



APPROVAL PROCESS FOR REAL ESTATE PROJECTS IN MAHARASHTRA (MUMBAI) & SUGGESTIONS TO STREAMLINE THE SYSTEM APPROVAL PROCESS FOR REAL ESTATE PROJECTS IN MAHARASHTRA (MUMBAI)

1 OWNERSHIP CERTIFICATE/EXTRACT

- Time required – 15 Days
- Cost for obtaining approval: Rs. 50 per CTS No. / Property Registration Card
- Grant of Permission by Revenue Department

2 BUILDING LAYOUT APPROVAL

- Time required – 1 month
- Cost for obtaining approval: Application fee of Rs 28 per square meter of plot/built up area whichever is larger for residential projects or Rs 56 per square meter for commercial projects)
- Grant of Permission by Development Authority/Municipality

The building company submits an application form with plans and all required documents, as prescribed by Section 373 of the BMC Act, at the Andheri Building Proposal Office of the BMC. If all documents are in order and the file is complete, the building company can proceed to payment of the scrutiny fees. Once the fees have been paid, the application file is forwarded to the concerned officer in the Building Proposal Department. Then the file is forwarded to the Survey Office, which make its remarks on the application file and check the remarks from the Development Plan office (obtained during the design stage of the project). If the Survey Office is satisfied with its review, it will send the application file back to the Building Proposal Department within one week.

Receive site inspection from the Building Proposal Office of the BMC (Municipal)

A sub-engineer from the Building Proposal Office will conduct a site inspection within 3 to 4 days of receiving the file from the survey office. The date and time of the site inspection are arranged by the company's architect. The building company must be on-site when the inspection takes place. The sub-engineer scrutinizes the potential of the plot including the provision of civic infrastructure.

3 OBTAIN "INTIMATION OF DISAPPROVAL" (BUILDING PERMIT) FROM THE BUILDING PROPOSAL OFFICE

- Time to complete – 30 - 45days
- Cost for IOD – Scrutiny fee of Rs 33 per sqmt for residential and Rs 66 per sqmt for commercial and Development charges of Rs 350 per sqmt for residential and Rs 700 for commercial.

After the site inspection, the application file returns to the Building Proposal Office to receive an intimation of disapproval (authorization). The concerned sub engineer scrutinizes the proposal and forwards the report to the assistant engineer and executive engineers. The proposal is approved at the executive engineer's level if no concessions are involved. The intimation of disapproval is issued with a list of "no-objection certificates" (NOCs) which the applicant must obtain separately from various departments and government authorities. Final clearance to build (Commencement Certificate) will only be given once the company obtains all NOCs and meet all IOD conditions. There are about 40 IOD conditions to be met by the builder to be eligible for applying for commencement certificate (CC). Major NOCs/IOD conditions are listed below:

- a) Non-Agriculture (NA) permission
- b) Tree Authority
- c) Storm Water and Drain Department
- d) Sewerage Department
- e) Hydraulic Department
- f) Environmental Department (concerned with debris management)
- g) Consent to Establish & Operate
- h) Ancient Monument Approval
- i) Airports Authority of India
- j) Traffic and Coordination Department
- k) CFO (fire clearance)
- l) Structural Plan Approval

4 SUBMIT STRUCTURAL PLANS APPROVED BY A STRUCTURAL ENGINEER TO THE BMC (MUNICIPAL)

The Intimation of Disapproval (IOD) is only an approval of the civil plans. Review of the structural plans is done in parallel with the NOC process. No approval to this plan is required from the Municipal Corporation but copies are required to be submitted.

5 NON-AGRICULTURE PERMISSION

- Time required – Minimum of 3 months. It depends on compliance of other conditions
- Cost for obtaining approval – It depends on the location of the project and ranges between Rs 2-8 per sqft.
- Grant of Permission by Revenue Department
- Procedure is time taking and cumbersome

6 OBTAIN "NO-OBJECTION CERTIFICATE" NOC FROM THE TREE AUTHORITY (MUNICIPAL)

- Time required – 30-60 days
- Cost for obtaining approval – INR 4,000 (per tree)
- Approving Authority – Tree Authority Committee of Municipal Corporation

Due to stringent environmental regulations, the building company must receive clearance from the Tree Authority set up under the Maharashtra (urban areas) Preservation of Trees Act (1975). The Tree Authority Commission only meets once a month. The Tree Authority must ascertain what trees (if any) will be cut down as a result of construction. If trees are to be cut down, the building company will have to plant trees to replace them.

7 OBTAIN NOC FROM THE STORM WATER AND DRAIN DEPARTMENT (MUNICIPAL)

- Time Required – 15-30 Days
- Cost for obtaining approval – Scrutiny Fees INR 2/smt (BMC limit)
- No cost for this NOC but BMC is considering imposing some fee

8 OBTAIN NOC FROM THE SEWERAGE DEPARTMENT (MUNICIPAL)

- Time Required – 15-30 Days

9 OBTAIN NOC FROM THE ELECTRIC DEPARTMENT (MUNICIPAL)

The electric consultant hired by the developer works out the load requirement, transformer capacity etc. Load is sanctioned by the power distribution company. The building company will inform BEST of the project's power requirements along with a copy of application submitted for building plan approval. BEST will assess whether an electrical sub-station up-grade is required at this stage.

- Time Required – 15-30 days

10 OBTAIN A "NO-OBJECTION CERTIFICATE" NOC FROM THE TRAFFIC AND COORDINATION DEPARTMENT (MUNICIPAL)

- Time Required – 30 days

11 OBTAIN A "NO-OBJECTION CERTIFICATE" NOC FROM THE CHIEF FIRE OFFICER (MUNICIPAL)

In Mumbai, buildings above 24 meters in height require Chief Fire Officer (CFO) clearance.

- Time Required – 30 days
- Cost for obtaining approval – Official cost is Rs. 50 per square meter. Cost varies between Rs. 50,000 to Rs 1,00,000

12 ENVIRONMENT CLEARANCE

The environment consultant hired by the company prepares the Environment Impact Assessment Report which is submitted to the State level expert Appraisal Committee which refers it to the State Environment Impact Assessment Authority (SEIAA). Coastal Regulatory Zone (CRZ) clearance is also obtained wherever required.

- Approving Authority – Ministry of Environment/State Environment Impact Assessment Authority (SEIAA)/ State level expert Appraisal Committee
- Time Required – 3 months to 1 year
- Cost for obtaining approval – Charges depend on the size of project

13 ANCIENT MONUMENT APPROVAL

- Approving Authority – Archaeological Survey of India
- Time Required – 6 months

14 CONSENT TO ESTABLISHMENT & OPERATE

Ministry of Environment has authorized Pollution Control Board (PCB) to monitor the environment related compliance by the developer which includes setting up of Sewage Treatment Plant (STP) etc.

- Approving Authority – Pollution Control Board
- Time Required – 2 months

15 NOC FROM AIRPORT AUTHORITY OF INDIA

- Approving Authority – Civil Aviation Department
- Time Required – 3-4 months

16 OBTAIN COMMENCEMENT CERTIFICATE FROM THE BUILDING PROPOSAL OFFICE AND PAY DEVELOPMENT CHARGES (MUNICIPAL)

- Time required – 15-30 days
- Cost for obtaining approval – 200 INR per square meter (land component) + 500 INR per square meter (building component)

On submission of all required NOCs and on compliance of the IOD conditions, the applicant may submit request for the commencement certificate (CC). The documents and NOCs submitted by the applicants are verified by the staff and the necessary commencement certificate is approved.

Commencement Certificate (CC) is given in two stages:

1. CC upto plinth level
2. CC beyond plinth level

17 BORE WELL REGISTRATION CERTIFICATE (OUTSIDE MUNICIPAL LIMIT)

- Approving Authority – Central Ground Water Authority
- Time Required – 60 days
- Ground water extraction is not allowed in CRZ areas

18 NOC IF NEAR COASTAL AREA

- Approving Authority – Coastal Zone Management Authority
- Time Required – 6 months-1 year (+)
- Construction is not allowed upto 500 meters from the coast line

19 PERMISSION FOR EXCAVATION / ROYALTY PAYMENT

- Approving Authority – Collector & Executive Engineer in the Ward Office (under the Mines & Minerals Act 1957)
- Time Required – 15-30 days

20 OTHER COMMON FACILITIES APPROVAL (INTERNAL INFRASTRUCTURE SERVICES)

- Approving Authority – The concerned service provider for water, electricity & telecom
- Time Required – 30 days

21 ROAD ACCESS HIGHWAY / EXPRESSWAY:

- Approving Authority – NHAI/PWD
- Time Required – 60 days

22 LIFT ESCALATOR INSTALLATION APPROVAL (PWD / CPWD)

- Approving Authority – Public Works Deptt
- Time Required – 30-45 days

23 ELECTRIC SUBSTATION NOC FOR ALL SUBSTATION TRANSFORMERS IN BUILDING (ELECTRIC SERVICE PROVIDER)

- Approving Authority – Electricity Distribution Authority
- Time Required – 15 days

24 OBTAIN OCCUPANCY CERTIFICATE FROM THE BMC (MUNICIPAL)

- Time Required – 60 days

The occupancy certificate allows the building company to occupy the building but is not considered a final document because the building company still requires the certificate of completion. The company's architect must submit a formal letter stating that construction has been completed according to the standards set forth in the IOD and CC.

25 OBTAIN BUILDING COMPLETION CERTIFICATE FROM THE BMC (MUNICIPAL)

- Time Required – 30 days

The completion certificate is considered to be the ultimate document that the building company requires to fully occupy the building and connect it to utilities.

26 APPLY FOR PERMANENT POWER CONNECTION AND PAY FEES AT BRIHANMUMBAI ELECTRIC SUPPLY AND TRANSPORT (MUNICIPAL)

- Time Required – 30 days

The building company submits the application form along with a registration fee of INR 50. On submission, a receipt of the same is given along with a requisition number. Within one week (statutory time limit), an inspection takes place to verify if the structure is permanent and to account for the number of connections required, etc. Within a week, a requirement letter from BEST authorities is mailed to the applicant. This letter lists the documents and payment to obtain a power connection.

27 OBTAIN PERMANENT WATER CONNECTION (WITH INSPECTION) (MUNICIPAL)

- Time to complete – 45 days
- Cost for obtaining approval – INR 1,200 (connection fee)

28 OBTAIN PERMANENT SEWERAGE CONNECTION (MUNICIPAL)

- Time to complete – 30 days
- Cost for obtaining approval – INR 50,000

29 COMMENTS & SUGGESTIONS

- Approving Authorities should maintain time limit as prescribed in the rule book. If time limit is not prescribed, it should be for every approval procedure.
- If due to some reasons, approval cannot be given within prescribed time limit, it should be intimated to the applicant within first 10-15 days of submission of application.
- Documentation required at each stage of approval should be clearly laid down and adhered to. Developers should submit proper documents as required by the authorities to make the process less cumbersome.
- Official fees for approvals may be enhanced to increase the capacity of staff in municipalities.
- Infrastructure is not provided by the Government. Though provision of civic infrastructure by the developer in cities like Mumbai is manageable however, in the suburbs, provision of infrastructure solely by the developer is an arduous task leading to delays and other difficulties in its execution. Here the Government must lay down the infrastructure on priority.

29.1 Streamlining of procedures

- Zonal Development Plan should be Airport Authority Cleared
- Building Plan could be passed and sanctioned by certified architects, monitoring of the project by municipality.
- Non-agriculture permission not required for land within Municipal Limits.

Environment Clearance:

- MOEF should clear the Zonal Development Plan, no approvals for individual projects or;
- Local Development Authority be entrusted the task of environment clearance or;
- Projects above 50,000 sq mts built up area be eligible for environment clearance.
- The state must set up a separate committee for according environment clearance to the construction sector due to the large number of projects happening in the state. Presently there is only one state environment appraisal committee which takes care of all residential, commercial and industrial projects in the state. Having a specialized environment appraisal committee for construction sector will bring in higher efficiency and speed up the approval process.