

PROPOSAL FOR APPROVAL OF SCHEDULE OF RATES (SOR) FOR THE PERIOD FROM 01.10.2012 TO 30.09.2017 (12 ZONES) AND 01.10.2017 TO 30.09.2022 (09 ZONES) IN RESPECT OF MUMBAI PORT TRUST LETOUT LAND FALLING UNDER VARIOUS REMAINING READY RECKONER ZONES IN TOWNSHIP AREAS OF MBPT, WHICH ARE APPLICABLE TO ALL THE EXPIRED LEASES/FIFTEEN MONTHLY LEASES/ MONTHLY TENANCIES/ LICENSES OF THE PLOTS / STRUCTURES

1. BACKGROUND:

Mumbai Port Trust owns about 944 Ha of land in Mumbai City. The land in the Mumbai city limits falls under the jurisdiction of A, B, C, M, G-North, E, F-North and F-South Wards and letout lands in outside island city of Mumbai. The said land stretches from Colaba to Wadala, Mahim, Worli, Govandi, Pir Pau, Mahul, Titwala etc. and is divided into 15 administrative units for management of these estates. The landed estates are divided into 2 main categories, viz. (i) lettable land and (ii) non-lettable land. Non-lettable land includes areas occupied by offices of sister department, administrative offices of Mumbai Port Trust, Port Trust quarters, Port Trust hospital, etc. The lettable category includes areas let out on long term leases, 15 monthly leases, monthly tenancies and licenses. There are also a few plots which are vacant and can be let out. The Board vide various TRs of 2021 accorded approval to Schedule of Rates (SoR) for the period from 01.10.2012 to 30.09.2017 and 01.10.2017 to 30.09.2022 in respect of Mumbai Port Trust letout land falling under various remaining Ready Reckoner Zones which applicable to all the Expired leases / Fifteen Monthly leases / Monthly Tenancies / Licenses of the plots for Non-Home occupations were submitted to TAMP for notification. Further, proposal for revision of SoR for remaining zones falling in Township areas of MbPT is submitted hereby for notification by TAMP.

2. POLICY GUIDELINES:

- (a) The Land Management Policy Guidelines for Major Ports, 2010 issued by the Ministry was adopted by the Board vide TR No.21 of 2011 read with Supreme Court Judgement. The Ministry subsequently, with the approval of the cabinet, issued Land Policy guidelines for Land Management by Major Ports 2014 (PGLM), which was applicable for all Ports except for the land relating to the township areas of Kandla, Mumbai and Kolkata Port, for which it was stated that separate policy will be formulated. The amended policy guidelines were issued in 2015.

The Ministry vide clarification Circular (Land Management) No.1 of 2018 dated 14.05.2018, Clarification No.2 of 09.03.2019 and Clarification No.1 of 2019-20 dated 29.04.2019 issued clarification circular on various issues of PGLM 2014/15 extending the applicability of the PGLM 2015 to the non-home occupation/ commercial areas of the township areas of Mumbai, Kolkata and Kandla Port upto 31.03.2020 with a sunset clause. The PGLM 2015 has thus become applicable to the township areas of Mumbai Port Trust. The Ministry vide further letter dated 27.01.2021 has clarified that “since PGLM 2014 has been approved by the cabinet, it is valid until it is revised by the cabinet. Hence, compiled PGLM, 2015 issued on 29.04.2019 will be applicable for both the land of major port trust and the township area subject to the condition mentioned in the letter dated 29.04.2019.”

(b) As per the PGLM-2015, the Land Allotment Committee is required to consider the following factors for determining the market value of the Port land:

I) Five factors

- a) State Government's Ready Reckoner of land values in the area, if available for similar classification/ activities.
- b) Highest rate of actual relevant transactions registered in the last 3 years in the ports vicinity (the vicinity of the Port is to be decided by the respective Port Trust Boards) with an appropriate annual escalation rate to be approved by the Port Trust Board.
- c) Highest accepted tender-cum-auction rate of Port land for similar transaction updated on the basis of the annual escalation rate approved by the Port Trust Board.
- d) Rate arrived at by an approved valuer appointed for the purpose by the Port.
- e) Other relevant factor as may be identified by the Port.

II) The Land Allotment Committee shall, while recommending the latest market value for any land would normally take into account the highest of the factors mentioned in Para 13(a) of PGLM 2015 above. Reserve price in terms of the annual lease rent would be latest SoR determined in accordance with Para 13(a) and 13(c) of PGLM 2015 and would in no case be less than 6% of the latest value recommended by the Port trust.

III) The Port trust would make a proposal as outlined in Para 13 (a) of PGLM 2015 to TAMP for fixing the latest SoR of the land. The TAMP would notify the latest SoR of the land after following due process of consultation with stake holders within 45 days of the receipt of the proposal. The Port trust board will fix a rate of annual escalation which would not be less than 2 %. SoR would be refixed once in every 5 years by TAMP”.

3. LEGAL ISSUES:

TAMP had vide notification No. TAMP/10/98-Misc of 28.03.2000 issued orders dated 15.03.2000 on its jurisdiction for framing scale of rates and statement of condition on the issue of applicability of SOR to all lands of all Major Ports. The said notification was challenged by the Mumbai Port by Writ Petition 1153 of 2000. In the writ petition, by interim order dated 02.05.2000, the Bombay High Court had stayed the applicability of TAMP's order to areas not falling within Port limit and Port approaches. The issue of withdrawal of Writ Petition and necessary advice for the same was taken up with the Ministry in the light of PGLM 2015. TAMP has since by letter dated 15th July 2019 intimated that TAMP is required to fix the SOR for all areas of Mumbai Port including Township areas with effect from 01.10.2012 onwards in terms of advisory from the Ministry of Shipping and therefore notification dated 28th March 2000 may be seen to have become infructuous. Therefore, the Writ Petition was also withdrawn by High Court order dated 08.08.2019

4. LAC RECOMMENDATIONS:

(A) Revision of SoR rates for the period 01.10.2012-30.09.2017 for 12 remaining Ready Reckoner zones not covered in the earlier proposals submitted to TAMP.

Earlier Board vide TR 222 of 2015 & 122 of 2021 has approved rates for 23 Ready Reckoner zones and recommended SoR based on the State Government Stamp Duty Ready Reckoner, 2012. (Para 'd' of LAC Report approved under TR 222 of 2015) and the same report was further approved by the Board vide TR 122 of 2021 and TR 153 of 2021 (for 3

Ready Reckoner zones) were submitted to TAMP for notification of SoR. Further, for remaining 12 Ready Reckoner zones falling in township areas i.e. 11/84A, 11/84B, 11/84E, 7/64, 10/78A, 3/35B, 7/66, 1/4, 13/97, 15/105, 2/34 and 3/36A, the same methodology of 6% return on land values prescribed in corresponding Ready Reckoner zones of 2012 with 4% annual escalation in every October, is adopted as base rate of SoR for the all remaining zones. List of zones with proposed SoR rates for Township Areas of MbPT is annexed as **Annexure-I**.

(B) Revision of SoR rates for the period 01.10.2017-30.09.2022 for 09 remaining Ready Reckoner zones not covered in the earlier proposals submitted to TAMP.

LAC has recommended to adopt the land values of adjoining zones for fixation of SoR 2017-2022 (From 01.10.2017 to 30.09.2022) for the remaining 09 Ready Reckoner zones of township areas of MbPT not covered in the earlier proposals submitted to TAMP.

LAC has recommended the rates for Ready Reckoner Zone No. 96/436, 15/105, 16/110, 11/84E, 13/97, 7/64, 7/66, 1/6 and Karanja with 6% return per annum and 4% annual escalation on every October based on the following values is enclosed in **Annexure-II**.

- a) The land rate of Rs. 53,820/- per sq.mtr. for FSI 1 for the zone 90/419 be adopted for fixation of SoR 2017-2022 for all the lettings in RR zone 96/436 and RR zone 15/105.
 - b) The land rate of Rs. 1,15,640 /- per sq.mtr. for FSI 1 for zone 14/101A be adopted for fixation of SoR 2017-2022 for all the lettings in RR zone 16/110.
 - c) The land rate of Rs. 1,71,310 /- per sq.mtr. for FSI 1 for zone 11/84A be adopted for fixation of SoR 2017-2022 for all the lettings in RR zone 11/84E.
 - d) LAC recommends the land rate of Rs. 1,13,500/- per sqm for FSI-1 for RR Zone 13/97 as on 01.10.2017.
 - e) The land rate of Rs. 2,57,500/- per sq.mtr. for FSI 1 for RR Zone 7/64 as on 01.10.2017.
 - f) The land rate of Rs. 3,38,100/- per sq.mtr. for FSI 1 for RR Zone 7/66 as on 01.10.2017.
 - g) The land rate of Rs. 3,31,600/- per sq.mtr. for FSI 1 for zone 1/3A be adopted for fixation of SoR 2017-2022 for all the lettings in RR zone 1/6.
 - h) The land rate of Rs. 11,480/- per sq.mtr. for FSI 1 for Karanja as on 01.10.2017.
- (C) The Board vide TR 153 of 2021 has accorded approval to proposals for SoR for Home, Mixed (Home + Non-home), PT Structure occupations. The same methodology will be adopted for SOR 2012-2017 and 2017-2022 for the Home, Mixed and PT Structure occupations in these zones as approved under the said TR 153 of 2021 for such occupations in these zones, which has already been submitted to TAMP.
- (D) Application of FSI factor in calculation of actual quantum of compensation. The computation of rentals/ compensation based on FSI consumed and areas will be likely to be contentious issue even after base SoR rates for one sq. mtr. of land are approved by TAMP. Linking of SoR rates of land to FSI consumed of the buildings / structures have several repercussions and complexities such as how to compute FSI, exemption of fungible FSI as per DC rules and permissible FSI, etc. To study these aspects in detail, vide TR 122 of 2021 the Board has accorded approval for formation of a committee of experts consisting of a

retired Chief Engineer / Director of Planning of MCGM, Retired High Court Judge and a group of MbPT officials comprising Advisor (Planning), Chief Engineer, CLO, FA&CAO, Secretary and Estate Manager (I/C) alongwith Govt. registered Valuers on MbPT panel. Committee will give its recommendations on above issues and the matter will be brought before the LAC and Board for computation of actual rents/compensation on factors recommended by the Committee.

(E) Port Trust is billing the monthly tenants with MCGM Property Cesses (WBT, SBT, EGC & ED) @ 55.5% of Annual Rent as per SC Judgement and recovery of the same was MbPT's responsibility. LAC vide report dated 23.08.2021 recommended that same practice is to be followed in future, however, the MCGM cesses will be reworked out in accordance with the proposed SoR 2012-2017 as may be approved by the TAMP, in respect of all the monthly tenancies and licenses upto 11 months (non-home occupations) of all the Ready Reckoner zones of Mumbai Port Trust land. The same is approved by the Board vide TR 155 of 2021. The same will be made applicable to SoR 2012-2017 and 2017-2022.

(F) All the demand notices of differential arrears as per the revised SoR for 2012-2017 and 2017-2022 will be issued to all monthly tenancies, fifteen monthly leases, expired leases and licenses as a compensation for wrongful use of the premises without interest and giving time limit of 3 months from the date of receipt of demand notices and interest at the applicable rates will be charged for delayed payments subject to TAMP's approval.

5. PROPOSAL:

TAMP's approval is requested to the above SoR approved by the Board vide various TRs for the remaining zones as brought out in Annexure- I and Annexure- II for the period from 01.10.2012 to 30.09.2017 and 01.10.2017 to 30.09.2022 respectively. Copy of the relevant TRs along with LAC reports is enclosed herewith. These rates will be applicable to all the Expired Leases, Fifteen Monthly Leases, Monthly Tenancies and Licenses including vacant plots (for calculation of Reserve Price, Annual Rent/Upfront Premium for allotment) of the plots/structures falling under the respective ready reckoner zones.

6. JUSTIFICATION:

The proposal is formulated in terms of the Land Policy Guidelines for Land Management 2015. Under section 49 of MPT Act, 1963 and para 13 (c) of PGLM-2015 TAMP's approval to the SoR for the period from 01.10.2012 to 30.09.2017 and 01.10.2017 to 30.09.2022 applicable to all occupations of the Expired Leases, Fifteen Monthly Leases, Monthly Tenancies and Licenses of the plots falling under the respective Ready Reckoner zones.

7. CONTACT DETAILS:

Contact details of the registered tenants/lessees as available in the MbPT record are furnished in the enclosed statement.

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Annexure-I

**SOR 2012-2017 FOR REMAINING 12 READY RECKONER ZONES FALLING IN
TOWNSHIP AREAS**

A	B	C	D	E	F
Sr. No.	RR Zone	Unit	Description as per Ready Reckoner	Land value of open land as per Ready Reckoner 2012 Per SqM for FSI-1.00	Proposed base rates per sqm per month for FSI 1.00 (as per 6 % return p.a. in terms of Land policy) on land Values as per Ready Reckoner 2012 01.10.12 TO 30.9.13 (6% return on Col 'E')
1	11/84A	2	On East Rafi Ahmad Kidwai Marg, on West T.Jeevraj Road upto P.Sawant Chowk on North Acharya Daunde Marg(King Edward Road) trangular portion of all the land.	40000	200
2	11/84B	2	Rafi Ahmed Kidwai Marg and Harbour railway line, narrow strip portion of land	48200	241
3	11/84E	2	Portion in between on East Harbour Railway line and on West Sewri Cross Road	58200	291
4	7/64	12	On west side Central Portion of Khamballa Hill having vertical slope on East side Javji Dadaji Marg (Tardeo Road) from Nana Chowk to Haji Ali Chowk on North Haji Ali Chowk and on South August Kranti Marg. All Portion surrounded by these Roads.	131000	655
5	10/78A	8	On West Shivdas champsi Marg and Dr. Mascrenas Road, on	34900	175

A	B	C	D	E	F
			East BPT Railway line, on North Sant Savtamali Marg and on South Jijabhai Mulji Rathod Marg. All the portion surrounded.		
6	3/35B	9	P.D'Mello Road	46600	233
7	7/66	12	West, South and East division boundary on North August Kranti Marg and Pandita Ramabai Marg . All the portion surrounded.	241100	1206
8	1/4	14	Onavy Nagar portion and colaba portion towards south of Dr. Homi Bhabha Road Navy Nagar, Tata Institute of Fundamental Research and Colaba Point	67800	339
9	13/97	13	Towards West Sasmira Road , On East and South ward boundary and on North Worli Gaothan Boundary	64400	322
10	15/105	1	All the properties of Salt Pan Division except Zone No. 15/105A	34000	170
11	2/34	Only Township Areas excluding Custom bond areas	Lokmanya Tilak Marg part from Phule Market to P.D'Mello Chowk	61500	308
12	3/36A		Lokmanya Tilak Marg on East side of PD Mello Road	58600	293

NOTES:

1. Actual quantum of Rent will be worked out on the base rent and factor as may be recommended by the committee appointed for the purpose of applicability of FSI.
2. Taxes, service charges, penalties, interest rates are not included in the above rates.

3. Rate for allotment of water bodies is applicable at 50% of the SOR rates.
4. Differential Arrears, liabilities and other dues/charges for a period from 01.10.2012 to 30.9.2017 will be calculated based on above rates.
5. Interest would be chargeable beyond permissible period as per Board's policy from time to time.
6. Whether demanded or not, rent/ compensation/ license fee for a month would have to be paid by the tenants/ lessees/ licensees/ occupants on or before the 15th day of each succeeding month.

**SOR 2017-2022 FOR REMAINING 9 READY RECKONER ZONES FALLING IN
TOWNSHIP AREAS**

Sr. No.	RR Zone	Unit	Division	Rates for land per Sq. Mtr. as on 01.10.2017 (in Rs.)	Rate per Sq. Mtr. per month @6% return per annum as on 01.10.17 as per PGLM 2015 (in Rs.)
1	96/436	1	Anik	53820	269
2	15/105	1	Salt Pan	53820	269
3	16/110	1	Matunga	115640	578
4	11/84E	2	Parel-Sewree	171310	857
5	13/97	14	Worli	113500	568
6	7/64	12	Malbar Hill	257500	1288
7	7/66	12	Malbar Hill	338100	1691
8	1/6	12	Colaba	331600	1658
9	Karanja	12	Karanja	11480	57

NOTES:

1. Actual quantum of Rent will be worked out on the base rent and factor as may be recommended by the committee appointed for the purpose of applicability of FSI.
2. Taxes, service charges, penalties, interest rates are not included in the above rates.
3. Rate for allotment of water bodies is applicable at 50% of the SOR rates.
4. Differential Arrears, liabilities and other dues/charges for a period from 01.10.2017 onwards.
5. Interest would be chargeable beyond permissible period as per Board's policy from time to time.
6. Whether demanded or not, rent/ compensation/ license fee for a month would have to be paid by the tenants/ lessees/ licensees/ occupants on or before the 15th day of each succeeding month.
