

"CIRCULAR"

12-13 Sub : Supplementary addition in the circular bearing No.CHE/1216/ACQ-C dtd. 17.01.2001. For fixing of standard rent for non-Municipal Non-residential user.

- Ref : 1) MGC/F/4746 dtd. 12.09.2008.
2) CHE/1192/ACQ/City dtd. 21.11.2008.
3) Policy circular u/no.CHE/1216/ACQ-C dt.17.01.2001.

Improvement Committee vide Resolution No.37 of 27.07.2000 and Corporation v Resolution No.733 of 24.11.2000 has accorded approval to the revised policy for working Standard Rent etc. for municipal tenements/quarters etc.

For non residential user, in absence of the guidelines in the above original policy, it was proposed to adopt the land rate at 100% of the Ready Reckoner Rate of developed land for working out land value for the purpose of calculating Standard Rent for "Non Municipal Non Residential User. It was further proposed that the Standard Rent so calculated shall be doubled in order to arrive at the Standard Rent to be levied for "Non Municipal and Non Residential" User. The Municipal commissioner has vide No.MGC/F/4746 dtd. 12.09.2008 approved this supplementary additional policy for fixing of standard rent for non-Municipal-Non-Residential user.

The Standard Rent will be worked out for –

- i) Residential user.
- ii) Municipal Non-Residential user.
- iii) Non-Residential and Non-Municipal Commercial user.

by separate methodologies as tabulated below –

Description	For Residential user.	For Municipal Non-residential user.	For Non-residential & Non-Municipal user.
	A	B	C
Standard Rent per annum =	5.5% of the value of land + 6.305% of the cost of construction of BUA of the premises.	5.5% of the value of the land + 6.305% of the cost of construction of BUA of the premises.	2 x Standard Rent worked out at Column (B)
Land value	25% of the stamp duty Ready Reckoner Rate of developed land prevailing on the date of allotment of tenement.	100% of the stamp duty Ready Reckoner Rate of developed land prevailing on the date of allotment of tenement.	100% of the stamp duty Ready Reckoner Rate of developed land prevailing on the date of allotment of tenement.
Stamp Duty Ready Reckoner	S.D.R.R. shall be referred to the year when administrative sanction for allotment is obtained.		
B.U.A.	=1.2 x Carpet Area of the premises. Measurements for carpet area shall be as per actual on site measured by Ward Officer or user department technical staff. (Certified plan with measurements may be insisted.)		
Cost of Construction	To be obtained from concerned Ward Office or Building Construction Department. In absence of any reference e.g. year and cost of construction etc., the rate of construction as per S.D.R.R. (depending upon the mode of construction) may be referred with prior communication from Ward Office/B.C. Dept.		

Further, as mentioned in the original policy, the Municipal Commissioner may also in deserving cases, grant appropriate concessions in Standard Rents as worked out above.

For the cases where the Municipal premises were already allotted, the standard rent shall be revised by applying this supplementary additional policy.

MUNICIPAL CORPORATION OF GREATER MUMBAI

No: CHE/1273/ACQWS/H&K dt. 23 APR 2010

Sub:- Fixing up the room rent for room occupied by late Shri Kadamhar at Nehru Nagar Rd. Office.**Ref:-** ACKE/26295/AEMI dt. 10.2.2010.

N/19

Reference is requested to A.E.(M)-I's above referred note dt. 10.2.2010, wherein it is requested to work out the room rent as per sidelined 'A' of Chief Security Officer I/C.'s note at Pg/N/17.

N/13

Reference is also requested to this office report dt. 13.7.2009 made to Dy.Ch.Eng.(D.P.)-I /Dir.(ES&P) and approval of then Dir.(ES&P) to adjoining standard rent for year 2007 & 2008. The room rent was calculated as per Ready Reckoner Rates of 2007 & 2008, as A.E.(M.)K/E did not furnish the details i.e. year of construction and date of handing over of said building.

N/17-18

Now Chief Security Officer I/c. has informed to A.C.K/East Ward that employee was staying since 26.8.2000 and therefore rent of room shall be calculated from 26.8.2000 upto 10.04.2007. A.E.(M)K/E-I has also informed vide note dt. 10.2.2010 that the building under reference is handed over on 25.6.1991.

c/43-49

The revised policy for fixing up standard rent for Municipal tenements /quarters etc. is sanctioned by Improvement Committee vide resolution No. 733 of 24.11.2000. This was circulated vide No. CHE/1216/Acq/C dt. 17.1.2001.

As per aforesaid guidelines, standard rent per annum will be calculated at 5.5% of the value of land on date of allotment of premises/tenements on standarder rent plus 6.305% of cost of construction of built up area of the premises. The rates for the land are taken from 'Stamp Duty Ready Reckoner'. Further for Municipal Residential users the land value will be worked out by considering the land rate as 25% of the R.R. Rates of developed land prevailing on the date of construction of building under reference i.e. for S. D. R. R.Rate for allotment year.

In this case, built up area of tenement is treated as 20% more than the carpet area of the said premises as per norms laid down in Ready Reckoner (i.e. $350 + (350 \times 0.20) = 420.00$ sq.ft. i.e. 39.03.sq.mts. The rates applicable for R.C.C. construction is as per S. D. R. R. for the year 1991 is Rs.2500/- per sq.mts.

c/51

It is to be noted here that, in case of death of employee, rent is chargeable for premises occupied after the death of the employee as per circular under no. 4311/411/2200/H&K dt. 24-04-2003. However, as

requested by Chief Security Officer, standard rent is calculated for year 2000 & 2006, as under.

1) Standard rent per annum for year 2000 is worked out below,

5.5% of land value (A) + 6.035 % of cost of construction of built up area (B).

Land value = Rs.2025 (as per S D R.R. of year 2000).per sq. mt.

Cost of construction Rs.2500/- (S D R.R. 1991).

$$\begin{aligned} A &= 5.5\% \text{ of } (2025 \times 25\% \times 39.03) \\ &= 5.5\% \text{ of } 19758.93 \\ &= 1086.74 \end{aligned}$$

$$\begin{aligned} B &= 6.305\% \text{ of } (39.03 \times 2500) \\ &= 6152.10 \end{aligned}$$

$$\begin{aligned} A + B &= 1086.74 + 6152.10 \\ &= 7238.84. \end{aligned}$$

Therefore standard rent per month - 7238.84/12
- 603.23

Say, - 604.00 /month per month

2) Standard rent per annum for year 2006 is worked out as below,

5.5% of land value (A) + 6.035 % of cost of construction of built up area (B).

Land value = Rs.28000/- (as per S D R.R. of year 2006).per sq. mt.

Cost of construction Rs.2500/- (S D R.R. 1991).

$$\begin{aligned} A &= 5.5\% \text{ of } (28000 \times 25\% \times 39.03) \\ &= 5.5\% \text{ of } 273210.00 \\ &= 15026.55 \end{aligned}$$

$$\begin{aligned} B &= 6.305\% \text{ of } (39.03 \times 2500) \\ &= 6152.10 \end{aligned}$$

$$\begin{aligned} A + B &= 15026.55 + 6152.10 \\ &= 21178.65 \end{aligned}$$

Therefore standard rent per month - 21178.65/12
- 1764.88

Say, - 1765.00 per month.

The above charges are exclusive of Municipal Taxes, Electricity charges, water supply, sewerage charges and other Municipal charges, Taxes, Levies, fees, deposit etc.

The said proposal is initially forwarded to A.O.(Estates) on 25.10.2008 to fix standard rent. As per circular No. CHE/1216/ACQ-C dt.17.1.2001, it is clearly mentioned in the circular that 'All the concerned staff of Estate Deptt. shall please note the above clarification and work out extra ground rent accordingly. Further, circular u/No. 4311/41/2200/HALH dt. 24-4-2003 stipulates certain guidelines to be followed by A.C. of concerned Ward & A.C. (Estates) in cases where Municipal premises is occupied beyond permissible period after retirement, death etc. of Municipal employee.

However, A.C.(Estates) deptt. refuses to calculate rents as per said circulars and such cases are then forwarded to D.P. Deptt. which unnecessarily delays the case as happened in this case. It is therefore proposed that A.C.(Estates) shall process such cases for competent sanction as stipulated in the circular & further, since Estate dept. is the custodian of municipal properties and it has all relevant information readily available required in such cases.

In view of, side lined 'X' above Ch.Eng.(D.P.) /Dir.(ES&P) 's approval is requested to ^{work out of} standard rent of Rs. 604/- per month for year 2000 & Rs. 1765/- per month for year 2006, worked out exclusive of Municipal Taxes, Electricity charges, water supply, sewerage charges and other Municipal charges, Taxes, Levies, fees, deposit etc. calculated on the basis of Stamp Duty Ready Reckoner 2000 & 2006, and Dy.Ch.Eng.(D.P.)-II/Ch.Eng.(D.P.) /Dir.(ES&P)/M.C.'s approval is requested for sidelined 'Y' of above report please.

On receipt of the approval, Chief Security Officer will be informed to charge the standard rent as applicable in this case.

Submitted please.

[Signature]
5/4/2010

E.E.(D.P.) W.S. H & K

[Signature] 5/4/10
Dy. Ch. Eng. D.P. - II

Dy.Ch.Eng.(D.P.)-II

Ch.Eng.(D.P.)

Dir.(ES&P)

M.C

[Signature] Sir,
1 Sir, *[Signature]* 7/5/10

[Signature] 23/4/10

No. MCP/299
3-5-10

ब. म. न. पालिका
(संचालक अ.भ. सेवा व प्रकल्प)
यांचे कार्यालय
दि. 3 APR 10
क्र.सं/ज.से.प्र/399/10

Municipal Commissioner

Ch. Eng. D.P.

Ch.Eng.(D.P.)

[Signature] 30/04/10
Director
(Engg. Services & Projects)

बृहन्मुंबई महानगरपालिका
आयुक्तांचे कार्यालय
- 3 MAY 2010
बेळ २१. २२. २३. २४
२५. २६. २७. २८
क्रमांक MCP/299

वृहन्मुंबई महानगरपालिका
 प्र. अभि. (विकास नियोजन)
 * यांचे कार्यालय
 11 MAY 2010
 सं. अभि.
 (वि. नि.)

28

744

Access

Dy. Chief Officer

1/15
 (CCDP)

EECDP HAK (AECDP) KIB

Pe 12/10
 Dy. Chief Officer

1/15
 (CCDP)

1/15
 (CCDP)

- NPFC request to 1/10
 year for 30 year - in Rent - N/7

- Asset. Eng (Imp) — T/40
 already exist ent

- Prifc (Medical Education & Hospital)
 — T/57

4/2ey

MUNICIPAL CORPORATION OF GREATER MUMBAI
No.CHE/1192/ACQ/City dt. 2.11.08

CHE/DP/43
08-09

C I R C U L A R

Sub :- Supplementary addition in the circular bearing No. CHE/1216/Acq-C dt. 17.1.2001. For fixing of standard rent for Non Municipal Non residential tract.

Ref.:- MGC/F/4746 dt. 13.9.2008.

Copy of report submitted to M.C. regarding working out standard rent in case of the cases in B Ward and also approval increase of/No. MGC/F/4746 dt. 12.7.2008 may please be seen.

All staff in D.P.Deptt. is requested to take note of the same while processing such proposals.

[Signature]
Ch.Eng. (D.P.) 17/11/08

- Dy.Ch.Eng. (D.P.) -I/II
- E.E.(D.P.)CIV.
- E.E.(D.P.)E.S.
- E.E.(D.P.)WV.S.H & K
- E.E.(D.P.)W.S.P & B
- All A.Es./S. Es.
- H.E.D.P.
- S.G.D.O.

In view of above, it is proposed to

- 1. To adopt the land value for Municipal Non-residential User as 100% while calculating the standard rent and to double the standard rent so calculated thereafter for calculating the standard rent for Non Municipal and Non residential user in absence of any guidelines, as policy.
- 2. To adopt standard rent of Rs. 17,800/- per month exclusive of Municipal taxes, electricity charges, water supply and sewerage charges and other Municipal charges, taxes, levies, fees, deposits, etc. worked out on the basis of stamp duty Ready Reckoner, 2007.

Sanction of Ch.E.(D.P.) / Dir. (E.S. & P.) / A.M.C. (W.S.) / M.C. to (1) and (2) above please is requested.

On receipt of approval, E.H.O. will be informed suitably.

Submitted please,

AMC/WS/... H/... 22/9/08
 Ch.E.(D.P.)
 Dir. (E.S. & P.)
 A.M.C. (W.S.)
 M.C.

No. Dir/ES&P/2007/E
9/9/08

Mishra 21/9/08
Dy.Ch.E.(D.P.) I

Belk 04/09/08
Ch.E.(D.P.)

for approval please
 Director
 10/9/08 (Engg. Services & Projects)
 A.M.C. (W.S.)

व. मु. म. पालिका
 (संचालक अभि. सेवा व प्रकल्प)
 यांचे कार्यालय
 दि. 09.09.08
 क्र. स.अ. से. प्र. 2007/15

मुख्यालय महानगरपालिका
 अतिरिक्त आयुक्त (म. न.)
 यांचे कार्यालय
 09 SEP 2008
 क्र. स.अ. से. प्र. 2007/15

Approved
11/9

Municipal Commissioner,
ChE(DP)

EE DP(C/E)

Pl. get it circulated by drafting Circular
 together with EE DP(ES)
 wherein similar fresh policy for
 fixation of standard rent for non
 residential, mun. user was fixed.

MG/H/4746
12.9.08

Non-residential" user. It is further proposed to adopt the double of the Standard rent so calculated for "Non Municipal and Non residential" user.

In this case, Hon'ble M.C. / A.M.C. (W.S.) has accorded the sanction on 13.12.2007 under M.C.'s endorsement u/No.MGC/F/1914 of 13.12.2007 and A.M.C.(W.S.) vide endorsement u/No.AMC/WS/H/136 of 12.12.2007 to allot the 2nd floor admeasuring 450.0 Sq Ft. carpet area to Al Sidique Charitable Society as a Charitable Institute on Leave & Licence basis for medical use.

Hence, the year 2007 is considered as the base for calculating standard rent as per stamp duty, ready reckoner for land rate as well as rate of construction.

In this case, built up area of 2nd floor is treated as 20% more than the carpet area informed by the E.H.O. as per norms laid down in Ready Reckoner i.e. $450 + (450 \times 0.2) = 540.0$ Sq.Ft.

As per the stamp duty ready reckoner of 2007, the rate of developed land bearing C.S.No.1282 of Mandvi Division is Rs.37,700/- per Sq.Mt.

As the cost of construction is not available either with Ward Office or E.E.B.C. (City) and in absence of any data regarding mode of construction, the rates applicable for the R.C.C. construction as per S.D.R.R. Rate for the year 2007 i.e. Rs.9000/- per Sq.Mt. as at Pg.45 is adopted.

In view of above, standard rent per annum = 5.5% of the land value

(A) + 6.305% of the cost of construction of built up area (B)

$$A = 5.5\% \times \text{Rs.}37,700/- \times \left(\frac{540}{1.33} \right) = 10,764$$

$$= \text{Rs.}78,211.834$$

$$B = (6.305\% \times 50.167 \times \text{Rs.}9000)$$

$$= \text{Rs.}28,467.26$$

$$A+B = \text{Rs.}1,06,679.09$$

For Non Municipal and Non residential user, double the standard rent so calculated as above i.e. $\text{Rs.}1,06,679.09 \times 2 = \text{Rs.}2,13,358.19$

$$\text{Standard rent per month} = \frac{\text{Rs.}2,13,358.19}{12}$$

$$= \text{Rs.}17,779.849 \text{ say } \text{Rs.}17,800/-$$

The above charges are exclusive of Municipal taxes, electricity charges, water supply and sewerage charges and other Municipal charges, taxes, levies, fees, deposits, etc.

MUNICIPAL CORPORATION OF GREATER MUMBAI
No.CHE/1073/ACQ-C dated 6.11.08

N-17
4/2e

Sub : Standard rent fixation to the 2nd floor of
Kolsa Mohalla Dispensary situated near
Pydhuni Police Station at Kolsa Mohalla Lane
In B Ward

Ref : AMC/(WS)/H/3115 dated 26.8.2008 (N-15)

Please refer the E.H.O.'s note as at Pg.N-14/15 to A.M.C.(W.S.) and
A.M.C.(W.S.)'s above referred endorsement thereon may please be seen.

14/15

A.M.C.(W.S.) has instructed this office to fix up the rent of 2nd floor of
Kolsa Mohalla Dental Clinic admeasuring 450.00 Sq.Ft. as no other
information is available with E.H.O.

14/15

In this regard, this office staff has contacted Medical Health Officer of
B Ward requesting him to show the exact location of Kolsa Mohalla Dental
Clinic from the plan available in this office so that it will help to locate the
exact C.S. No. of the Kolsa Mohalla Dental Clinic plot. Accordingly, M.O.H. B
Ward personally came to this office and signed the plan showing the exact
location of Kolsa Mohalla Dental Clinic plot, which was marked by him on the
plan available in this office. Hence, this plot i.e. bearing C.S.No.1282 of
Mandvi Division is the plot of Kolsa Mohalla Dental Clinic and it is taken for
standard rent fixation.

6/43

The Standard Rent is being worked out presuming the property under
reference as a municipal property, as per A.A. & C. 'B' Ward's remarks at
Pg.C-35 and as per Instructions of A.M.C.(W.S.).

135

The Revised policy for fixing of standard rent for Municipal tenements /
Quarters etc. is sanctioned by Improvement Committee vide their Resolution
No.37 of 27.7.2000 and Corporation vide Resolution No.733 of 24.11.2000.
The same was circulated vide No.CHE/1216/ACQ.C of 17.1.2001. However,
no such guidelines are available for rent fixation for non residential users.

As per the guidelines laid down by above circular, standard rent per
annum will be calculated @ 5.5% of the value of land plus 6.305% of the
cost of construction of built up area of the premises. The rates for land are
taken from "Ready Reckoner" and the rate for construction is calculated by
Dy.C.E.(P&D) as per the mode of construction.

Further, for Municipal Residential user the land value will be worked
out by considering the land rate as 25% of the Ready Reckoner Rate of
developed land prevailing on the date of allotment of the premises for
standard rent.

For non residential user in absence of guidelines, it is proposed to take
100% of land rate for the purpose of calculating standard rent for "Municipal

4/2e

MUNICIPAL CORPORATION OF GREATER MUMBAI
No.CHE/1192/ACQ/City dt. 21-11-08

CHE/DP/49

08-09

C I R C U L A R

Sub :- Supplementary addition in the circular bearing No.
CHE/1216/Acq-C dt. 17.1.2001.
For fixing of standard rent for Non Municipal
Non residential tract.

Ref :- MGC/F/4746 dt. 12.9.2008.

Copy of report submitted to M.C. regarding working out standard rent
in view of the cases in D.Ward and D.P. for approval bearing No.
MGC/F/4746 dt. 12.7.2008 may please be seen.

All staff in D.P.Deptt. is requested to take note of the same while
processing such proposals.

Cheng
Ch.Eng. (E.P.) 17/11/08

Dy.Ch.Eng. (D.P.) -I/II

E.E.(D.P.)City

E.E.(D.P.)E.S.

E.E.(D.P.)W.S.H&K

E.E.(D.P.)W.S.P&R

All A.Ex./S. Ex.

D.P.D.

S.P.D.

सहर्नबई महानगरपालिका

महानगरपालिका कार्यालय,

क्रमांक : एमएस-२०४२-सी

मुंबई, दिनांक : ८.१२.२०००.

प्रति,

प्रसन्नसमीप आविकारी (समिती) महानगरपालिका आयुक्तांचे कार्यालय.

संदर्भ - दि.१.१२.२००० चा शाप क्र.एमसीटी/२१८.

महोदय,

महानगरपालिकाच्या दिनांका २४ नोव्हेंबर २००० रोजी भरलेल्या, रागत एकीक ठराव मंजूर झाले आहेत, असे मी आपणांस कळवित आहे :-

महानगरपालिकेच्या दि.२४ नोव्हेंबर २००० चा ठराव क्र. ७२७ :-

"संदर्भ - (ए)-२) आयुक्तांचे दि.४.१२.१९९२ चे पत्र क्र.५५२/१९९२ एमएससीटी, २) सुधार समितीचा दि.२७.७.२००० चा ठराव क्र. ३७, (बी)१) आयुक्तांचे दिनांक २४.७.१९९७ चे पत्र क्र.मालमत्ता/५९६६/मका (एमसी/सी/७९७/एमसी), २) सुधार समितीचा दि.२४.९.१९९७ चा ठराव क्र.२२४, ३) महानगरपालिकेचा दि.४.१२.१९९७ चा ठराव क्र.२३४२, ४) आयुक्तांचे दि.२५.८.२००० चा अध्याय क्र.मालमत्ता/८०१७/मका आणि आणि ५) सुधार समितीचा दि.११.१०.२००० चा ठराव क्र.११५.

"महानगरपालिकेने आपला दि.२५ जून १९८२ चा क्र.१४३ व दि.२२ जून १९९३ चा क्र.२४० ह्या ठरावांखाले संमत केलेल्या पूर्वोक्ता आदेशांत अंशतः फेरफार करून, पत्रांकल अनुक्रमांक १ ते ३ खेचे नसूद केल्याप्रमाणे (१) खाजगी संस्थांना भाडेपट्टा तत्वावर दिल्या जाणा-या महानगरपालिकेच्या जमिनीकरिता आकारावयाचा भाडेपट्टा, (२) महानगरपालिकेचे गाळे/ निवासस्थाने इत्यादींकरिता आकारावयाचे प्रमाणित भाडे, (३) महानगरपालिकेच्या भाडेपट्ट्याच्या मालमत्तातील भाडेपट्ट्याधारकांनी भाडेपट्ट्यातील अटीपेक्षा केलेले अतिरिक्त भाडे/ बदल ह्यांकरिता आकारावयाचे जादा भुभाडे, (४) शाळेसाठी भाड्याने घेतलेल्या

2258

G-804

जागा मुक्त करण्याच्या प्रकरणी जमिनघटक्यांची व झंयकाम खर्चाची ठरवावयाची किंमत, (५) महानगरपालिकेच्या जमिनीखाल/रस्त्याखाली नळ (पाइप) टाकण्याकरिता ढेल कंयन्याकडून वमूल करावयाचे इजमेंट आकार आणि (६) महानगरपालिकेच्या जमिनी इत्यादींमधून प्रविष्ट करण्याच्या हक्काकरिता यायचीया परवानगीसाठी आकारवियाचे अनुशासन शुल्क निविद्यत करण्याकरिता, महानगरपालिकेच्या आणि भाडेपट्ट्याने चिल्ल्या विविष गालगतांकरिता भाडेपट्टा, प्रमाणभाडे, जादा भूभाडे इत्यादींसाठी जमिनीचे मुल्यांकन करण्याकरिता सुधारित धारण आणि पद्धत, त्याच पत्राच्या अनुक्रमांक १(क) आणि ३ अ वू डप परिच्छेद (ब) ह्यांमध्ये पुढीलप्रमाणे करण्यात आलेल्या फेरफारांसह स्विकारण्यास, मंजूरी देण्यात यावी.

१) अनुक्रमांक १(क) नोंदणीकृत शैक्षणिक संस्थांना यावयाच्या जमिनीकरिता भाडेपट्टा ठरविताना, सदर भाडेपट्टा आयुक्तांनी सुचविल्याप्रमाणे, निघाती यापनाकरिता खान् अमलेल्या विकसित जमिनीच्या सिध्द गणक दराच्या १.० टक्के ह्या १.५ टक्के दराने ह्या ऐवजी सिध्द गणक दराच्या ५ टक्के ह्या १.५ टक्के दराने परिगणन करून भाडेपट्टा आकारण्यात येईल आणि १) अनुक्रमांक ३ अ(ब) नोंदणीकृत शैक्षणिक संस्थांस देण्यात यावयाच्या जमिनीखाल भरे/मदल ह्याकरिता जादा भूभाडे आकारणीत प्रत्येत दत्तारपथा, ह्या आयुक्तांनी सुचविल्याप्रमाणे सिध्द गणक दराच्या १.० टक्के ह्याऐवजी, ५ टक्के इका असेल."

"२. आयुक्तांच्या दि. १५ ऑगस्ट १९०० च्या अध्यात्मत मुक्त केल्या परिस्थितीत, पार पाडण्यात येणा-या जादा यावकासासाठी अतिरिक्त मुक्त आकारण्यासंबंधीच्या धोरणामध्ये सुधारणा करणेबाबधीचा महानगरपालिकेचा दि. ४ डिसेंबर १९९७ चा ठराव क्र. १३६९ च्या समवेतचा पत्रव्यवहार दयरी दाखल करण्यात यावा."

सही-८.१२.
महानगरपालिका चिटणीसांकरिता.

क्र.मचि/५६७२/सुस.
महानगरपालिका कार्यालय
मुंबई. दि. ६ सप्टेंबर २०००

प्रति,
प्रशासकीय अधिकारी (सिटी)
महानगरपालिका आयुक्तांचे कार्यालय

संदर्भ :- आपल दि. १.८.२००० चा शप क्र.एगसीटी/६६५६.

सुधार समितीच्या दि. २७ जुलै २००० रोजी भरलेल्या सभेत पुढील ठराव संमत करण्यात आला आहे असे ही आपणांस कळवू इच्छिते :-

नियम क्र. १२ (डिसेंबर)

संदर्भ :- आयुक्तांचे दि. ४.१२.१९९९ चे पत्र क्र.प्रअ/१२३/एसीव्यू/सीटी

क्रमांक ३७ :- " महानगरपालिकेला अशी शिफारस करण्यात यावी की, महानगरपालिकेला दि. २५ जून १९८२ चा क्र.१४३ व दि. २२ जून १९९३ चा क्र.२४० ह्या ठरावांचे संमत करण्यात आलेल्या पूर्वीच्या आवेशांत अंशतः फेरफार करून, आयुक्तांच्या पत्रातील अनुक्रमांक १ ते ६ येथे नमूद केल्याप्रमाणे; (१) खाजगी संस्थांना भाडेपट्टा तत्वावर देण्यात आलेल्या महानगरपालिकेच्या जमिनीकरिता आकारावयाचे भाडेपट्टा, (२) महानगरपालिकेच्या गाळे/निवासस्थाने इत्यादीकरिता आकारावयाचे प्रमाणित भाडे, (३) महानगरपालिकेच्या भाडेपट्ट्याच्या मूळमहत्तातील भाडेपट्टाधारकांनी भाडेपट्ट्यातील अटीचे उल्लंघन करून केलेले अतिरिक्त बांधकाम /बंदल इत्याकरिता आकारावयाचे जादा भूभाडे, (४) शाळेसाठी भाड्याने घेतलेल्या जागा मुक्त करण्याच्या प्रकरणी जमिनघटकांची व बांधकाम खर्चाची ठरवावयाची किंमत, (५) महानगरपालिकेच्या जमिनीखाली/रस्त्याखाली नळ (पाईप) टाकण्याकरिता रेल कंपन्यांकडून वसूल करावयाचे इजमेंट आकार आणि (६) महानगरपालिकेच्या जमिनी इत्यादींमधून प्रवेश करण्याच्या हक्काकरिता द्यावयाच्या परवानगीसाठी आकारावयाचे अनुशासन शुल्क निश्चिंत

- iii) Right of temporary access through Municipal land is not a lease therefore charges proposed for lease rent/ground rent can not be recovered and only fees/licence charges may be recovered.
- iv) The licence fees for right of way is proposed on the similar lines as licence fee for allotting plots reserved for R.G./P.G. to private organisations on caretaker basis. In such cases the licence fee for the open land under the control of private organisation where no structure is constructed is charged equivalent to 15% of 15% of the value of land based on premium rates. At present the premium rate is equivalent to 25% of the ready reckoner rate of the preceding year and hence 25% of the ready reckoner rate is proposed instead of premium rate in the proposed methodology.

shall be applied for all cases where land rates have
still not been fixed and approved by the administration as well as for the
cases where land rates are to be fixed in future.

Where the land rates / cost of construction are fixed the Owners will be
informed to make payment by the Education Officer by issuing a
demand letter and if the Owners fail to respond or to comply with any
requisition made by Education Officer within six months from the date
of such requisition / demand letter then the demand letter will be treated
as payable in case the owner comes forward subsequently for making
the payment then sanction of competent authority shall be obtained to
accept the payment. The land rate and the cost of construction for this
purpose will be worked out afresh based on the rates prevailing at the
time of fresh administrative sanction for accepting the payment. |

v) In cases where the land rates / cost of construction have been fixed (in
the past) based on the earlier methodology but the owners have still not
been informed.

a) The land rate already fixed shall be adopted only if it is not less than 25% of
the road / reckoned stamp duty rates prevailing on the date of administrative
sanction otherwise the revised methodology is to be adopted. |

b) The cost of construction already been fixed based on earlier methodology
(assuming the "Cut off date" as the date when the file papers have been
received in D.P/P&D Deptt), shall be adopted only if the same is higher than
the cost of construction worked out considering the date of sanction of A.M.C.
as "Cut off date".

vi) In cases where the land rates / cost of construction have been fixed in the
past & the owners have been informed to make payment by issuing a demand
letter

a) (The owners have not responded or have not complied with any
subsequent requisition of E.O. like submission of Indemnity Bond, legal title
clearance etc. within six months from the date of such requisition/demand
letter then the land rates and cost of construction will be worked out afresh
based on the revised methodology by adopting rates prevailing at the time of
fresh administrative sanction for accepting payments.) |

b) The owners have responded by submitting a consent letter but have not yet
made the payment due to finalisation of the revised policy, then in such cases
a fresh demand letter shall be issued by E.O. as per the old rates requesting

the owner to make the payments within one month of the receipt of the letter. In case the owner do not respond within one month the land rates and cost of construction will be reworked based on the revised methodology by adopting rates prevailing at the time of fresh administrative sanction for accepting payments.

vii) It is proposed to release the rented school premises without recovering any compensation. In cases where the school premises have been rented to M.C.M. on rent free basis or on nominal rent of Rs.1/- p.a.

viii) Further in cases of premises that have been rented to the corporation by MHADA or similar Govt./ semi Govt./Public sector undertaking then the same will be surrendered without recovering any compensation.

Justifications

Due to the considerable lapse of time between the administrative sanction and the time taken by the various depts. for fixing of land cost, construction cost, title verification etc. there is a need to clarify the "cut off date" for working out the cost of land component and cost of construction. It is therefore proposed that the administrative sanction of A.M.C. to release rented school premises will be treated as "Cut off date" for working out cost of land and cost of construction.

The sale instances of vacant lands in Island City are not readily available in the Sub-Registrar's office and the premium rates fixed annually are comparatively low. The stamp duty ready reckoner rates are therefore proposed to be adopted. Since the Municipal Corporation is only a tenant of the premises and not the owner, recovery of compensation based on 100% ready reckoner rates for market value for releasing the rented premise may not be appropriate and therefore, it is proposed to adopt 25% of the stamp duty ready reckoner rate prevailing on the date of administrative sanction as a land rate for working out cost of land component.

5. Fixing of Easement charges to be recovered from Oil Companies having pipe lines below Municipal land/roads.

Old Methodology

The easement charges were being recovered at 50% of the value of land determined based on premium rates.

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5. Fixing of Easement charges to be recovered from Oil Companies laying pipe lines below Municipal land/roads.

Old Methodology

The easement charges were being recovered at 50% of the value of land determined based on premium rates.

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vii) It is proposed to release the rented school premises without recovering any compensation, in cases where the school premises have been rented to M.C.M. on rent free basis or on nominal rent of Rs.1/- p.a.

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5. Fixing of Easement charges to be recovered from Oil Companies laying pipe lines below Municipal land/roads.

Old Methodology

The easement charges were being recovered at 50% of the value of land determined based on premium rates.

Proposed Methodology

It is proposed to recover easement charges at 50% of the value of land based on ready reckoner rates as Easement Charges to be recovered from these organisations.

Ready reckoner rates for this purpose shall be the rates considered for developed land and no further enhancement of the rate based on the user shall be made.

Justifications

Since the Oil Companies are purely commercial organisations, it is proposed to recover 50% of the land value based on ready reckoner rates instead of premium rates.

Though Commercial Premium rates were considered for this purpose earlier, which is equal to twice the residential rates, such enhancement is not proposed in case of ready reckoner rates. Premium rates are equivalent to 25% of the ready reckoner rates and as the valuation is now proposed on the basis of ready reckoner rates the charges as per the proposed method will be double of the charges as per the earlier policy.

6. Licence fee for granting Right of way permission through Municipal landsOld Methodology

The right of way permission was being granted after recovering 15% of the value of land based on premium rate annually.

Proposed Methodology

The right of way permission is proposed to be granted after recovering annual licence fee per sq.mt. worked out at 15% of 3.75% of the ready reckoner rates.

Justifications.

- i) The ownership and physical possession of the land under right of way will remain with Municipal Corporation and no other benefit except access rights to the plots is available to the developer.
- ii) As per D.C.Regulation 22(5), it is incumbent on the Municipal Commissioner to provide access to landlocked properties at the cost of the owners.

C-250

G-804

As per I.C.R.No.224 dated 24/9/97 it is proposed to charge fees for the work in C.G.S. as given below.

$$\text{Fees for work in C.O.S.} = \frac{\text{Area} \times \text{land rate}}{\text{F.S.I.}} \times 15\% \times 60\%$$

The revised policy to charge one time premium is proposed in supersession of the earlier policy approved by I.C. under I.C.R.No.224 dated 24/9/97. This will also dispose of the Corporation resolution No.1349 of 4/12/97.

4. Fixing of cost of land component and cost of construction in cases of releasing of rented School premises.

Old Methodology

The cost of land component and the cost of construction is being worked out as per C.R.No.1383 of 12-3-90. The cost of land component was being worked out based on consideration amount mentioned in the sale instances in the nearby area recorded in the office of the Sub Registrar or the prevailing premium rate of land (as approved annually by the Municipal Commissioner) whichever is higher. The cost of construction and the cost of land component were being worked out based on the year when the file papers are received in the D.P.Doptt. and P. & D. Deptt. for working out these costs even though the administrative sanction to release the premises may be much earlier.

Proposed Methodology

- i) The cost of land component is proposed to be worked out by adopting 25% of the stamp duty roady reckoner rates of developed land prevailing on the date of administrative sanction to release the rented school premise as the land rate.
- ii) The cost of construction prevailing on the date of administrative sanction for releasing the rented school premises will be worked out as per the C.R.No.1383 of 12.3.90 for each of the school releasing cases.

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The various items that were being charged include Built up area beyond building line, balcony, terrace projection, canopy, chajja, dustbin, meter room, BEST Substation, cross walls, covered washing place, underground overhead water tank, chimney etc. The scale of extra ground rent charged annually varied from 100% to 10% of the premia (calculated at 15% of the present market value based on prevailing premium rates) depending upon the type of work that is being carried out in the compulsory open space.

Proposed methodology

Premium for work carried out in C.O.S. beyond building line mentioned in lease is proposed to be charged on one time basis as mentioned below.

Area of the ground level in C.O.S. X 25% of the ready reckoner rate per sq.mt.

But the areas of Balcony, terrace projection, canopy, chajja, dustbin, meter room, BEST Substation, underground/ overhead water tank, etc which are permitted free of F.S.I. as per D.C.Reg will be exempted from computation of addl. B.U.A.

No premium will be charged for the work permitted in C.O.S. beyond building line in respect of redevelopment proposals where the old building is proposed to be demolished & reconstructed as per D.C.Reg.

Justifications:-

While leasing out plots in the past by the B.I.Trust, a specific building line was prescribed in the lease plan. However constructions are now governed by D.C.Reg. and as such in certain cases the building can be permitted beyond the building line as prescribed in the lease. Whenever such constructions are proposed beyond the building line, the Estate Dept. is charging extra ground rent for the addl B.U.A. in C.O.S. in addition to the recovery of extra ground rent for the addl. B.U.A. which amounts to charging twice, that is once for calculation of the extra ground rent for the built up area and again for extra ground rent for work carried out beyond the building line prescribed in lease.

The charging of the built up areas twice is being resented by the developers as it is not reasonable. It is therefore proposed to charge only one time premium as per above formula instead of charging extra ground rent every year for the work carried out beyond building line prescribed in lease in case of addition alteration and not to charge at all for redevelopment works.

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Proposed methodology

Premium for work carried out in C.O.S. beyond building line mentioned above is proposed to be charged on one time basis as mentioned below.

$15\% \times \text{area of the ground level in C.O.S.} \times 25\% \text{ of the ready reckoner rate per sq.mt.}$

But the areas of Balcony, terrace, projection, canopy, chajja, dustbin, meter room, BEST Substation, underground/ overhead water tank, etc which are permitted free of F.S.I. as per D.C.Reg will be exempted from computation of addl. B.U.A.

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The charging of the built up areas twice is being resented by the developers as it is not reasonable. It is therefore proposed to charge only one time premium as per above formula instead of charging extra ground rent every year for the work carried out beyond building line prescribed in lease in case of addition alteration and not to charge at all for redevelopment works.

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The works that were being charged include Built up area beyond building line, balcony, terrace projection, canopy, chajja, dustbin, meter room, BEST Substation, cross walls, covered washing place, underground/overhead water tank, Chimney etc. The scale of extra ground rent charged annually varied from 100% to 10% of the premia (calculated at 15% of the present market value based on prevailing premium rates) depending upon the type of work that is being carried out in the compulsory open space.

Proposed methodology

Premium for work carried out in C.O.S. beyond building line mentioned in lease is proposed to be charged on one time basis as mentioned below.

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- the lease and the unearned income is therefore the difference between the land values of the proposed user and the user permitted as per lease which is valued on the same basis.
- ii. Though M.C.G.M. may be justified in demanding a share even upto 50% of the unearned income, to avoid litigation it is proposed to charge only 25% of the unearned income as the market value of the land is proposed to be worked out on the basis of ready reckoner rate applicable to vacant land. Moreover as per present policy the market value of the land is worked out on the basis of the premium rates which is equivalent to 25% of the ready reckoner rates of the preceding year. In cases of change of user in a part of the built up premises the lessee may revert to the old user and as such in certain cases payment of one time premium compulsorily may not be insisted. In such cases the Municipal Commissioner may therefore grant permission for recovery of extra ground rent annually.
 - iii. As per the policy approved by I.C.R. No.224 dtd 24/9/97, land rate for charging E.G.R. for the purpose of change of user is considered as below..

$$\text{Land rate} = \text{Current market rate of proposed user} - \text{Current market rate of user at the time of lease.}$$

The current market rate is considered equivalent to the premium rate fixed by the Chief Engineer(D.P.) with the approval of Municipal commissioner which is at present equivalent to 25% of the ready reckoner rates of the preceding year. The revised policy to charge one time premium is now proposed in supersession of the earlier policy approved by I.C. under I.C.R.No.224 dated 24/9/97. This will also dispose off the Corporation resolution No.1349 of 4/12/97.

3c) Revised policy for charging work in compulsory open space.

Old methodology

As per present policy the work carried out in compulsory open space beyond the building line mentioned in the lease is also accounted for computing the addl. B.U.A. for charging premium / E.G.R. and premium for the addl. B.U.A. is also charged as per I.C.R.No.551 dtd 13.1.82 & C.R.No.143 dtd 25.6.82..

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the lessor rates of developed land. The Municipal commissioner may vary this ratio from time to time as per market conditions.

iii) For the purpose of working out premium, Maternity home/Nursing home / dispensary, boarding /lodging house, offices and shops, petrol pumps, coaching class, area occupied by service station, banks, sugar cane stall, cinema etc shall be treated as commercial users.

iv) Premium for change of user will be recovered as one time premium only. However in case of genuine difficulty, the Municipal Commissioner may grant permission for recovery of extra ground rent annually at the rate of 15% of the one time premium.

v) Land component will be worked out by dividing the B.U.A. proposed for change of user with the permissible F.S.I. However in case where the change of user of the land is proposed, the land area shall be considered without dividing it by the permissible F.S.I.

This formula is to be applied for change of user from Residential to commercial or industrial user only.

In case of change of user from Commercial to residential or from industrial to residential user it will be very difficult to evolve a general formula for recovery of one time premium. The unearned income that will be accrued to the lessee due to such a change of user & the percentage of the unearned income to be shared by the lessor shall be determined on a case to case basis with the approval of the Municipal commissioner.

Justifications

i. As per the present policy, land rate adopted for calculating extra ground rent for change of user is as below:

$$\text{Land rate} = \text{present commercial rate} - \text{residential rate at the time of original lease.}$$

In the past representations have been received from the Architects that the land rate of the user permitted in the lease should be based on the prevailing rate for working out the unearned income as the land rate adopted for the proposed user is based on the current rate. The request is justified as the lessee is currently enjoying the user as permitted in

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the ready leskoner rates of developed land. The Municipal commissioner may vary this ratio from time to time as per market conditions.

- ii) For the purpose of working out premium, Maternity home/Nursing home / dispensary, boarding /lodging house, offices and shops, petrol pumps, coaching class, area occupied by service station, banks, sugar cane stall, cinema etc shall be treated as commercial users.
- iv) Premium for change of user will be recovered as one time premium only. However in case of genuine difficulty, the Municipal Commissioner may grant permission for recovery of extra ground rent annually at the rate of 15% of the one time premium.
- v) Land component will be worked out by dividing the B.U.A. proposed for change of user with the permissible F.S.I. However in case where the change of user of the land is proposed, the land area shall be considered without dividing it by the permissible F.S.I.

This formula is to be applied for change of user from Residential to commercial or industrial user only.

In case of change of user from Commercial to residential or from industrial to residential user it will be very difficult to evolve a general formula for recovery of one time premium. The unearned income that will be accrued to the lessee due to such a change of user & the percentage of the unearned income to be shared by the lessor shall be determined on a case to case basis with the approval of the Municipal commissioner.

Justifications

- i. As per the present policy, land rate adopted for calculating extra ground rent for change of user is as below:

$$\text{Land rate} = \text{present commercial rate} - \text{residential rate at the time of original lease.}$$

In the past representations have been received from the Architects that the land rate of the user permitted in the lease should be based on the prevailing rate for working out the unearned income as the land rate adopted for the proposed user is based on the current rate. The request is justified as the lessee is currently enjoying the user as permitted in

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Ex. gr. rent per year = 15% x premium for change of user

$$\text{Premium per sq.mt. of B.U.A.} = \frac{\text{Present Commercial rate} - \text{residential rate at the time of original lease}}{\text{F.S.I.}}$$

Premium is worked out on the following criteria :-

- i) Prevailing commercial premium rate as circulated by Chief Engineer (D.P.) with the approval of the Municipal Commissioner is considered as the present commercial rate.
- ii) In case of change of user from residential to factory the present Industrial rate which is equivalent to the prevailing premium rate for industrial user is considered instead of commercial rate.
- iii) In cases of change of user to Banks the premium is worked out at the rate of Rs. 22/- per sqmt.
- iv) In case of change of user to sugar cane stall the premium is considered at 10% of the present commercial rate.
- v) In cases of change of user to cinema, the present commercial rate is considered at double the normal commercial rate.
- vi) Maternity / Nursing home / dispensary, boarding /lodging house, offices and shops, petrol pumps, coaching class etc are treated as commercial users for working out the premium for change of user.

Revised methodology

It is proposed to recover one time premium on the following basis for change of user at a uniform basis from Residential user to Commercial / Industrial user.

$$\text{Premium per sq.mt. of Land/ Land component} = \frac{(\text{Current market rate of proposed user} - \text{Current market rate of user permitted in lease})}{\text{of Land/}} \times 25\%$$

The following criteria will be adopted for working out the premium

- i) The Current Market rate will be equivalent to the ready reckoner rate prevailing on the date of sanction.
- ii) If the proposed user is commercial, current market rate for commercial user will be two times of the ready reckoner rates of developed land and similarly for Industrial user, the current market rate will be 1.25 times of

In case of plots leased to Regd. Educational Institutions, the market rate of the land for working out extra ground rent / one time Premium is proposed at 10% of the ready Reckoner rate which in itself a major Concession. Similarly in case of plots Leased to Regd. public charitable Trust for religious, medical or welfare purposes. The market rate of land for working out Extra ground rent / one time premium is proposed at 20% of the ready reckoner rate.

As per lease conditions Lessee is responsible for development carried out on the leasehold property, the tenants have no locus standi with the Corporation. When the proposal for re-development and availing extra F.S.I. arises, we calculate Extra ground rent to this addl. area, based on the current rate and recover the one time premium from the lessee/ developer before occupation which may be shared by new purchasers and old tenants may not be affected.

2) What will be the role of Administration if disputes occur between the tenant of old & new buildings in one and the same estate due to application of different policies.

The revised policy to charge one time premium is proposed in supersession of the earlier policy approved by I.C. under ICR No. 224 dated 24/9/97. This will also dispose of the Corporation resolution No.1349 of 4/12/98.

3(b) Extra ground rent in the form of premium for change of user not involving extra construction.

Old Methodology:

In case of Municipal Leasehold lands, whenever lessee approach Estate Department for allowing change of user on residential plot (for any user other than permitted in the Lease Agreement), the Estate Department is recovering annual extra ground rent for built up premises as mentioned below as per ICR No. 561 of 13.01.82 & CR No. 143 of 25.06.82 and CR No. 240 of 22.6.93.

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iv) The one time premium equivalent to 7.5 times the annual ground rent has been proposed in order to encourage the lessee to subscribe to this proposal. By adopting 3% returns the one time premium to be recovered actually amounts to 12.5 times the annual extra ground rent. However, considering the saving in recovery cost and the loss being incurred due to non-payment of annual ground rent, a concession to the lessee who desires to make one time payment is proposed to be given to the extent of 5%. One time premium is, therefore, proposed to be recovered at 7.5 times the annual E.G.R. instead of 12.5 times. In fact the recovery of one time premium equivalent to 7.5 times the annual E.G.R. will also be equivalent to recovery of about 28% of the unearned income assumed to accrue to the lessee.

v) The proposal to charge extra ground rent on the basis of the following formula was approved by the Improvement Committee by their Resolution under No.ICR/224 dated 24/9/1997.

$$\text{Extra ground rent} = \frac{\text{addl. area} \times \text{market rate}}{\text{F.S.I.}} \times 15\%$$

40% concession was being proposed to be granted on the extra ground rent worked out as above and as such the Extra ground rent to be charged is 60% of the extra ground rent worked out as per the above formula. The market rate was proposed to be fixed on the basis of the premium rates which is at present equal to 25% of the ready reckoner rate of the preceding year. The one time premium was proposed to be charged at 10 times of the extra ground rent which works out to 6 times of the extra ground rent without granting concessions. However, the Corporation referred back the item to the I.C. under C.R.No.1349 dated 4/12/97 on the points of discussion that took place in the Corporation meeting. Points of discussion and my remarks thereon are as under:

POINTS

REMARKS

1) To reconsider the policy decision taken regarding charging of extra ground rent for additional construction work carried out on leasehold plots allotted to private parties / educational / social / religious and other institutions.

(1) As already explained above instead of recovering 12.5 times annual extra ground rent, only 7.5 times is proposed to be recovered, which itself is a concession to the lessee to encourage them to pay one time premium.

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which a demand letter will be issued by W.O.(Estates), then the delayed payment will be subject to payment of interest at the rate as may be fixed from time to time by the Municipal Commissioner.

(vii) The ancillary structures which are permissible free of F.S.I. like Sub-Station, Meter Room, Plant Room, Pump Room, underground and overhead tanks shall be exempted from computation of B.U.A. for extra ground rent. Similarly, the area of balcony, still and basement exclusively used for parking purposes, servants' toilet, lift machine room, society's office, chajjas, niches of width less than 1.2ml., porches, canopies, architectural features like fins, flower beds, Lilly ponds, watchman's cabin/chowky, refuge areas, service floor, ducts, letter box room etc which are not counted in built up area for F.S.I. purpose as per D.C.Reg., shall also be exempted from computation of B.U.A. for extra ground rent. Area of balconies already constructed within the Building line as per lease shall however be counted in F.S.I.

viii) Enclosed garages shall be charged at 50% of the normal rate.

(ix) Basement for storage / club house, stair cases/ lift, lift lobbies etc will be charged at full rate.

(x) However, stairways and cantilevers fire escape passages provided according to Chief Fire Officer's requirements shall be exempted from computation of built up area for extra ground rate.

Justifications.

(i) The right to demand the premium in the form of compensation or extra ground rent arises from release of any of the covenants of lease either in parts or in full. When the lessee applies for release of some covenants of lease which results in monetary benefits, these benefits be shared with the lesser in the form of one time premium or in the form of extra ground rent.

(ii) The areas of the ancillary structures, balcony, still, basement for parking, etc as mentioned in para (vii) above are exempted from computation of B.U.A. for the purpose of charging extra ground rent as the same is permissible free of F.S.I. as per D.C.Reg 1991.

iii) The lessor's interest/share in the monetary benefit is proposed to be fixed at 25% of the total benefits accrued.

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It is proposed to work out the standard rent as follows:-

Standard Rent = 5.5% of the value of land + 6.305% of the cost of construction of BUA of the premises.
per annum

For this purpose land value will be worked out by considering the rate as 25% of the ready reckoner rate of developed land prevailing on the date of allotment of the tenement on standard rent.

In case of the tenement allotted to Project Affected Persons the standard rent is worked at concessional rates as follows.

Standard rent per annum = 6.305% of 40% of the cost of built up premises

The component of land value will not be added in such cases.

The Municipal Commissioner may also, in deserving cases, grant appropriate concessions in standard rents as worked out above.

Justifications

1) At present, land value is worked out on the basis of premium rates. The premium rates are generally adopted for the purpose of charging premium for condoning deficiency in open space etc. At present these rates are worked at 25% of the ready reckoner rates of the preceding year. These rates are fixed with the approval of the Municipal Commissioner and are likely to be reduced/enhanced in future considering the various market trends and as such it may not be appropriate to consider these rates for valuation of municipal lands. It is therefore proposed to work out the value based on 25% of the ready reckoner rates as the rent worked out on the basis of 100% ready reckoner rates may not be affordable to the municipal tenant / staff and is likely to result in accumulation of arrears.

J. Fixing of extra Ground rent

3A. Fixing of extra Ground Rent for addition/alteration carried out by lessee of Municipal leasehold properties beyond the lease conditions.

Old Methodology

As per ICR No. 561 of 13-1-82 & C.R.No. 143 of 25-6-82 the extra premia for additional built up area exceeding the area free permissible under

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Such concessional annual lease rent will be available only to those registered institutions which fall within the eligibility guidelines approved from time to time.

The above proposal will be applicable with the prospective effect wherever the lease rents have not yet been fixed by the Municipal Commissioner.

Justifications

- i) Concessions in working out the lease rent is proposed to be granted for educational, Medical, religious & welfare purposes to registered institutions in order to promote their activities especially since these institutions may not be able to pay high lease rent based on 100% ready reckoner rates. The concessions proposed to the educational institutions is more comparing to the concessional lease rent proposed to be granted to the institutions for medical, religious & welfare purposes and the proportion in concessions is based more or less on the same lines as has been adopted for these users for charging premium by the Govt. for granting addl. F.S.I. under D.C.Reg. No. 33(2).
- ii) Each & every individual case will be put up to I.C./Corporation for their sanction to allot the land on lease to such institutions. However, lease rent as per the concessions mentioned above shall be worked out with the sanction of the Municipal Commissioner in order to intimate the institution regarding the lease rent and obtain their consent before putting up to I.C./Corporation.
- iii) The sanction of the State Govt. will be subsequently obtained for granting such concessions as per section 92(dd) of M.M.C.Act.

2. Fixing of standard rent for Municipal tenements/Quarters etc.

Old Methodology

The standard rent per annum is worked out as a total of 5.5% of the value of land which is worked out on the basis of premium rate of the locality prevailing on the date from which standard rent is proposed to be recovered and 6.305% of the cost of construction of the municipal tenement/built up premises.

Proposed Methodology

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c) In case of medical, Religious & welfare institutions registered under the Bombay Public Trust Act 1950, the current market rate will be 20% of the ready reckonor rate prevailing on the date of administrative sanction. As this is a major concession, the further concession available to religious/ public charitable trust as per I.C.R.No. 7 of 25.4.89 & C.R.No.158 dtd 29.6.89 will stand deleted.

d) In the case of Regd Co-op Hsg Societies, the current market rate will be 25% of the ready reckonor rates prevailing on the date of administrative sanction.

Proposed mode of recovery of one time premium

One time premium shall be recovered fully before issue of N.O.C. to Occupation or B.C.C. whichever is earlier in suitable installments as may be decided by the M.C. from time to time.

(ii) In addition to the one time premium worked out as above, the annual nominal extra ground rent of Rs.1/- per sq.mtr. per annum of the excess area beyond the area permitted as per lease shall also be recovered from the lessee to keep our right on the leasehold properties.

(iii) The policy for charging one time premium will be made applicable from 1.9.1993 as charging of extra ground rent at 15% p.a. has come into force as per the C.R. No.240 of 22.6.93. However the benefit of paying one time premium is also proposed to be extended to all proposals of extra ground rent received between the period 1.08.1990 to 31.08.1993. The datum line 1.08.1990 is considered as premium rate of land showed a steep increase after this date.

(iv) The extra ground rent, as far as possible shall be paid by the lessee as one time premium only. Only in cases of genuine hardship where lessee is not in a position to pay one time premium then the payment of extra ground rent annually will be considered with the sanction of the Municipal Commissioner.

(v) The arrears of extra ground rent upto the period till the date of administrative sanction for one time premium shall be recovered.

(vi) If the lessee does not pay the stipulated installments of one time premium within three months from the date of administrative sanction for

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 lease for additional alterations on the Ex-Trust and Municipal leasehold plots is being calculated based on the following formula
 Extra premium = Current market rate / FSI
 The extra ground rent per year was being charged at 7% of the extra premia as per C.R. no. 1092 dtc 12.12.63. The rate of 7% was increased to 10% with effect from 1-7-82. Subsequently the extra ground rent to be recovered annually was being worked out at 15% of the market value of the land component as per C.R.No. 240 dated 22.6.93. The market value was worked out on the basis of premium rates. Facility of payment of one time premium was also granted for premium amount upto 15000/-.

Proposed Methodology

It is proposed to work out extra ground rent based on the following formula as mentioned below

$$\text{Premium Per sqmt. Of addl. B.U.A.} = \frac{\text{Current Market rate of land per sqmt.}}{\text{F.S.I.}} \times 25\%$$

$$\text{Extra annual ground rent} = \text{premium per-sqmt. worked out as above} \times \text{addl. B.U.A} \times 15\%$$

One time premium = 7.5 times of the extra annual ground rent.
 The limit of 15000/- stipulated in the earlier C.R.No.143 of 25.6.82 for one time premium stands deleted. The Current Market rate for this purpose will be worked out as follows

- a) Ready Reckoner rates of developed land prevailing on the date of administrative sanction for the addl. Built up area will be the current market rate for cases other than those mentioned below. If the proposed user is commercial, current market rate for commercial user will be two times of the ready reckoner rates of developed land and similarly for industrial user, the current market rate will be 1.25 times of the ready reckoner rates of developed land. The Municipal commissioner may vary this ratio from time to time as per market conditions.
- b) In the case of working out extra ground rent for Regd. Educational Institutions registered under Bombay Public Trust Act 1950, the Current market rate will be 10% of the ready reckoner rate prevailing on the date of administrative sanction. This concession is being considered on similar lines as that of concessions granted while allotting such lands on lease to such Institutions.

due to certain unavoidable reasons, the same could not be allotted or having been allotted could not be built up upon and an alternative plot is now proposed to be allotted, then the lease rent for such plots so fixed at 15% of 25% of the ready reckoner rates of developed lands prevailing on the date of the administrative sanction of the Municipal Commissioner for earlier allotment.

Justifications

- i) Concessions in working out lease rent is proposed to be granted as the lease rent worked out based on prevailing ready reckoner rates are comparatively higher and may not be affordable to the members of Registered Housing Societies of municipal employees.
- ii) Each & every individual case will be put up to I.C./Corporation for their sanction to allot the land on lease to such societies. However, lease rent as per the concessions mentioned above shall be worked out with the sanction of the Municipal Commissioner in order to intimate the society regarding the lease rent and obtain their consent before putting up to I.C./Corporation.
- iii) The sanction of the State Govt. will be subsequently obtained for granting such concessions as per section 92(d) of M.M.C Act.

1c) Allotment of land on lease to Institutions registered under Bombay Public Trust Act 1950 and Societies Registration Act 1960 for Educational, Medical, religious & welfare purposes.

Old Methodology

As per the C.R.No. 240 of 22.6.93, the lease rent is being fixed at 15% of the market value, the market value of the land being worked out on the basis of premium rates.

Proposed Methodology

It is proposed that the annual lease rent per sqmt. for lands to be allotted to Regd. Institutions for the Educational purpose shall be worked out at 15% of 10% of the Ready Reckoner rate of developed land applicable for residential users, prevailing on the date of Administrative sanction to allot the land on lease.

Similarly lease rent for lands to be allotted to Regd. Institutions for the medical, religious & welfare purposes shall be worked out at 15% of 20% of the Ready Reckoner rate of developed land applicable for residential users prevailing on the date of Administrative sanction to allot the land on lease.

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Justifications

- i) The lease rent for vacant municipal lands worked out by adopting premium rates is comparatively lower, that is almost 2 to 4 times less than that worked out by adopting stamp duty ready reckoner rates.
- ii) The State Govt., while allotting Govt. lands on lease also adopt stamp duty ready reckoner rates for working out interim lease rent subject to fixing of final lease rent by the Dy. Director of Town Planning. In most of the cases, the final lease rent so fixed by the Town Planning Deptt. are higher than the interim lease rent fixed by adopting ready reckoner rates.
- iii) Each and every individual case of allotment of lease to any Organization will be put up to I.C./Corporation for sanction. However, before putting up each individual case for sanction, it is necessary to obtain the consent of the Organization to the terms & conditions and the lease rent. For that purpose the lease rent is required to be worked out & intimated to the Organization after obtaining administrative sanction of the Municipal Commissioner. Lease rent will therefore be worked out on the basis of the rate prevailing on the date of administrative sanction of the Municipal Commissioner.

1b) Allotment of land to Registered Co-operative Housing Societies of Municipal Employees:

Old Methodology

As per the C.P.No. 240 of 22.6.93, the lease rents are fixed at 15% of the market value the market value being fixed on the basis of premium rates.

Promised Methodology

It is proposed that allotment of land to registered Co-operative Housing Societies be made at concessional lease rent. For lands allotted to the Registered Co-operative Hsg. Societies, the lease rent is proposed to be fixed at 15% of 25% of the ready reckoner rate of developed land prevailing on the date of administrative sanction of the Municipal Commissioner. The above proposal will be applicable with prospective effect wherever the lease rent has not yet been finalised by the Municipal Commissioner. It is further proposed that in cases where I.C./Corporation or the Municipal Commissioner had in the past sanctioned a proposal to allot a particular land to any registered society, but

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Definition of the terminology used:

Market value:- The value of the land fixed by the Municipal Commissioner for working out lease rent, ground rent, extra ground rent, etc.

Premium Rate:- The zone wise / village wise rates fixed by the Municipal Commissioner, periodically, for working out premium to be charged for condonation of deficiency in open space, exemption of area of staircase / lift etc. from F.S.I. as per the provisions of D.C. Regulations.

Ready Reckoner Rate:- The sector wise rates fixed annually by the State Govt. for calculating the Market value for recovery of stamp duty.

Extra ground rent :- The extra rent to be recovered annually for permitting addition / alteration involving additional construction beyond lease condition or change of user other than those permitted in the lease condition.

One time premium :- The extra premium to be charged on one time basis in lieu of extra ground rent which is payable annually.

1. Fixing of lease rent for Municipal land allotted to Private Organizations on lease basis.

1a) For general purpose except those specified in 1(b) and 1(c).

Old Methodology

As per the C.R.No. 240 of 22.6.93 the annual lease rent is being fixed at 15% of the market value, the market value being determined on the basis of premium rate fixed annually by the D.P. Deptt. with the sanction of the Municipal Commissioner.

Proposed Methodology

It is proposed that when vacant lands are being allotted to private Organizations then stamp duty ready reckoner rates of developed lands prevailing on the date of administrative sanction of the Municipal Commissioner be adopted as market value for working out lease rent and the annual lease rent be fixed at 15% of the said market value as per C.R.No. 240 of 22.6.93. The above proposal will be applicable with prospective effect wherever the lease rent has not been fixed by the Municipal Commissioner.

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MUNICIPAL CORPORATION OF GREATER MUMBAI

NO. CHE/1216/ACQ/C of

Sub :- Revised policy regarding valuation of lands for fixing of

- 1) Lease rent of Municipal lands
- 2) Fixing of standard rent for Municipal tenements.
- 3) Extra ground rent for development of household properties
- 4) Cost of land component for releasing rented school premises.
- 5) Fixing of easement charges
- 6) Valuation of land for the purpose of working out licence fee for granting right of way permission

The valuation of lands is required to be done for the various purposes mentioned above. As per the prevailing policy, the zonewise premium rates fixed annually by the Development Plan Deptt. with the sanction of the Municipal Commissioner for the purpose of charging premium for condoning of open space deficiency, exempting staircase / lift area from F.S.I. etc. were adopted as the basis for working out the market value of the municipal lands.

It was observed that the premium rates so fixed by the development plan dept were considerably less than the prevailing market rates, especially when compared with the ready reckoner rates published annually by the State Govt. for the purpose of fixing market value for recovery of stamp duty.

The Municipal Corporation does not have any specialized cell for valuation of Municipal land in a scientific manner. In order to avoid the element of subjectivity, it is proposed to adopt the ready reckoner rates (prescribed by the State Govt. for the purpose of recovering stamp duty) as the basis for determining the market value of lands for the above purpose.

In view of the above, the revised methodology has now been proposed for valuation of lands for working out the lease rent, Standard rent, extra ground rent etc. for the various items mentioned below.

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current market value shall be worked out based on ready reckoner rates of developed lands prevailing on the date of administrative sanction to the B.U.A.

All the concerned staff of Estate Deptt. shall please note the above clarification and work out extra ground rents accordingly.

All the concerned staff shall also note the sanction accorded by Improvement Committee Corporation to the proposal with modification in item No. 1(c) & 3A(b).

A. D. Saha
15/12/2011
Dy. Ch.E.D.P. (II)

Copy to:

- AMC(City)/AMC(WS)/AMC(ES)/AMC(P)/J.M.C.(I)
- DMC(I)/Z-I/Z-II/Z-III/Z-IV/Z-V/Z-VI/DMC(P)/Dir.(ES&P)
- DMC(E)/DMC(SE)/Ch.E.D.P./C.E./Ch.E.(C.C.Rds.&Tr.)/Ch.E.(SWD)/H.E.
- Ch.E.(CTIRC)/Dy.Ch.E.(Traffic)/Dy.Ch.E.D.P.(I)/Dy.C.E.(P&D) City/Sub.
- Dy.Ch.E.B.P.(City) / Dy.Ch.E.B.P.(ES)/Dy.Ch.E.B.P.(WS)
- E.E.B.P.(City) WS/ES/Law Officer.
- W.O.(Estate)/E.O./S.L./S.G./C.A./M.C.A./W.O.Market
- E.E.D.P.(City)/E.E.D.P.(ES)/E.E.D.P.(WS) H&K/E.E.D.P.(WS) P&R
- PEATA
- Ward Officer _____ Ward
- A.E.(Acq)City-III/A.E.(Acq)S&T/L&N/M/A.E.D.P.(City)
- III/A.E.(Acq)WS(H&K)(P&R)

for information & necessary action please.

A. D. Saha
15/12/2011
Dy. Ch.E.D.P. (II)

MUNICIPAL CORPORATION OF GREATER MUMBAI
NO. CHE/216/ACQ-C of 17.01.2001

CIRCULAR

Sub: Revised policy regarding valuation of lands for fixing of

1. Lease rent of Municipal lands
2. fixing of standard rent for Municipal tenements.
3. Extra ground rent for development of lease hold properties.
4. Cost of land component for releasing rented school premises.
5. Fixing of easement charges.
6. Valuation of land for the purpose of working out Licence fee for granting right of way permission.

Improvement Committee vide Resolution No.37 of 27.7.2000 & Corporation vide Resolution No.733 of 24.11.2000 (copies attached) have accorded approval to the revised policy for valuation of land for fixing lease rent, standard rent, Extra Ground Rent, easement charges etc.

A copy of the said policy is attached herewith for information & necessary action please. The same may please be read with modification in item No.1(G) & 3A (b) made by I.C./Corporation.

It is to be clarified that in the proposal submitted to the Corporation in the item No.3A i.e. fixing of extra ground rent for addition/alterations beyond lease conditions, under the sub head - Proposed Methodology, at Sr.No.(d), it has been mentioned that for the purpose of working out extra ground rent in case of Registered Co.Op.Hsg.Societies, the current market value will be 25% of the ready reckoner rates prevailing on the date of administrative sanction.

It may, however, be clarified that the Registered Co.Op.Hsg. Societies mentioned in the proposal should be read as "Registered Co.Op.Hsg.Societies of Municipal Employees" as the concession in working out current market value is being considered on similar lines as that of concessions granted in item 1(b) of the proposal i.e. while allotting such lands on lease to the Registered Society of Municipal Employees. For all other Registered Co.Op. Hsg. Societies, the

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Valuation
of Land

MUNICIPAL CORPORATION OF GREATER MUMBAI
NO. CHE/216/ACQ-C of 17.01.2001

CIRCULAR

Sub: Revised policy regarding valuation of lands for fixing of

1. Lease rent of Municipal lands
2. fixing of standard rent for Municipal tenements.
3. Extra ground rent for development of lease hold properties.
4. Cost of land component for releasing rented school premises.
5. Fixing of easement charges.
6. Valuation of land for the purpose of working out Licence fee for granting right of way permission.

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As the above policy is self-explanatory, all user/ concerned departments shall implement the same with the help of their own/ respective ward office's technical staff with competent sanctions.

Concerned Dept. shall include the fixed tenure of all the allotments of Municipal tenements in approvals and revise the standard rent on yearly basis with competent sanctions with respect to corresponding year's S.D.R.R.

The above-mentioned report and approval of M.C. under No.MGC/F/4746 dtd. 12.09.2008 is annexed herewith for information and as a reference case & methodology for working out the Standard Rent for non Municipal-non Residential user.

Every MCGM Department/Office is requested to workout Standard Rent henceforth as per the said policy approved by Hon. M.C. dtd. 15/10/2012 and get the same audited from Audit department before implementation at their end.

Acc: As above.

Sd/-
Ch. Eng. (D.P.)

(Approved by the Hon. M.C. vide no. MGC/F/7683 dtd. 15/10/2012.)

Copy to:

Dir. (E.S.& P.) / D.M.C. (Vig.) / D.M.C. (M.C.'s office)/Ch.Eng.(D.P.)

Dy.Ch.E.(DP) I / Dy.Ch.Eng.(BP) City / Dy.Ch.Eng.(BP) E.S.

Dy.Ch.Eng.(BP) W.S. I / Dy.Ch.Eng.(BP) W.S. II / E.E. (D.P.) City

E.E. (D.P.) E.S. / E.E. (D.P.) W.S. H & K / E.E. (D.P.) W.S. P & R / E.E. to M.C.,

E.E. (P) to Ch.Eng.(D.P.) / E.E. (B.P.) W.S. H / E.E. (B.P.) W.S. K/

E.E. (B.P.) P/E.E. (B.P.) W.S. R / E.E. (B.P.) City I / E.E. (B.P.) City II

E.E. (B.P.) City III / E.E. (B.P.) E.S. I / E.E. (B.P.) E.S. II

All A.E. (D.Ps.) / All S.E. (D.P.) / ~~E.D.P. Shri B...~~ | SEDP

Jt. M.C. (Disaster Management & Liaison Officer) BC/DMC(Education)

D.M.C. (G.A.) / D.M.C. (I) / D.M.C. (Garden & Security) / D.M.C. (C.R.A.) /

D.M.C. (Special) / D.M.C. (Tax Reforms) / D.M.C. (R.E./H.R.) / D.M.C. (Engg.) / D.M.C.

(S.E.) / D.M.C. (Z-I) / D.M.C. (Z II) / D.M.C. (Z III) / D.M.C. (Z IV) / D.M.C. (Z V) / D.M.C. (Z VI) / D.M.C.

(Z-VII)

H.E./City Engineer /Ch.Eng.(P&D) /Chief Engineer (CTIRC)/Ch.Eng.(D.P.) Ch.Eng.(Rds. Tr.

Bridges) /Chief Engineer (M & E) /Chief Engineer (SWD) H.E.

Chief Engineer (S.O.)/Chief Engineer (MSDP) /Chief Engineer (SWM) /

Asst. Comm. (Estate)/Asst. Commissioner (Estates)/

Asst. Commissioner Ward.

Assessor and Collector/Chief Auditor/Chief Accountant.

Forwarded for information with a request to instruct all your concerned staff to take cognizance of the above circular and take necessary action please.

[Handwritten Signature]