



Amendments to TDR policy of Greater Mumbai, Nov 2016

The government of Maharashtra has released amendments to the TDR (Transferable Development Rights) policy for Greater Mumbai region in November 2016. The modifications correspond to the Regulation 34 of the Development Control Regulation of Greater, Mumbai 1991 (DCR 1991). Modifications are focussed around easing out the restrictions on the utilization of TDR and linking it to the width of the road located adjoining to the land.

Built up area increased to maximum of 2.5 times the surrendered area

Prior to the amendment, built up area issued through TDR was equivalent to the area of plot surrendered by the developer (clause 5 appendix VII). As per the amendment, the developer will now be entitled to a TDR equivalent to 2.5 & 2 times the area of surrendered land for island city and suburbs respectively.

The TDR can be utilized in the Island City

As per Clause 10a of appendix VII, DCR 1991 usage of TDR was not allowed in the Island City (Colaba to Mahim). However, as per the new amendments TDR can be utilized anywhere in the Island City, the suburbs and the extended suburbs of Mumbai. This also implies that clause 10b of the DCR 1991 which allowed the use of TDR only on a plot which is located the North of the plot from which the TDR was generated has been dissolved.

Extent of TDR utilization increased to a maximum of 100 percent

As per the original policy (clause 20-22, appendix VII) the maximum extent to which the TDR could be utilized was 0.5 times the plot area, where the developer intends to use his TDR. The latest amendment allows TDR utilization to a maximum extent of 1 times of the plot area. This is linked to width of the road adjoin the plot as given in the following table.

Sr. No.	Plots fronting on road width (in Meter)	Maximum Permissible TDR Loading	
		Island City	Suburb / Extended
1	less than 9.00 m	-	-
2	9 m. And above but less than 12.20 m	0.17	0.50
3	12.20 m. And above but less than 18.30 m.	0.37	0.70
4	18.30 m. And above but less than 30.00 m.	0.57	0.90
5	30 m. and above	0.67	1.00

Source: Government of Maharashtra Notification, Nov 2016

As the above table implies, TDR cannot be utilized on projects located on roads having a width of less than 9 meters. On the other hand projects located along roads with widths of 30 m and above will get the maximum benefit. Width of the roads will be considered as per DP (Development Plan) 2014-34 of Mumbai which is expected to get clearance by May 2017.

Conclusion

- Increase in the built up area and the extent of utilization will lead to higher population densities across the city.
- The removal of restriction from using TDR in the Island city will lead to an increase in supply of real estate in South Mumbai. Lifting the restriction of utilizing the TDR on Southbound localities will give developers flexibility to sell their TDRs in stronger markets where the demand and prices are higher. This will also allow the developers to generate greater profits from sell of TDR.
- Linking TDR utilization to road width will shift population growth to areas with better infrastructure. This will lead to better population distribution and reduction in congestion.