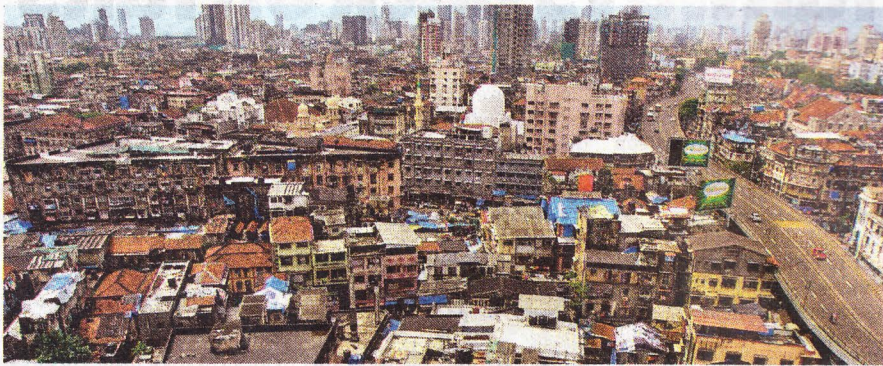


Cluster devt: Govt must act now to avoid rout in polls



The Bhendi Bazar cluster development project is expected to benefit thousands of Mumbaikars

dna correspondent @dna

Congress president Sonia Gandhi recently told her party workers: "Do not get disheartened by the Lok Sabha defeat; we will have to win over the confidence of the people in the areas where the party has lost and we will not stop till we have regained the glory of the party."

However, many of her partymen in state wonder if the party will be able to retain power if the decision-making machinery under CM Prithviraj Chavan continues to be as slow.

They say the CM is sitting on several files. Even simple decisions, such as the appointment of a chairperson for the state child rights' commission, have been delayed for over three years. It is feared that unless the CM speeds up the clearance of files, Congress may face a rout in the assembly elections.

At present, there is speculation over Chavan's fate. But, whoever the CM, he has to take quick decisions in the larger interests of city and the state. Cluster development is one of the most crucial issues that is expected to transform the Mumbai's face like nothing else.

Maharashtra Chamber of Housing Industry representatives had met Chavan many times to resolve pending issues, including cluster development, but in vain. In past three years, Chavan has not taken any concrete decision on issues that can put the city on the development track and make housing affordable.

As the amendments to the cluster development policy are still to be announced, projects under this scheme have come to a standstill. The Bhendi Bazar cluster project, which would have benefitted thousands of people, who are living in dilapidated structures, is one such project. This is having a cascading effect as there is no demand for steel, cement, tiles, glass, sand and other items needed in huge quantities for such projects.

The cluster projects were expected to be the growth engines of a city whose economy has today more or less come to a standstill. But developers complain there is no sense of urgency in the corridors of Mantralaya despite the rout suffered by Congress in the last polls.

Builders' Association of India spokesperson Anand Gupta said, "If construction activity gets a boost, we'll witness fire in the city's economy, which has died in the last three years. It is an employment-generating industry and a major contributor to the GDP growth. Unfortunately, it has been neglected by the ruling parties." He rejected suggestions that cluster schemes would put a heavy load on city's existing water and sewerage services.

A developer from SoBo said, "The government should make water harvesting, recy-

cling, rain-water harvesting and waste water recycling plants compulsory in all such projects. So there is no question of putting burden on the city's infrastructure. But these decisions should be judiciously implemented by the state agencies."

"If the state does not act quickly, the city will witness several building collapse incidents in monsoon," said Milind Samel, senior architect. He said in Mumbai city, more than 16,000 buildings are old and in a dilapidated condition. "These buildings are on the verge of collapse. Actually, occupants of these buildings are paying low taxes at present. If these buildings are redeveloped, the state will add more revenue to its kitty. It will be a win-win for developers and authorities," he added.

Besides, delay in residential and commercial projects escalate their cost, making them unviable. "When a developer undertakes a cluster project, he has to pay interest on the huge loans he is required to take, pay rent to the tenants till the completion of the project and, of course, spend money on buying raw material. This is not including the bribes to be paid to greedy officials. The government should display a sense of urgency in the matter," another SoBo developer observed. "Any delay will make the free-sale flats more expensive and the government will be blamed for this."

In fact, the redevelopment of individual cessed buildings under section 33 (7) of the Development Control Rules appears to be more profitable to undertake. In cluster development, which is covered by section 33 (9), developers can avail floor space index (FSI) of 4, while an FSI of 3 is available for cessed buildings' redevelopment. But, in cluster, the rehabilitation component is quite high because the developer has to reserve land for public amenities and that reduces the profit margin. Besides, the 33(7) proposal gets approved within six to seven months, while the cluster project proposals take indefinite time.

Moreover, in cluster development, developer has to seek a lot of approvals, remarks and NoCs from various government authorities. In cluster, the area should be minimum 4,000 sqm, while in 33(7), there is no such restriction," architect Sanjay Razdan observed.

Another developer said the state appointed a high-powered committee in 2009 to decide on the corpus to be created by the developer under cluster scheme for the use of the tenants. But in the past five years, the committee has not been able to fix the corpus amount. "The problem is Chavan relies totally on the bureaucrats for all policy decisions. In an earlier interview, Chavan had said he had to make do with the existing lot of bureaucrats," he added.