and weaknesses of this model have been recognized:

STAKE	ADVANTAGES	WEAKNESS
HOLDERS		
DDA	Reduced financial burden, as	At least 300 hectares of
	no compensation is to be paid	fully developed net
	Land development process will	residential must be ready
	become fast as after	for barter with DDA per
	notification for land acquisition,	year. If DDA fails to keep
	DDA can commence the	pace, development will be
	development process within	further delayed.
	one year of notification.	
	Reduced restrain from	

	landowners.	
LAND	Get a share in the land.	• Landowner is legally
OWNER	Gets liberty to earn profit from	bounded either to sell his
	the land reverted back to him,	land or to build upon,
	as he gets fully developed net	within a specified time
	residential land which either he	period.
	can put for sale in the market	
	or himself can build upon on	
	his will.	

It is also advised to change the institutional setup of DDA. The existing institutional mechanism under the DDA dealing with acquisition/development and disposal of land is highly centralized. The system/mechanism has not been fully effective to keep pace with the provision of Master Plan. Therefore, the following changes are suggested:

- Decentralize the authority under DDA who deals with land assembly, development and disposal.
- An autonomous body, which will act as a monitoring and regulatory body for land acquisition/development and disposal should be established under DD Act.

# **SOME OTHER ISSUES**

DDA is notorious for the problems that it causes for the people. Here are some case studies which demonstrate the inefficiency of DDA in providing housing:

### 1. Non-disposal of constructed houses

Once the houses are constructed by the engineering wing of DDA, their cost is finalized by the Financial Advisor (Housing) and they are disposed off by the Commissioner (Housing) as soon as possible to avoid blockade of funds as also to prevent their dilapidation. However, it has been noted that many a time's constructed houses are not disposed off on time.

For example, as on 31 March 2007, there were 11650 houses located at Narela, Rohini, Vasant Kunj, Dwarka, Kondli Gharoli and Paschim Vihar waiting for disposal even though their construction had been completed by 2001-02<sup>13</sup>.

Such inordinate delays in allotment of constructed houses not only deprive the public of the benefit of housing but also lock up DDA's funds.

The major reason identified behind non-disposal is the lack of policy decision. Unless there is a policy decision on the disposal of houses, the stock cannot be released. According to a DDA official, announcing a new scheme or allotment of the previous schemes itself is the vice-chairman (VC)'s decision which is politically influenced. It is recommended that a time frame be formed within which the constructed houses should be disposed off. This will not only help the people by providing them with the benefit of housing in a timely fashion but will also prevent the dilapidation of the property

#### 2. Non-allotment of houses to long awaiting applicants

There is a total backlog of 2468 under three live schemes of DDA viz 1043 under New Pattern Registration Scheme 1979, 449 under Ambedkar Awas Yojana 1989 and 976 under Janta Housing Registration Scheme 1996. Thus, it can be noted that houses have not been allotted to people waiting for more than 30 years in case of NPRS 79 and 20 years in case of AAY 89<sup>14</sup>.

To cite another example, under plotted development of Rohini scheme 82384 registrants registered for plots. However, so far only 55169 plots have been allotted under the scheme. Due to such a long lag in allotment of plots, 1849 have surrendered/cancelled allotment and 25366 are still awaiting allotment 15.

It is hard to understand as to why such a long time is being taken by DDA to clear the backlog. DDA should have anticipated the probable issues well in time and accordingly acquired the land well in advance so as to avoid the suffering caused to registrants. DDA should clear the backlog expeditiously and take remedial steps so that the registrants do not suffer in future because of lack of planning and anticipation of the probable issues beforehand.

# 3. Construction of houses of unacceptable design under Janta category

DDA had constructed 7412 one/single room tenements houses in Dwarka and Rohini Zone for the benefit of the economically weaker section of society. The houses were allotted to the wait listed registrants of the Janta category. The allottees of these houses expressed their displeasure to accept these houses as

they had different designs as compared to the regular Janta houses. Besides, no kitchen was provided in these flats and the area of these houses was also less than the specified area of the Janta houses. As a result, the DDA amalgamated two units into one unit, and allotted them to Government departments, and economically weaker sections of society were deprived of the benefit of housing facilities<sup>16</sup>.

It is recommended that the architect/engineer of the work should certify on completion of a particular building that it has been constructed according to approved design and specification. Also, before the registrations are made, the prospective buyers should be given complete information regarding the size and other designs; so that there is no problem at the time of allotment.

#### 4. Allotment of houses without basic amenities

At the time of allotment it is necessary that the houses are habitable i.e. they should have basic amenities like water, electricity, sewage disposal etc. However, in the recent past DDA has made allotments without ensuring basic amenities. From August 2004 to March 2007, no supply of water was made available to the housing complexes in Bakkarwala and Rohini by the Delhi Jal Board. The water was being supplied through tankers and bore water to the allottees of houses by the DDA<sup>17</sup>.

Five housing projects covering construction of 5496 LIG houses were taken up by the East Zone (Eastern Division 2 & 3) at Bakkarwala. Allotment of houses commenced in March 2007 and up to June 2007, 376 houses were allotted to the general public without ensuring availability of electricity<sup>18</sup>.

The areas developed and houses constructed by DDA should be de-notified and handed over to MCD in one go rather than taking up the process of transfer part by part. In regard to calculation of deficiency charges at the time of transfer of DDA developed areas to MCD, it has been found that there is an administrative problem in the matter in view of a number of departments involved. There are vertical departments and they do not have proper integration with each other. It is recommended that concerted efforts should be made in consultation with the senior officials of MCD and DJB so that the basis civic amenities of water supply, electricity etc., are provided in dwelling units before handling over the possession to the allottees. Also, the Ministry of Urban Development should devise suitable mechanism to ensure proper integration and coordination between DDA, MCD, DJB and local bodies.

#### 5. DDA Scams

DDA is known more for its scams than for its schemes!

To cite an example, in 2008-09, there was a major scandal in the allotment of 5,000 houses by the Delhi Development Authority (DDA) in the DDA housing scheme – 2008<sup>19</sup>. Some property dealers in collusion with present and ex-DDA employees tried to allot flats to a large number of fictitious applicants. The idea was to corner the properties and sell them at a big premium which the market would have offered.

Such commercialization of the DDA's Units shall defeat the main purpose of giving cost effective housing to the weaker sections of the society. It is therefore recommended that strict action be taken against the field staff and officers of DDA, who operate hand-in-glove with private property dealers and encourage sale of dwelling units on 'Power of Attorney' at higher prices thereby, earning unwarranted profits and periodical inspection be done in this regard.

The vigilance Department of DDA takes action in case any complaint pertaining to connivance of DDA officials with property dealers come to their notice. But it is recommended that the Vigilance Department should also take *suo-motto* action is this regard and make surprise checks instead of waiting for a formal complaint which may not be always forthcoming. In this regard it is also imperative that Vigilance Department become more effective, enhance their surveillance and intelligence network substantially. Also, perfect transparency should be maintained to avoid any manipulation in the computerized draw of DDA flats.

# CONCLUSION

The most important aspect of any urban development project is the process of land acquisition. Statistical data reveals that the process of land acquisition has been very slow. In order to speed up the process of housing delivery, there is a need to adopt an alternate land assembly process that helps speed up both the land acquisition as well as the land development process. The proposed land assembly model, Land pooling cum Barter model, looks into the current problem of land acquisition and devises measures to speed up the land assembly process.

Apart from the slow pace of housing development, there are also problems with the current supply of houses. Experience reveals that constructed houses are not disposed off on time. To address this problem, it is recommended that a time frame be formed and that the constructed houses should be disposed off within this time frame. To make sure that the allotted houses have basic amenities, the Ministry of Urban Development should ensure proper integration and coordination between DDA, MCD, DJB and local bodies. Also, to check the growth of unscrupulous elements that resort to unfair practices in the allotment procedure, it is recommended that the Vigilance Department be made more effective.

In order to meet the requirement of housing units, and to overcome the weaknesses in the procedure hitherto being followed by DDA and GNCTD, it is

proposed to permit participation of private sector in land assembly and housing development. While permitting such private participation, checks and balances should be introduced to ensure compliance with provisions of Master Plan as well as building Byelaws, the latter being administered by local bodies. The inclusion of private developers in the housing sector will introduce an element of competitiveness and innovation in this sector in Delhi, which will automatically counter any speculative tendencies or profiteering at the expense of the citizens.

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