

Ease of Doing Business

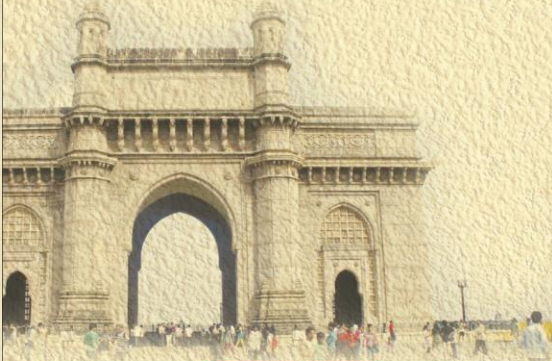
Reforms Undertaken
for
Construction Permits
in
INDIA



Narendra Modi
Prime Minister

EASE OF DOING BUSINESS: CONSTRUCTION PERMITS

Delhi and Mumbai have made it lot easier now.
51 other cities with million plus population to do so soon.



MUMBAI

- Time bound approvals under the State Right to Service Act, 2015
- Average time for approvals reduced from 365 days to 23 now
- Average time for commencement certificate reduced from 90 days to 9 now
- Average time for occupancy/completion certificate reduced from 90 days to 9 now

HOW IT IS EASIER NOW ?

- ✓ One stop solution
- ✓ Simplified single online application. No manual submission
- ✓ Automatic online fee calculator
- ✓ Online digitally signed building plan approval
- ✓ Common online request for completion certificate
- ✓ No need for any personal visits
- ✓ Colour Coded Zonal Maps for all NOCs like AAI, NMA etc.
- ✓ GIS based plot wise guidance for NOC available online
- ✓ Online payments to avoid physical visits
- ✓ About 30 processes reduced to 8
- ✓ No need for several affidavits. Now, only one undertaking
- ✓ No need to run to different agencies for NOCs, All integrated

And finally...

**Building plan approval in less than 30 days and
completion/occupancy certificate in less than 21 days**



DELHI

- 2100 Building plans sanctioned online since April 2016
- 30% sanctioned within 72 hours
- 28% in 4-7 days
- 42% in 8-29 days
- Deemed sanction on 31st day

www.mcgm.gov.in

If you had different experience, please do inform us at:

@MCGMConstPermit,

Helpline no: 09821957141

<http://AutoDCR.mcgm.gov.in>

Contact: Mr. Sanjay Nirmal (AE) : 09869022036



INITIATIVE LED BY
MINISTRY OF URBAN DEVELOPMENT
GOVERNMENT OF INDIA

www.mcdonline.gov.in

If you had different experience, please do inform us at:

Mail: mcd-ithelpdesk@mcd.gov.in

Helpline no: 011-23227413/14

MCD Ease of Doing Business

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Reforms undertaken: DELHI

1. Unified Building Bye-laws (UBBL) contains the provision for Online Single Window System for building plan approval.
2. Number of procedures during construction life cycle reduced from 29 (as noted in Doing Business Report 2017) to 8.
3. Qualification of professionals and accreditation to Professional Bodies for sanction of building plan notified.
4. Inspection for plinth level fast-paced based on Risk based classification.
5. Reduction in requirement of documents for sanction of building plan.

Reforms undertaken: DELHI

6. As per amended UBBL, complete process of building plan approval uptill issuance of Occupancy-cum-Completion Certificate (OCC) is to be completed in following 8 procedures:
 - i. Submission of application for sanction of building plan in Common Application Form (CAF) along with building permit fees, drawings and documents.
 - ii. Grant of sanction within stipulated period.
 - iii. Payment of requisite fees & charges, as applicable, and release of sanctioned building plan.
 - iv. Intimation of completion of work up to plinth level.
 - v. Plinth level inspection followed by issue of plinth level inspection certificate.
 - vi. Submission of application for issue of Occupancy-cum-Completion Certificate (OCC) in Common-Occupancy-cum-Completion Certificate Request Form (COCCRF) along with requisite fees, drawings and documents.
 - vii. Inspection by all concerned departments.
 - viii. Intimation of compounding fee and charges, if applicable, and release of OCC and completion plan.

Reforms undertaken: DELHI

7. Provision of deemed approval after 30 days
8. Plinth level inspection to be completed within 07 days, else deemed approval
9. Common Application Form (CAF) devised to captures all required information for Local Body and seeking NOC from all internal and external agencies.
10. Provision of Online Calculator for calculation of payment and e-payment system to one agency only (MCD) introduced.
11. Online single window system for complete process i.e. building plan approval, plinth level inspection and issuance of Occupancy-cum-Completion Certificate (OCC) which integrates seamlessly with all internal/external agencies.
12. Provision for Common Occupancy-cum-completion Requirement Form (COCCCRF) which captures requirement of all agencies for granting OCC.

Reforms undertaken: DELHI

13. COCCRF to be granted mandatorily within 22 days (15 days for inspection + 07 days for processing by MCD).
14. Maximum time in completing all the processes from building plan approval till issuance of OCC restricted to less than 60 days .
15. Criteria of qualification/certification/experience of professionals (architects, engineers, structural engineers, etc. has been defined.
16. Risk based classification of buildings introduced for fast-pacing the building plan approval, inspection and grant of occupancy-cum-completion certificate (OCC).
17. Provision for latent defect liability for architects/structural engineers/site engineers/construction company for structural flaws incorporated in UBBL.
18. Provision for requirement of decennial professional indemnity insurance for architects/contractors/structural engineers etc. incorporated.
19. Reduction of Water /Sewerage Connection reduced by Delhi Jal Board (DJB)

Reforms undertaken prior to DB Report – 2018

Municipal Corporation of Delhi

20. No NOC is required from Water/Sewerage Connection for building plan approval
21. No requirement for getting NOC from Delhi Pollution Control Committee (DPCC).
22. Colour Coded Zonal Map (CCZM) of different external agencies like AAI,NMA,DMRC superimposed on Delhi's GIS Map. Whole process has been significantly simplified and made user friendly. For every plot NoC requirement can be ascertained online and that part of CAF may be filled in by building proponent.
23. Requirement of affidavits has been done away with.
24. Requirement of notarized certificates done away with
25. Building proponents are being issued approved building plans online with digital signature, which is available online in downloadable format.

ALL THE AFOREMENTIONED REFORMS HAVE BEEN DULY UNDERTAKEN AFTER ISSUING ORDERS/AMENDMENTS/CIRCULARS WHICH HAVE BEEN UPLOADED OF MCD WEBSITE

IMPACT OF REFORMS: DELHI

1. Number of procedures reduced from 29 to 8.
2. Timeframe has been reduced from 238 days to 60 days.
3. Risk based classification for fast pacing building plan approval, inspection and OCC has positive impact on Building Quality Control Index.
4. Latent Defect Liability and Decennial Professional Indemnity Insurance provisions for the defects found after the building is brought to use.
5. DJB has significantly reduced the infrastructure costs for water and sewer connections. It has been reduced from Rs. 1,13,404/- for developed area to Rs. 11,320/- and from Rs. 9,81,090/- to Rs. 1,11,320/- for other areas in Delhi for a plot area of 929 sqm
6. DPCC has eliminated the requirement of NOC for DG sets.
7. The average time taken for building plan approval in Delhi in the last six months is 07 days.

EVIDENCE OF REFORMS: DELHI

1. Since April 2016, 2885 no. of plans were received; out of this 2466 were approved, 296 rejected and 123 are under approval process.
2. Average time taken in building plan approval for one year is 13.6 days.
3. 1,549 no. of building plans were approved in last 6 months with average time of 7 days.
4. 346 no. of building plans were approved in last 6 months within one day.
5. Deemed approval has been given in 74 no. of cases.
6. MCD is in touch with stakeholders through email and social media: Facebook, Twitter and Whatsapp.

Reforms undertaken : Mumbai

1. Total 08 procedures and Maximum Time 60 days
 - i. Submit Online application in Common Application Form(CAF): **½ Day**
 - ii. Receive Inspection and obtain NOC from various Departments :
(Parallel online process) - **22 days**
 - iii. IOD Process: Receive IOD and payment to be paid for CC: **07 days**
 - iv. Obtain Plinth CC: Request and receive plinth inspection,
obtain further C.C: **½ day**
 - v. Further CC: Request and receive plinth inspection, obtain further C.C: **7 Days**
 - vi. Common Completion Request Form (CCRF): Request completion
NOC from Tree, SWD, SO, T & C, CFO : **15 days**
 - vii. Request for OC/BCC: Request for an Occupancy Certificate(OC)
and Building Completion Certificate (BCC): **1 day**
 - viii. Obtain OC/BCC: Receive Final Inspection and OB and BCC : **7 days**
- Total: 60 days**

Reforms undertaken : Mumbai

2. Online building plan approval system with integration of all internal/external agencies operationalize since April 2016.
3. Common Application Form (CAF) devised to captures all required information for Local Body and seeking NOC from all internal and external agencies.
4. Provision of Online calculator for calculation of payment and e-payment system to one agency only (MCGM) introduced.
5. Maximum time in completing all the processes from building plan approval till issuance of OCC restricted to less than 60 days .
6. Only one certificate OCC online with digital signature.
7. No requirement of Non-Agriculture (NA) permission from Collector
8. Risk-Based Classifications in the DCR for fast-pacing building plan approval inspection and grant of OCC.

Reforms undertaken : Mumbai

9. Notification issued providing latent defect liability and decennial professional indemnity.
10. Requirement of on-site inspection obviated by online submission of video clip at various stages of building construction.
11. Provision for Common Occupancy-cum-completion Requirement Form (COCCCRF) which captures requirement of all agencies for granting OCC.
12. Building permits issued online with digital signature.
13. Colour Coded Zonal Map (CCZM) of different external agencies like AAI,NMA superimposed on Development Plan of Mumbai. Hence for every plot, one can find out NOC requirement and accordingly building proponent may fill up that part of CAF.
14. No NOC is required if the building area falls outside CCZM of any agency.
15. All the above reforms backed by Circulars and Notification of MCGM/Govt. of Maharashtra and are uploaded on MCGM website.

Impact of the Reforms: Mumbai

1. Number of procedures have been reduced from 42 (as per Doing Business Report 2017) to 08.
2. 36 procedures, listed in the last year's Doing Business Report, have now been eliminated
3. Total time taken in complete process, i.e. building plan approval till OCC reduced from 164 days (as per Doing Business Report 2017) to 60 days.
4. Completion and occupancy certificate merged which has reduced the total time taken by 14 days and procedure by one.
5. Risk based classification for fast pacing building plan approval, inspection and OCC has positive impact on Building Quality Control Index.
6. Latent Defect Liability and Decennial Professional Indemnity Insurance provisions for the defects found after the building is brought to use.

Impact of the Reforms : Mumbai

7. Submission of site videos has eliminated the requirement for site inspections reducing total time considerably.
8. Provision of Common Completion Request Form (CCRF) and making that available online has cut down time in getting occupancy-cum-completion certificate very significantly.
9. Tree cutting clearance upto 25 trees delegated to Municipal Commissioner, and integrated in CAF. This has cut down time by 30 days and procedure by 1.
10. Average time being taken in granting building plan approval in last 03 months is around 10 days.

EVIDENCE OF REFORMS : DELHI

1. Since April 2016, 2,552 no. of building plans were received for approval; out of this 1,332 were approved, 725 rejected and 245 are under approval process.
2. Average time taken in over last one year approval is 22.42 days
3. In last six months 1089 building plans were approved with average time of 20.8 days
4. 48 building plans have been approved within seven days in last six months.
5. MCGM is in contact with stakeholders through email and social media: Facebook, Twitter and Whatsapp.

ISSUES

- ❖ Regarding components related to cost of obtaining Building Permission, MoUD and DIPP have requested the World Bank to consider the cost of construction taking the actual Per Capita Income of Mumbai and Delhi instead of per capita income of India as a whole.
- ❖ As per the methodology of World Bank, Cost of obtaining construction permission (As a % of Construction) has 25% weightage This was reported in DB-2017 Report for Delhi and Mumbai as 26.7% and 25% respectively.
- ❖ The formula used for calculating cost of construction:
$$\text{(Construction Permit Cost)} / (50 \times \text{per Capita income of the country})$$
- ❖ India per capita income is \$1,593.3 whereas for Mumbai, it is \$7,005 and for Delhi it is \$12,747.
- ❖ Also as per Works' Cost Index , cost of construction of 1300 sq mtr area of warehouse is $1300 \times 25000 = \text{Rs } 3,25,00,000$ (US\$ 50,800)
- ❖ Thus, looking at the vast difference, it is proposed that instead of per capita income of the country, the values of Mumbai and Delhi needs to be considered.

ISSUES

- ❖ The methodology of world bank considers a hypothetical application of constructing a warehouse in Mumbai and Delhi. In these two cities, in the last five years, not a single application for construction of a warehouse has been submitted for approval. Therefore, respondents' response is based on perception and not real case.
- ❖ The entities which deal with issues regarding construction permits (ULB, State and Central Government) may be involved to put forth their claims of reforms with evidence.

Legal Basis of Abovementioned Reforms Undertaken - Delhi

Sl. No	REFORM	LINK
1 + 6 +7+8+9 +15 +16 + 17	UBBL – Notification for 1- Single Window System, 6-Provision for EODB, 7-OCC Certificate, 8-Deemed Approval, 9-Plinth Level Inspection, 15-Risk based classification, 16-Latent Defect Liability, 17-Decennial Professional Indemnity Insurance	http://deptewb.mcd.gov.in:18080/mcd_commonweb/DocumentViewer.view?uuid=1e23455d-f52b-4a03-a96c-8c067191ff3e&fileName=Unified%20Building%20Bye%20Laws%20for%20Delhi%202016
2	No of Procedures till Issuance of OCC	http://deptewb.mcd.gov.in:18080/mcd_commonweb/DocumentViewer.view?uuid=22409d3b-ec97-4c84-bc42-9a38bb093b0c&fileName=Circular%20Regarding%20Reduction%20in%20the%20number%20of%20procedures%20and%20Time%20in%20EODB%20Dated%2003/01/2017

Legal Basis of Abovementioned Reforms Undertaken - Delhi

Sl. No	REFORM	LINK
3 + 12 + 13 +14	3. Qualification of professionals and Accreditation to Professional bodies 12- COCCRF 13 - OCC 14 - Qualification of professionals	http://deptewb.mcd.gov.in:18080/mcd_commonweb/DocumentViewer.view?uuid=b592d714-384d-46dd-9982-480ad01287cb&fileName=Circular%20regarding%20Qualification%20of%20Professionals%20for%20sanction%20of%20Building%20Plans%20dated%2030/01/2017
4 + 11.b	Risk based Inspection	http://deptewb.mcd.gov.in:18080/mcd_commonweb/DocumentViewer.view?uuid=9d4f0500-449f-4926-8e48-b4863fecea32&fileName=Circular%20regarding%20Risk%20Based%20Inspection%20for%20Plinth%20Level%20Intimation%20dated%2030/01/2017
5	Requirement of documents	http://deptewb.mcd.gov.in:18080/mcd_commonweb/DocumentViewer.view?uuid=e06800ae-9d77-41ce-a56b-e48a08c441f1&fileName=Circular%20reg%20Requirement%20of%20documents-online%20Sanction%20of%20Building%20Plans-EODB%20dated%2023.02.2017

Legal Basis of Abovementioned Reforms Undertaken - Delhi

Sl. No	REFORM	LINK
10 + 11.c	10. CAF - Integration with Internal and External Agencies 11. C - Integration with Forest Department	http://deptewb.mcd.gov.in:18080/mcd_commonweb/DocumentViewer.view?uuid=9f520ebd-1eaf-4fcc-af8e-c5b2398a7494&fileName=Circular%20regarding%20Integration%20of%20NOC%20Departments%20%20Dated%2031/03/2015 -
11.a	Integration with DPCC & Tree Cutting Authority	http://deptewb.mcd.gov.in:18080/mcd_commonweb/DocumentViewer.view?uuid=caa4878c-27e0-4f35-9a3a-2c2b95877fea&fileName=Circular%20regarding%20Integration%20of%20DPCC%20&%20Forest%20Deptt.%20with%20CAF%20of%20MCD%20Dated%2030.03.2017
18	Infrastructure and Development Charges	http://deptewb.mcd.gov.in:18080/mcd_commonweb/DocumentViewer.view?uuid=9f520ebd-1eaf-4fcc-af8e-c5b2398a7494&fileName=Circular%20regarding%20Integration%20of%20NOC%20Departments%20%20Dated%2031/03/2015
19	Exemption of NOC from DJB & DISCOM	http://deptewb.mcd.gov.in:18080/mcd_commonweb/DocumentViewer.view?uuid=59195a5f-474d-4281-b28f-4e52051df666&fileName=Circular%20regarding%20No%20Requirement%20of%20NOC%20from%20DJB%20&%20DISCOM%20for%20Online%20Plans%20Dated%2030.03.2017

20

Legal Basis of Abovementioned Reforms Undertaken - Delhi

Sl. No	REFORM	LINK
20	Integration of DPCC in CAF	http://deptewb.mcd.gov.in:18080/mcd_commonweb/DocumentViewer.view?uuid=4c68dd8d-ce3e-4124-a3dd-6526a037b02c&fileName=Office%20Memorandum%20of%20DPCC%20regarding%20EODB%20dated%2008/02/2017
21	Integration of CCZM with GSDL	http://deptewb.mcd.gov.in:18080/mcd_commonweb/DocumentViewer.view?uuid=7a2d2567-530e-4d3b-be28-11206058063e&fileName=Circular%20reg.%20Colour%20Coded%20Zonal%20Maps%20(CCZMs)%20of%20the%20NOC%20Departments%20dated%2031/01/2017
22	E- Undertaking for Sanction of Building Plan	http://deptewb.mcd.gov.in:18080/mcd_commonweb/DocumentViewer.view?uuid=ad976ac3-967c-4578-8b87-ac399debebef&fileName=Circular%20reg.%20e-undertaking%20under%20EODB%20Dated%2006.03.2017
23	Issuance of Digitally Sign Sanction Letter	http://deptewb.mcd.gov.in:18080/mcd_commonweb/DocumentViewer.view?uuid=1d2149e1-e636-433f-8e57-952649681799&fileName=Circular%20regarding%20CAF%20&%20Digital%20Signatures%20in%20EODB%20dated%2004/04/2016

Legal Basis of Abovementioned Reforms Undertaken - Mumbai

Sl. No	REFORM	LINK
1	Reduction in Number of Procedures	http://portal.mcgm.gov.in/irj/go/km/docs/documents/MCGM%20Department%20List/Chief%20Engineer%20(Development%20Plan)/Docs/EODB%20Construction%20Permit%20Circular/Ease%20of%20Doing%20Business/8%20Process%20Circular.pdf
2 + 3	2 - Single Window Clearance Log In System 3 - Client Log In	http://autodcr.mcgm.gov.in/SWC.Client/Login.aspx
4	Maharashtra Right to service Act, 2015	http://bombayhighcourt.nic.in/libweb/acts/Stateact/2015acts/2015.31.pdf
5	Maharashtra Regional And Town Planning Act -1966	http://dtp.maharashtra.gov.in/site/forms/admin/ddtp/konkan/Greater_Bombay/DP/PARTPLAN/(Ward%20No.K_W)/US_50/Mumbai_ward_K_W_Mo2_s50.pdf
6	MCGM Portal	http://portal.mcgm.gov.in/irj/portal/anonymous/qldecreg
7	Risk Base Categorization of Fast Track Approval	http://portal.mcgm.gov.in/irj/go/km/docs/documents/MCGM%20Department%20List/Chief%20Engineer%20(Development%20Plan)/Docs/EODB%20Construction%20Permit%20Circular/Ease%20of%20Doing%20Business/Risk%20base%20approval.pdf

Legal Basis of Abovementioned Reforms Undertaken - Mumbai

Sl. No	REFORM	LINK
8	Latent Defect Liability	http://portal.mcgm.gov.in/irj/go/km/docs/documents/MCGM%20Department%20List/Chief%20Engineer%20(Development%20Plan)/Docs/EODB%20Construction%20Permit%20Circular/Ease%20of%20Doing%20Business/Latent%20Defect%20Liability%20%20notification%20dt.8%20march%202017.pdf
9	Online Submission of Site Inspection Video Clip	http://portal.mcgm.gov.in/irj/go/km/docs/documents/MCGM%20Department%20List/Chief%20Engineer%20(Development%20Plan)/Docs/EODB%20Construction%20Permit%20Circular/Ease%20of%20Doing%20Business/Online%20Submission%20of%20Site%20Inspection%20site%20inspection%20Video%20Clip%20at%20various%20stages%20of%20Building%20Proposal.pdf
10	Reduction of Number of Procedures	http://portal.mcgm.gov.in/irj/go/km/docs/documents/MCGM%20Department%20List/Chief%20Engineer%20(Development%20Plan)/Docs/EODB%20Construction%20Permit%20Circular/Ease%20of%20Doing%20Business/8%20Process%20Circular.pdf
11 + 12 + 13	11 - GIS Maps 12 - GIS Maps 13 - GIS Maps	http://srdp1991.mcgm.gov.in/dpGis/

THANK YOU