

MUNICIPAL CORPORATION OF GREATER MUMBAI

NO: CHE/DPI 19265-1 GEN DTD: 10.10.17

CHE/DPI/48/Gen
2017-18

Sub: Ease of Doing Business
- One time charges for building construction treatment
Ref: 1) IO/319/SR dtd. 04.05.2016
2) Hon.M.C.'s approval dtd. 13.05.2016

Reference is please requested to the detailed note submitted by Insecticide Officer/ Executive Health Officer to AMC(WS)/ Hon.M.C. under no. referred at sr. no. 1. Hon.M.C. vide endorsement dtd. 13.05.2016 gave sanction to the following:-

1. To charge the Developers/ Builders on the basis of the formula marked at 'A' above to recover one time charges for rendering Insecticide treatment at building construction sites.
2. To make it mandatory to the Architects to mention the gross construction area for calculating the appropriate charges while paying the same for the Building Proposal Department.

However, during the meeting of all the HODs with Hon'ble MC held on 07.10.2017 it was pointed out that the recovery of insecticide charges is not being done according to the said policy approved by Hon'ble M.C.

The process of interlinking the recovery of insecticide charges in the online building approval system under EODB is in process and soon the facility to make the payment will form a part of Single Window Approval System. Hence, it is felt that till the completion of process of interlinking the recovery of Insecticide charges, all the Asstt. Commissioners will be directed to ensure that the insecticide charges are recovered strictly on '**Gross Construction Area**' (including area free of FSI such as **Basements, Podiums etc. i.e. the Approved Area**) in accordance with aforesaid policy. It is also proposed to direct the concerned PCOs to work out the arrears, if any, from all on-going sites with effect from the date of circular i.e. 13.05.2016 retrospectively. At the same time the updated recovery report will be submitted by the Asstt. Commissioners to Hon.M.C. for perusal.

A circular to that extent is put up herewith for Hon.M.C.'s approval.
Submitted please.

(Ajoy Mehta)
Hon.M.C.
Sir,

This is extremely serious. In spite of passing orders this was not implemented. It appeared as papered. No. ensure this is done immediately.

(Sanjay P. Darade)
Ch.E.(D.P.)

Ajoy Mehta
M.C. 10/10/17

महानगरपालिका
 न्यायपालिका
 11 OCT 2017
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 १५, १६, १७, १८
 MGCF/4717

(नाथी)

I.O

for immediate receipt

[Signature] 12/10/17

गृहमन्त्रालय महानगर पालिका
 प्रमुख अभियंता (विकास विभाग)
 यांचे कार्यालय

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12 OCT 2017
 (19601)

क.प्र.अ.वि.नि./

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मा. अधि.	टिडीआर	लेखा	आस्था

AO - CDD

put immediately on my cam

प्रमुख अभियंता (विकास विभाग)
[Signature] 12/10/17

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**MUNICIPAL CORPORATION OF GREATER MUMBAI
PUBLIC HEALTH DEPARTMENT
INSECTICIDE BRANCH**

Primary School Ward Office Bldg., 2nd Floor, Gilder Tank Malden, Dr.Dadasaheb Bhadkamkar Marg, Grant Road (East), Mumbai - 400 007

No. : IO / 319 / SR Date : 04.05.2016

Sub : Ease of Doing Business ; one time charges
for building construction treatment.

Ref : (1) IO/1702/SR dt.15.10.2015
(2) MGC/F/7965 dt.15.10.2015

The one time charges for period of one year, three years and five years were calculated on the basis of gross built up area of the construction at the rate of 15% of gross built up area for one year, 10% of the gross built up area for three years and 8% of the gross built up area for 5 years x rate of Insecticide x 52 weeks / 156 weeks / 260 weeks.

Hon.M.C. had directed Insecticide Officer to discuss the matter with representatives of M.C.H.I. before finalising the rates. Accordingly, the M.C.H.I. representatives attended the Insecticide Office on 06.11.2015 when they categorically stated that the formula calculated by this department resulted in arriving at a figure which was significantly higher than what is seen being actually paid across a cross section of construction sites. It was therefore decided that the M.C.H.I. would study the pattern of charges levied for construction treatment and would come back with a probable formula for one time charges.

The M.C.H.I. has now submitted their formula which is based on the fact that 3% of the construction site at any stage is inundated with water and has to be rendered insecticide treatment. To supplant this contention, the M.C.H.I. has compared two construction sites, one with 20,000 sq.mt. built up area and one with 30,000 sq.mt. built up area and have arrived at the conclusion that the actual area treated is equivalent to 3% of the cumulative built up area constructed in that year. Therefore, the formula arrived at is -

**Total gross area to be constructed in sq.mt. (including area free of F.S.I.) x
Rate of Insecticide per sq.mt. x No.of years**

It is proposed to offer rebate for those Developers / Builders who wish to pay insecticide treatment charges for more than one year at a time. The rebate is proposed as below -

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No.of Years	Percentage of Rebate on Total Amount
2	5%
3	10%
4	15%
5	20%

..2

For e.g., for a building construction site whose proposed gross area of construction is 5,000 sq.mt. (including area free of F.S.I. such as basements, podiums etc.), the Developer / Builder shall have to pay as per the following calculation –

5,000 sq.mt. x Rs.15 x 1 year = Rs.75,000/- for one year

If the Developer / Builder chooses to pay for two years the rate will be calculated as –

5,000 sq.mt.x Rs.15 x 2 years = Rs.1,50,000 – Rebate @ 5% and will end up paying Rs.1,42,500/- for two years

Similarly, if the Developer / Builder chooses to pay for three years the rate will be calculated as -

5,000 sq.mt.x Rs.15 x 3 years = Rs.2,25,000 – Rebate @ 10% and will end up paying Rs.2,02,500/- for three years

The calculation for four years would be -

5,000 sq.mt.x Rs.15 x 4 years = Rs.3,00,000 – Rebate @ 15% and will end up paying Rs.2,55,000/- for four years

The calculation for five years would be -

5,000 sq.mt.x Rs.15 x 5 years = Rs.3,75,000 – Rebate @ 20% and will end up paying Rs.3,00,000/- for five years

It is therefore proposed to charge the Developers as per the above mentioned formula for obtaining one time advance treatment charges for any construction site while giving them the choice to pay charges for one year to five years.

It is pertinent to mention here that the gross construction area is much more than the built up area as the areas which are free of F.S.I. are not counted in the built up area e.g. basements, podiums, car parking floors etc. and hold much more water than the actual floors and have to be rendered insecticide treatment. It is therefore necessary that charges are calculated on the basis of gross construction area and not on the basis of built up area. It is observed that the gross area to be constructed is not mentioned in the calculation shown in the plan submitted to the Building Proposals Department. Therefore it should be made mandatory for the Architects to mention the gross area to be constructed while submitting their plans to the Building Proposals Department.

Sanction is therefore requested from AMC (W.S.) / Hon.M.C. for:-

- 1) To charge the Developers / Builders on the basis of the formula marked at 'A' above to recover one time charges for rendering insecticide treatment at building construction sites.
- 2) To make it mandatory for the Architects to mention the gross construction area for calculating the appropriate charges while paying the same to the Building Proposals Department.

Submitted please.

[Signature]
04/05/16
Insecticide Officer

[Signature]
4-5-16
Executive Health Officer

A.M.C.(W.S.)
Sir,

(1) and (2) above may be approved
(with respect to 'x' on pg. 2)

Hon'ble M.C.
Sir,

As proposed

[Signature]
12/5/16
A.M.C.(W.S.)

[Signature]
13/5/16

महानगरपालिका आयुक्त

अति. आ/प.अ. / अ.अ. / ... (16.22)
92.5.16

Amcws) अति. आयुक्त (प.उप)
E.H.O

सुदूरपश्चिम महानगरपालिका
विकास आयुक्त (प.उ.)
पाँच कामकाज
05 MAY 2016

[Signature]
26-5-16
EHO

**Total gross area to be constructed in sq.mt. (including area free of F.S.I.) x
Rate of Insecticide per sq.mt. x No.of years**

It is proposed to offer rebate for those Developers / Builders who wish to pay insecticide treatment charges for more than one year at a time. The rebate is proposed as below –

No.of Years	Percentage of Rebate on Total Amount
2	5%
3	10%
4	15%
5	20%

..2

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MUNICIPAL CORPORATION OF GREATER MUMBAI


NO:CHE/DPI 19265 /GEN Dtd: 10.10.17

CIRCULAR

**Subject:-Ease of Doing Business
-Insecticide Treatment Charges**

In order to streamline the procedure for recovering insecticide charges on all the construction sites in Mumbai, Policy has been sanctioned by M.C. ^{under no. MGC/F/17965 dtd.} on 16.05.2016. However during the meeting of all HOD with M.C. held on 07.10.2017, it was pointed out that the recovery of insecticide charges is not being done according to the said policy.

The process of interlinking the recovery of insecticide charges in the online building approval system under EODB is in progress and soon the facility to make the payment will form a part of Single Window Approval System, till that time, all the Asstt. Commissioners are directed to ensure that the insecticide charges are recovered strictly in accordance with aforesaid policy. It is also directed to instruct the concerned PCOs to work out the arrears, if any, from all on-going sites with effect from the date of sanction i.e. 13.05.2016 retrospectively.


(Sanjay P. Darade)
Ch.E.(D.P.)


(Ajoy Mehta)
Municipal Commissioner