



Dairy No. 678

Date 21/06/12

Chetan B. Sanghi, IAS

Commissioner & Secretary Industries
Govt. of N.C.T. of Delhi
CMD, DSIIDC Ltd.

Comd. (Pig) - II

Despatch No. 477

Date 20/6/2012

DSIIDCDelhi State Industrial and
Infrastructure Development
Corporation Ltd.
A Government UndertakingDO.NO:DSIIDC/ED/PS/2012/1486
DATED: 19th June, 2012

Dear Sir,

The Master Plan-2021 is being reviewed. Besides other suggestions being sent by Govt. of Delhi, one of the suggestions we have made is that service sector should be considered as an industry and should be allowed to function in the industrial areas. This issue was also discussed in a meeting with Hon'ble L.G. and it was desired that a list of services to be allowed in industrial areas should be identified and sent to DDA for consideration. It was suggested that World Trade Organization (WTO) has classified a list of services which may be examined. The list of service sector classified by World Trade Organization has been examined. It is proposed that the following broad services need to be included to be considered as industry and allowed in industrial areas.

1. Business Services
2. Communication Services
3. Construction and Related Engineering Services
4. Distribution Services
5. Educational Services
6. Environmental Services
7. Financial Services
8. Health Related and Social Services
9. Tourism and Travel Related Services
10. Recreational, Cultural and Sporting Services
11. Transport Services

You are requested to kindly consider the above proposed amendment in Master Plan-2021.

Warm regards,

Yours sincerely,

(Chetan B. Sanghi)

Shri G.S. Patnaik, IAS
Vice Chairman, DDA,
Vikas Sadan, INA,
New Delhi.T: +91 11 2373 6927 F: +91 11 2335 7631 M: +91 99683 09449
E: md@dsiidc.org www.dsiidc.org

P.T.O

चेतन बी. संधी भा.प्र.से.

सचिव व उद्योग आयुक्त

Chetan B. Sanghi - IAS

Secretary-cum-Commissioner



सत्यमेव जयते

उद्योग विभाग

राष्ट्रीय राजधानी क्षेत्र दिल्ली सरकार

उद्योग सदन, प्लॉट नं. 419

पटपड़गंज, दिल्ली - 110 092

Department of Industries

Govt. of National Capital Territory of Delhi

"UDYOG SADAN", Functional Indl. Estate

Patparganj, Delhi - 110 092

Tel. : 22157011, Fax No. : 22157022

E-mail : comind@nic.in

D.O. Letter No. : C1/PS/2011/3044

Dated. 09/12/2011

Dear Sir,

The review of Master Plan of Delhi-2021 (MPD-2021) is being carried out by DDA. Enclosed are comments of Govt. of Delhi suggesting changes required in Master Plan of Delhi-2021 with regard to redevelopment of Industries (in Chapter-7)

It is believed that these changes would be meaningful for industries and growth of Delhi as a city.

It is requested that these may please be got incorporated in the MPD-2021, even before the mid-term review of MPD-2021, if possible.

With Best Regards,

Yours sincerely,

(Chetan B. Sanghi)

Sh. G.S. Patnaik, IAS

Vice Chairman,

Delhi Development Authority,

Vikas Sadan, INA,

New Delhi

REVIEW OF MASTER PLAN FOR DELHI-2021 DUE IN 2012

(APPROACH PAPER)

Chapter 18 of the Master Plan for Delhi-2021 (MPD-2021) provides for Plan Review and Monitoring from time to time for each of the various aspects of the Master Plan. The monitoring framework as envisaged in the MPD -2021 has been considered essential for:

- (1) Effective implementation of plan within the plan period, thereby achieving the intended targets.
- (2) Respond to the changing socio-economic needs of the people of the city.
- (3) To check unintended growth within the city.
- (4) Time lags between various implementation schemes and emerging needs of the people.
- (5) Review the appropriateness of the plan policies.

Monitoring framework for targets of the MPD-2021 has been divided in three phases. First phase is upto 2011. Therefore, review to assess the achievements in indifferent sectors is due in 2012.

2. The MPD-2021 envisages monitoring framework in respect of Industries Sector as three years for the following:-

(I) Redevelopment / Upgradation

(II) New locations in urban extension

3. Para 18.5 of the MPD-2021 provides that the timely review of the plan with the help of various groups and monitoring units shall ensure mid-term correction and modifications if needed in the Plan Policies as well as the implementation procedures, which will help to readjust the events in the plan that could not be foreseen or anticipated during the Plan Formulation. If the plan is timely monitored and appropriately reviewed, the policies can be moulded in the right direction according to the present needs of the people of the city.

4. Status in respect of each aspect pertaining to industry sector is given below:-

(i) **Redevelopment / Upgradation**

Master Plan for Delhi – 2021 envisages formulation of industrial area redevelopment schemes / guidelines to cover the following aspects:-

- (i) Modernization and upgradation of existing planned industrial areas; and
- (ii) Redevelopment of areas, which have become industrialised over the period of the two Master Plans even though not designated as such.

146

The Delhi Development Authority has notified 'Guidelines for Redevelopment of Existing Planned Industrial Areas' with the approval of Union Ministry of Urban Development. Guidelines for redevelopment of unplanned industrial areas are likely to be issued shortly by the Delhi Development Authority.

It was felt that the draft guidelines circulated by Ministry of Urban Development would not be very effective for implementing redevelopment of these areas looking at the nature of existing development there. It was, therefore, proposed that the guidelines should be amended appropriately. The proposal for amendment of guidelines which would also require some amendments to the Master Plan is enclosed as **Annexure-I.**

M.P.
Section

(ii) **New locations in Urban Extension**

(i) Para 3.2 of MPD-2021 states that about 48 lakhs additional population is to be accommodated in the future urban extensions to meet the needs of the projected population of 230 lakhs by the year 2021. MPD – 2021 recommends a three pronged strategy:

(a) To encourage the population to deflect in the NCR towns.

(b) To increase the population holding capacity of the area within existing urban limits through redevelopment; and

(c) Extension of the present urban limits to the extent necessary.

(ii) NCR Plan 2021 has proposed the availability of urbanisable land in NCT Delhi for 2021, which is of the order of 27,628.90 Ha. This included unplanned and built up area. The total urbanisable area 2021 is of the order of 97790.90 Ha which is 65.94% of the total geographical area (1,48,300 Ha) of NCT of Delhi.

(iii) Para 3.2.1. of the MPD-2021 provides that land in the Urban Extension is proposed to be broadly distributed in different land uses in the following manner:-

Land use	% of land
Residential	45-55
Commercial	4-5
Industrial	4-5
Green / Recreational	15-20
Public & Semi Public Facilities	8-10
Circulation	10-12

(iv) Taking percentage of land under industrial land use as 4.5% (arithmetic mean of 4 and 5), total share of industrial land in NCT of Delhi works out to $\left[\frac{4.5 \times 97790.90}{100} \right]$ i.e. 4400.59 Ha. Similarly, total share of industrial land with reference to the proposed availability of urbanisable land in NCT Delhi for 2021 works out to $\left[\frac{4.5 \times 27628.90}{100} \right]$ i.e. 1243.30 Ha.

(v) The status regarding the existing land under industrial use is given below:-

(i) Total land in approved industrial areas.	2257.0 Ha
(ii) Total land in flatted factories complexes	20.0 Ha
(iii) Total land being developed by the DSIIDC	456.0 Ha
(iv) Total land in non-conforming industrial clusters notified for redevelopment	550.0 Ha
Total	3283.0 Ha

Thus, land to be put under industrial use works out to $[4400.59 - 3283]$ i.e. 1117.59 ha. i.e. 2793.98 or say 2794 acres. This land needs to be identified in the urban extension.

5. Keeping in view the aforementioned background and the facts and figures contained therein, the following proposals are submitted for consideration please:

(1) Development of new industrial areas in NCT of Delhi:

(a) That a provision of 2794 acre of land may be made in the future Urban Extensions for industrial land use.

(b) MPD-2021 envisages that development of new industrial areas in Greenfield areas of NCT of Delhi should be largely planned for the purpose of relocation of permissible industries from non-conforming clusters that are not eligible for regularisation / development and for the development of a limited type of new industries covered under hi-Tech category. However, Sub-Regional Plan for NCT of Delhi formulated by the NCR Planning Board envisages that no more industrial areas should be developed in NCT of Delhi which is in contradiction to the provisions contained in the MPD-2021. Therefore, with a view to keep parity in both the plans i.e. MPD-2021 and Sub-Regional Plan for NCT OF Delhi, it is proposed that the Sub- Regional Plan for NCT of Delhi, may be amended to provide for development of new industrial areas in NCT of Delhi

(2) Permissible activities in the Industrial Areas:

(a) As per para 7.7 of MPD-2021, development of new industrial areas in Greenfield areas of NCT of Delhi should be largely planned for the purpose of relocation of existing industries and for the development of a limited type of new industries for the following purposes: Relocation of permissible industries form the non-conforming clusters that are not eligible for regularization / development; and

144

(b) Green field sites for the following Hi-tech industries.

- (i) Computer hardware and software industry and industries doing system integration using computer hardware and software.
- (ii) Packaging
- (iii) Industries integrating and manipulating the interfaces of the computers and telecom facilities.
- (iv) Industries catering to the information needs of users by providing databases or access to databases spread throughout the globe.
- (v) Industries providing the facilities for sophisticated testing of different or all components of the information technology.
- (vi) Electronic goods
- (vii) Service and repair of TV and other electronic items.
- (viii) Photo composing and desktop publication.
- (ix) TV and video programme production.
- (x) Textile designing and fabric testing etc.
- (xi) Biotechnology
- (xii) Telecommunications and enabling services.
- (xiii) Gems and jewellery.

(B) The Government of NCT of Delhi has recently pronounced 'Industrial Policy' 2010-2021 for the NCT of Delhi which provides for promotion of knowledge based industries and service sector activities for the following reasons:-

- (i) Delhi has a large skill base. An NCAER study –“India Science Report-2005” points out that 30% of Delhi's workforce has educational qualification (degree / diploma) to pursue occupations in engineering, medicine, law, accounting, consultancy etc. In fact, among all the States, Delhi has the largest share of workforce so skilled, indicating that the State is ideal for knowledge-based economic activities like IT/ITeS services, financial and business services, designing, R&D etc.
- (ii) The previous industrial policy for NCT of Delhi was focussed on encouraging manufacturing sector in Delhi and creating employment with minimum strain on Delhi's scarce resources. The result was that the share of secondary sector in State income went up from 25% in 1982 to nearly 80% in 1999-2000.
- (iii) Post 2000, however, the trend reversed, with the share of secondary sector diminishing to 20% and tertiary sector taking over, with a share of 80%.

(iv) This trend mirrored the transition of India to a service-sector dominated economy due to leaps taken in technology sector. Globalisation of economies, preference for outsourcing to low-cost destinations and India's pool of educated and English speaking workforce led to emergence of India as a major IT, ITeS and outsourcing destination.

(v) While growth of IT /ITeS and financial services sector led the service sector growth in India, Delhi's service sector continues to be dominated by trade and retail.

(C) In addition to above, it is also mentioned that as per Section 2(e) 'the Micro, small and Medium Enterprises Development Act, 2006, the term "enterprise" has been defined as under:-

'enterprise' means an industrial undertaking or a business concern or any other establishment, by whatever name called, engaged in the manufacture or production of goods, in any manner, pertaining to any industry specified in the First Schedule to the Industries (Development and Regulation Act, 1951 or engaged in providing or rendering of any service or services;'

Section 7 of the said Act contains classification of enterprises as under:-

(a) In the case of the enterprises engaged in the manufacture or production of goods pertaining to any industry specified in the First Schedule to the Industries Development and Regulation) Act, 1951, as-

(i) a micro enterprise, where the investment in plant and machinery does not exceed twenty-five lakh rupees;

(ii) a small enterprise, where the investment in plant and machinery is more than twenty-five lakh rupees but does not exceed five crore rupees;

(iii) a medium enterprise, where the investment in plant and machinery is more than five crore rupees but does not exceed ten crore rupees;

(b) in the case of the enterprises engaged in providing or rendering of services, as-

(i) a micro enterprise, where the investment in equipment does not exceed ten lakh rupees;

(ii) a small enterprise, where the investment in equipment is more than ten lakh rupees but does not exceed two crore rupees; or

(iii) a medium enterprise, where the investment in equipment is more than two crore rupees but does not exceed five crore rupees.

142

Activities covered under service category under the MSMED Act, 2006 circulated by the Office of the Development Commissioner (MSME), Ministry of MSME, Govt of India is enclosed as **Annexure II**.

Similarly list of taxable services drawn by the Central Excise Department is enclosed as **Annexure III**.

6. Trade, Commerce and Industry are interlinked sectors. A policy direction for industries will impact on trade and commerce and vice-versa. Further, any industrial area would require commercial establishments and facilities to support industrial activities, especially those relating to Knowledge Based Industries in Delhi.

Exports play a significant role in furthering the business of Knowledge Based Industries that are to be promoted in Delhi. Outsourcing now has also become a trend in high-technology manufacturing sectors like electronics.

Commercial activities in Delhi are mainly regulated by its Master Plan provisions. However, given its status as a metro city with good infrastructure, Delhi is fast turning into a commercial hub. It is felt that service activities may be allowed in industrial areas.

7. Keeping in view the ground realities, provisions of the Industrial Policy for NCT of Delhi- 2010-2021 and the categorisation of industry and service sector activities under the MSMED Act, 2006, following suggestions are submitted for consideration please:-

re. (Activities categorised by the Ministry of MSME as service sector activities under the MSMED Act, 2006 and the activities covered in the list of taxable services as service activities may be allowed in industrial areas.) The promotion of service activities in industrial areas has the following advantages:-

- (a) These activities are cleaner and much less infrastructure intensive than manufacturing activities.
- (b) Most of these activities are industry related activities.
- (c) these activities require skilled manpower and as such shall keep in migration of unskilled labour to minimum.

8. **Linking redevelopment of industrial areas with Transfer of Development Rights (TDR) mechanism**

- (i) The Delhi Development Authority has recently notified guidelines for redevelopment planned industrial areas with the approval of Union Ministry of Urban Development. Guidelines for redevelopment of unplanned industrial areas are also likely to be issued by the DDA shortly.

141

(ii) Transfer of Development Rights (TDRs) are now being used extensively in urban areas to expedite redevelopment. MPD-2021 provides for use of TDRs but only for redevelopment for JJ clusters etc. [para 4.2.3.1 of MPD02021].

(iii) Therefore, redevelopment of industrial areas through land amalgamation and linking it to TDRs mechanism needs to be encouraged.

(iv) The land amalgamation and TDR model of redevelopment may be based on following principles:-

- (i) Identifying the area to be redeveloped.
- (ii) Developer entity which can be a single developer or a group of landowners, amalgamate or pool of land in the industrial area, as per the guidelines laid down by DDA. The developer entity can be from private or the Government sector.
- (iii) The developer, who gets the development licence for a specified period, will build the available area as per the norms laid down by the Master Plan and the regulations of DDA. Adequate provisions for roads, CETP infrastructure, warehouses, parking etc. will have to be made.
- (iv) The existing units, which have ceded land for redevelopment, may be given an option of getting space of same floor area but with better facilities in the redeveloped area in exchange (replacement unit). Only that space which was being used in consonance with the Master Plan provisions will qualify for such exchange.
- (v) The existing unit which is ceding land for specified 'public facility' may be given TDRs in proportion to land surrendered in form of development right certificates.

(vi) The developing entity may be granted TDRs or development right certificates for developing the replacement units.

9. Para 7.8 of the Master Plan proposes for development control norms for industrial areas/plots. The maximum height allowed in case of flatted group industries is 26 meters. This height restriction results in an inefficient use of ground space with the improvement in technology and with the stress high-tech and knowledge based industrial in Delhi. There is a need to go vertical industrial areas leaving larger ground space for green areas and parking. It is, therefore, suggested that the height restriction for flatted group industries should be changed to no restriction (subject to clearance from AI/Fire Department) as is being done in case of residential group housing.

10. The Industrial Policy of Delhi prescribes for development of industrial areas so that the concept of walk to work is encouraged. This requires that the housing for people working in the industrial areas should be provided within the industrial areas. However, para 7.8 of the Master Plan does not allow development of any residential housing in the industrial area. It is, therefore, suggested that the residential housing component should also be incorporated in the norms of development of industrial areas.

140

11. Para 4.2.1 of the Master Plan-2021 provides for development of new housing area and is quoted below: -

"Even if the assumptions regarding the extent of housing that could be met by redevelopment of the existing areas actually materialize, there would still be a need for the development of housing to the extent of at least 75,000 DUs per annum in different categories. This implies that specific plans would have to be evolved by DDA with the approval of the Competent Authority and action be taken with reference to the following:

- i. Determination of area requirement.*
- ii. Identification of the areas for urbanization/housing development*
- iii. Evolving the pattern and norms for new housing development*
- iv. The mode and manner of development, and the roles of the private and public sectors in this process.*

As already indicated, more than 50% of the new housing would be in the form of one and two room units with average plinth area of about 25 sq.m. to 40 sq.m. The average plinth area per house to be achieved in various neighbourhoods will also depend on composition of various income groups to be accommodated in the composite housing schemes.

This policy should indicate that EWS & LIG houses after construction by a private group shall be handed over to the nodal agency/agencies and these should be allotted to eligible beneficiaries.

The new housing developed through the aforementioned methods should be based on a composite area basis and should cater to the special needs of elderly, handicapped and single occupants. With these aspects and planning norms, the land required to be developed in new housing will be to the tune of around 450-500 ha. per annum."

In line with the recommendations broadly the area requirement has been determined and areas for urbanization/ housing development has also been identified in the Zonal Plan finalized by DDA. In the Zonal Plan the area to be developed as residential has been identified. However, the policy for development of these residential areas, the mode and manner of development and the roles of the private and public sectors has not been formulized. Since a large number of houses of these areas shall be used for economically weaker section of the Society and also for industrial workers housing including those involved in service sector industry, the policy in this regard needs to be finalized at the earliest and therefore, should be done along with review of the Master Plan.

Annexure-I

Comparison of the present guidelines and modifications

S. No.	Recommendations in draft guidelines	Modifications suggested in consultation with Associations
i)	The cluster should have direct approach from a road of atleast 18 m ROW.	No change
ii)	Formation of Society comprising of all plot owners shall be mandatory to facilitate preparation of redevelopment plan, pollution control and environmental management, development of services and parking and maintenance.	No change
iii)	Only permissible industries having clearance from DPCC shall be permitted.	No change
iv)	Amalgamation and reconstitution of plots shall be permissible for redevelopment.	The lesser needs to give no objection/clearance on board to the industrial plot owner to amalgamate the plots and later to apply for freehold rights. If the individual plot owner is required to approach for such no objection/clearance the amalgamation will not take place.
v)	All the units shall have to obtain the statutory clearances. The industrial units shall have separate electric connections.	No change
vi) a)	Minimum 10% area is to be reserved for circulation/roads/service lanes.	When we are specifying the road width in relation to size of plot reservation of 10% area for roads becomes superfluous. This needs to be omitted.
b)	Minimum 10% of semi-permeable surface for parking and loading/ unloading areas.	Loading and unloading will be strictly inside the plots for any size. For plots more than 100 sqmt in area minimum 3-mt setback will be left for loading and unloading.
c)	Minimum 10% of total area to be reserved for infrastructure requirements like CETP, Sub-Station, Pump House, Fire Station, Police Post etc. as per the norms.	Only those facilities be insisted upon which are not available in the vicinity. Fire stations, police stations CETP may not be required if available in the vicinity. The area specific facilities be insisted upon.
d)	Preparation of Plan for water supply from DJB/Central Ground Water Authority (wherever required) along with	All the units will have to obtain statutory clearances and will have separate electric connections. All the industrial areas now has been

	requirement for pumping stations, storage tanks, ground water recharging/ rainwater harvesting; and Drainage plan as per norms.	recognized as industrial in Zonal Plans the Industries falling in these areas will be considered for providing interim clearances such as DPPC, Factory License, SSI registration, MCD and Electricity Authority.
e)	8% of the cluster area shall be reserved for parks/green buffer	This may be kept as optional as in many areas such spaces may not be available. 5% open area to be provided in case of amalgamation of plots.
f)	Plots measuring more than 100 sqm to have minimum 9.0 m ROW	No change
g)	Plots measuring less than 100 sqm to have minimum 7.5 m ROW.	Plots measuring 100 sqmt and below to have road width of 5 mt minimum and preferable 7.5 mt. All Existing road widths if more than 5 mt will be maintained.
h)	Common parking to be provided for plots below 60 sqm, whereas for plots above 60 sqm front set back (min. 3 m) shall be provided without boundary wall for parking and loading and unloading.	The coverage and setbacks shall not be insisted upon provided the FAR is as permissible in Master plan subject to adherence to road widths. No projections outside the plot of any nature. Individual plot owner with an area of 1000 sqmt and above will be permitted to develop public parking as per the Master plan. Max floor space shall be 2500sqmt(250FAR) including 10% or 40FAR whichever less for commercial component.
	OTHER SUGGESTIONS	
i)		In case of amalgamation of plots minimum area shall be 500 sqmts. The FAR will be 1.5 times the permissible FAR as per MPD 2021 on individual plots before amalgamation. All other development controls will be same as for industrial plot of 500 sqmt stated in master plan 2021.
j)		If any land required for road widening in Individual plot or in an amalgamated plot in addition to FAR permitted FAR of land surrendered will be given as an incentive.
k)		Industrial activity consuming electricity more than 80kw will have to accommodate the ESS inside the plot, for rest the system in operation to continue.

l)		If any plot owner is willing to spare his land for Facility he will be entitled to TDR equivalent to the FAR permissible on that plot and can be sold to any amalgamated plot in that area or any other industrial cluster.
m)		No charges on enhanced FAR as an incentive if redevelopment is completed by the agency or society within 5 years from the date of approval of plans, only extra services charges are to be paid. All plot owners also have to get their bldg plans regularized in that period.
n)		As in case of villages and unauthorized colonies we do not insist on set back and ground coverage. FAR and Height will be as per Master Plan and incentive FAR given above. Every part of the building will be part of FAR except the area for parking. 10% of the permissible FAR will be allowed over and above the permissible FAR for building services.
o)		All projections or ramp if any outside the plot line will be removed in totality. Stacking of goods, or any flexible/temporary projection on the public land not allowed.
p)		Areas which fail to implement their redevelopment plans within the prescribed period will get extension of another one year on the payment of enhanced FAR charges and twice the services charges. Failing which no industrial licenses will be renewed and industries will have to close down with immediate effect. The area will revert back as residential area and will be governed as per norms for redevelopment of residential areas.
q)		Mixed use (Non industrial use) to the extent of 40% of the permissible FAR will be allowed on all plots and on any floor if the plots are redeveloped with amalgamation. In all other plots it will be restricted to only 10% of the permissible FAR.
r)		In case of plots more than 400 sqmt flatted factories as per norms given in master plan would be allowed.

s)		All industries listed in Group A in Master Plan 2021 are permissible in these areas.
vii)	Other provisions development as per norms shall be applicable as prescribed depending upon ground conditions. The Technical Committee of DDA may relax the norms up to 10%.	
viii)	The redevelopment work may be undertaken by the societies voluntarily or by the concerned local body/ agencies. In case the agencies take up the redevelopment work for execution, they shall collect the charges from the individual industries themselves directly. Requisite charges for change in land use, enhanced FAR and land (wherever applicable) would be required to be paid to the concerned authority.	
ix)	The redevelopment shall be completed within the period specified by the Delhi Development Authority, Local Bodies in this regard. Clusters, which fail to complete the redevelopment proposals within the period specified as above, shall have to shift to other conforming industrial areas and the units functioning in non-conforming clusters shall have to close down. In such cases, the licensing authority will not renew/issue the licenses to industrial units without obtaining land use clearance from the competent authority. Further, no new licenses will be issued in non-conforming areas without obtaining land use clearance.	
x)	The following areas shall not be eligible for industrial clusters redevelopment scheme: Bungalow Zone (New Delhi & Civil Lines), the Ridge, River Bed (Zone-O), areas along water bodies, canals, sensitive areas from security point of view, conservation & heritage areas,	

	reserved/protected forests, DDA flats, Cooperative Group Housing Societies, Government flats/bungalows/employer housing etc. and their immediate proximity.	
	OTHER CONDITIONS	
i)	All the Redevelopment Schemes under these guidelines shall conform the statutory provisions/ requirements/ DDA Act, 1957 and Master Plan stipulations.	No change
ii)	Redevelopment plans of individual industrial clusters will have to be prepared by the concerned societies and thereafter approved by the concerned local authority/MCD. The redevelopment shall be completed within three years from the date of approval of such plans.	No change
iii)	The concerned local body and the stakeholders will workout the mechanism for implementation of the scheme in time bound manner and the recovery of stipulated levies/charges.	No change

134

ANNEXURE II

Categorization of activities under Service under MSMED Act 2006 by the Office of the Development commissioner (MSME), Ministry of MSME, Govt. of India

1.	Vide Circular No. 5(6)/2011-MSME-POL, dated 10.3.2011	1. Medical Transcription Service, 2. Production of T.V. Serial and other T.V. Programmes, 3. Ripening of Raw Fruits under controlled conditions, [subject to norms prescribed by Food Safety and Standards authority of India, (Ministry of Health and Family Welfare, Government of India)] 4. Service Rating Agency (Rating and grading services across sectors based on set methodology and standards)
2.	Vide circular No. 5(6)2/2009-MSME-POL, dated 04.6.2009	(i) Sanitation Services (Hiring of Septic Tank Cleaner) (ii) Clinical / Pathological laboratories and Scanning. MRI Tests (iii) Hospitals (iv) Agri-clinic and Agri Business (v) Restaurants with bar (vi) Canteens (vii) Hotels (viii) Motel Industry
3.	Vide circular No. 5(6)2/2009-MSME-POL, dated 12.6.2009	(i) Consultancy Services including Management Services (ii) Renting of Agricultural machinery (Harvesting) (iii) Composite broker Services in Risk and Insurance management (iv) Third party Administration (TPA) Services for medical Insurance claims of Policy Holders (v) Seed Grading Services (vi) Training-cum-Incubator centre (vii) Educational Institutions (viii) Training Institutes (ix) Retail Trade (x) Practice of Law i.e. legal services (xi) Trading in medical instruments (brand new) (xii) Placement and Management Consultancy Services (xiii) Advertising agency and Training centres
4.	Vide circular No. 5(6)2/2009-MSME-POL, dated 21.7.2009	(i) Educational Institutions (ii) Development of Software and providing software services

133

ANNEXURE- III

List of services						
List of Taxable Services						
Accounting Codes of Service Tax (Major Head 0044)						
Sr. No.	CODE	Services Name	Date of Introduction	Accounting Codes Tax Collection	Interest/Penalty/Other Receipts	Deduct Refunds
1	ADV	Advertising Agency	24/10/1996	00440013	00440015	00440017
2	ADS	Advertising space or time (other than print media)	23/04/2006	00440354	00440355	00440356
3	ATS	Air Transport of passengers	23/04/2006	00440362	00440363	00440364
4	AIR	Air Travel Agency	23/06/1997	00440032	00440033	00440034
5	APS	Airport Services	02/09/2004	00440258	00440259	00440260
6	ARC	Architects Services	08/10/1998	00440072	00440073	00440074
7	AMN	Asset management (other than Banking company)	24/05/2007	00440418	00440419	00440420
8	ATM	ATM Operations Management or Maintenance	23/04/2006	00440346	00440347	00440348
9	AUS	Auctioneers Service, other than auction of property under directions or orders of a court of or auction by Central Govt.	23/04/2006	00440370	00440371	00440372
10	BFN	Banking & Other Financial Services also includes foreign exchange broking and purchase or sale of foreign currency	08/07/2001	00440173	00440174	00440175
11	SMV	Servicing of Motor Vehicles(Authorised Service Station)	08/07/2001	00440181	00440182	00440183
12	IAX	Insurance Auxiliary	16.07.2001 / 16.08.2002	00440169	00440170	00440171
13	BTY	Beauty Parlours	08/08/2002	00440209	00440210	00440211
14	BRD	Broadcasting Services	08/07/2001	00440165	00440166	00440167
15	BAS	Business Auxiliary Services including promotion or marketing or all games of chance whether or not conducted online i.e. lottery, lotto, bingo etc.	23/06/2003	00440225	00440226	00440227
16	BES	Business And Exhibition Service	02/09/2004	00440254	00440255	00440256
17	BSS	Business Support Services	23/04/2006	00440366	00440367	00440368
18	CBL	Cable Operators	08/08/2002	00440217	00440218	00440219

132

19	CHS	Cargo Handling Services also covers packing with transportation	08/08/2002	00440189	00440190	00440191
20	CAC	Chartered Accountants	08/10/1998	00440092	00440093	00440094
21	CLG	Cleaning Service	08/06/2005	00440318	00440319	00440320
22	CFA	Clearing & Forwarding Agent	08/07/1997	00440045	00440046	00440047
23	MCA	Membership of Clubs and Associations	08/06/2005	00440322	00440323	00440324
24	CCS	Construction Services in respect of Commercial or Industrial Building And Civil Structures	02/09/2004	00440290	00440291	00440292
25	CTC	Commercial Training & Coaching	23/06/2003	00440229	00440230	00440231
26	COS	Company Secretaries	08/10/1998	00440100	00440101	00440102
27	CON	Construction of Residential Complex	08/06/2005	00440334	00440335	00440336
28	CER	Consulting Engineer	29/06/1997	00440057	00440058	00440059
29	CVN	Convention Services	08/07/2001	00440133	00440134	00440135
30	COA	Cost Accountants	08/10/1998	00440096	00440097	00440098
31	COU	Courier Agency	24/10/1996	00440014	00440018	00440019
32	CRD	Credit Card, Debit Card, Charge Card or other payment and related services	23/04/2006	00440394	00440395	00440396
33	CRA	Credit Rating Agencies	08/10/1998	00440088	00440089	00440090
34	CHA	Custom House Agent	07/06/1997	00440026	00440027	00440028
35	DSN	Design Services	24/05/2007	00440422	00440423	00440424
36	DSC	Development And Supply of Content Services	24/05/2007	00440414	00440415	00440416
37	DRS	Dredging Services	08/06/2005	00440310	00440311	00440312
38	DCS	Dry Cleaning Services	08/08/2002	00440221	00440222	00440223
39	CAI	Erection, Commissioning And Installation	23/06/2003	00440233	00440234	00440235
40	EVS	Event Management Services	08/08/2002	00440197	00440198	00440199
41	FDS	Fashion Designer Services	08/08/2002	00440213	00440214	00440215
42	FDC	Forward Contract Services	02/09/2004	00440282	00440283	00440284
43	FRA	Franchise Services	23/06/2003	00440237	00440238	00440239
44	GIB	General Insurance Business	23/06/1994	00440005	00440006	00440120
45	HFC	Health Club & Fitness Centre	08/08/2002	00440205	00440206	00440207
46		Health services, namely: -health check up undertaken by hospitals or medical establishments for the employees of business entities##; and -health services provided	01/07/2010	00440598	00440599	00440600

		under health insurance schemes offered by insurance companies##. [Finance Act 1994,] [Section 65 (105) (zzzo)]			
47	ISS	Information Technology Software	08/05/2008	00440452	00440450 00440451
48	IPR	Intellectual Property Service other than Copyright	02/09/2004	00440278	00440279 00440280
49	IDS	Interior Decorator/Designer's Services	08/10/1998	00440076	00440077 00440078
50	INC	Internet Cafe	23/06/2003	00440241	00440242 00440243
51	ITS	Internet Telecommunication/Telephony Services	08/05/2008	00440382	00440383 00440384
52	LIS	Life Insurance Services	02/09/2004	00440185	00440186 00440187
53	MCM	Mailing List Compilation and Mailing	08/06/2005	00440330	00440331 00440332
54	MGC	Management Consultant	08/10/1998	00440116	00440117 00440118
55	ULI	Management of Investment under ULIP Services	08/05/2008	00440430	00440431 00440432
56	MRS	Maintenance or Repair Service	23/06/2003	00440245	00440246 00440247
57	MAK	Mandap Keeper	23/06/1997	00440035	00440036 00440037
58	MRA	Manpower Recruitment or Supply Agency	29/06/1997	00440060	00440061 00440062
59	MRK	Market Research Agency	08/10/1998	00440112	00440113 00440114
60	MNG	Mining of Mineral, Oil or Gas Services	24/05/2007	00440402	00440403 00440404
61	OID	On-line Information & Database Access or Retrieval Service	08/07/2001	00440153	00440154 00440155
62	OPS	Opinion Poll Services	02/09/2004	00440274	00440275 00440276
63	ODC	Outdoor Catering Service	02/09/2004	00440051	00440052 00440053
64	PKG	Packaging Services	08/06/2005	00440326	00440327 00440328
65	PSS	Pandal or Shamiana Service	02/09/2004	00440054	00440055 00440056
66	PGH	Photography Services	08/07/2001	00440129	00440130 00440131
67	PRT	Port Service	08/07/2001	00440177	00440178 00440179
68	PCH	Processing & Clearing Houses in relation to securities, goods and forward contracts	08/05/2008	00440442	00440443 00440446
69	PRS	Public Relations Service	23/04/2006	00440374	00440375 00440376

130

70	RTA	Rail Travel Agent	08/08/2002	00440201	00440202	00440203
71	REA	Real Estate Agent/Consultant	08/10/1998	00440104	00440105	00440106
72		Recognised Association or Registered Association commonly knows As	08/05/2008	00440438	00440439	00440440
	CXS	Commodity Exchange Service				
73		Stock	08/05/2008	00440434	00440435	00440436
	SXS	Exchanges Services				
74	RCA	Recovery Agent	23/04/2006	00440350	00440351	00440352
75		Registrar to an	23/04/2006	00440338	00440339	00440340
	RTI	Issue				
76		Cab	08/07/1997	00440048	00440049	00440050
	CAB	Operators				
77		Renting of	24/05/2007	00440406	00440407	00440408
		Immovable				
		Property Services inclusive of permission to use such property irrespective of transfer of possession or control of property.				
	RIS					
78		Scientific And	08/07/2001	00440125	00440126	00440127
	STC	Technical Consultancy				
79	SEA	Security/ Detective Agency	08/10/1998	00440108	00440109	00440110
80		Services provided for maintenance of medical records of employees of a business entity [Finance Act 1994,][Section 65 (105) (zzzzp)]	01/07/2010	00440601	00440602	00440603
81		Services of promoting of a 'brand' of goods, services, events, business entity etc [Finance Act 1994,][Section 65 (105) (zzzzq)]	01/07/2010	00440604	00440605	00440606
82		Services related to (a) transferring temporarily or (b) permitting the right to use or enjoyment of any copyright definrd in the Copyright Act 1957 and Services related to two types of copyrights hitherto not covered under existing taxable service 'Intellectual Property Right (IPR)', namely, those on (a) cinematographic films; and (b) sound recording [Finance Act 1994,][Section 65 (105) 0(zzzzt)]	01/07/2010	00440613	00440614	00440615
83		Services provided by Electricity Exchange [Finance Act 1994,][Section 65 (105) (zzzzs)]	01/07/2010	00440610	00440611	00440612
84		Services of permitting commercial use or exploitation of any event organized by a person or organization [Finance Act 1994,][Section	01/07/2010	00440607	00440608	00440609

129

85	65 (105) (zzzzr)] Special services provided by a builder etc. to the prospective buyers such as providing preferential location or external or internal development of complexes or extra charges [Finance Act 1994,][Section 65 (105) (zzzzu)]	01/07/2010	00440616	00440617	00440618
86	Services of promoting, marketing or organizing of games of chance, including lottery [Finance Act 1994,][Section 65 (105) (zzzzn)]	01/07/2010	00440595	00440596	00440597
87 STR	Share Transfer Agent	23/04/2006	00440342	00440343	00440344
88 SMS	Ship Management service	23/04/2006	00440378	00440379	00440380
89 SPC	Site Preparation and Clearance	08/06/2005	00440306	00440307	00440308
90 SRC	Sound Recording Services	08/07/2001	00440161	00440162	00440163
91 SPN	Sponsorship service provided to any body corporate or firm, other than sponsorship of sports event	23/04/2006	00440358	00440359	00440360
92 STA	Steamer Agent	07/06/1997	00440029	00440030	00440031
93 STB	Stock Broker	23/06/1994	00440008	00440009	00440121
94 SWS	Storage and Warehousing Services	08/08/2002	00440193	00440194	00440195
95 STG	Supply of Tangible Goods for use Services	08/05/2008	00440445	00440447	00440448
96 SEM	Survey & Exploration of Minerals	02/09/2004	00440270	00440271	00440272
97 SUR	Survey and Map Making	08/06/2005	00440314	00440315	00440316
98 TRP	T.V. or Radio Programme Production Services	02/09/2004	00440286	00440287	00440288
99 TIV	Technical Testing ,Inspection & Certification	23/06/2003	00440249	00440250	00440251
100 TEL	Telecommunication Service	24/05/2007	00440398	00440399	00440400
101 TOU	Tour Operator except for the use of educational bodies.	24/08/1997	00440063	00440064	00440065
102 TGA	Transport of Goods by Air	02/09/2004	00440266	00440267	00440268
103 GTA	Transport of Goods by Road	24/12/2004	00440262	00440263	00440264
104 TGR	Transport of Goods in Containers by Rail by any person other than Government Railway	23/04/2006	00440390	00440391	00440392

05	Transport of goods other than water, through Pipeline or other conduit	08/06/2005	00440302	00440303	00440304
TGP					
06	Transport by Cruise Ship	23/04/2006	00440386	00440387	00440388
TCS					
07	Travel Agent (other than Air/ Rail Travel Agent)	02/09/2004	00440294	00440295	00440296
TAO					
03	Under Writers	08/10/1998	00440084	00440085	00440086
UWS					
09	Video Tape production	08/07/2001	00440157	00440158	00440159
VTP					
01	Works Contract services	24/05/2007	00440410	00440411	00440412
WCS					
	Transport of Coastal goods & Goods Transport through inland Water		00440470	00440473	
TCG		01/09/2009			
	Cosmetic Surgery or Plastic Surgery		00440460	00440463	
CPS		01/09/2009			
LCS	Legal consultancy service	01/09/2009	00440480	00440483	
GTO	Goods Transport Operators	16/11/1997	00440067	00440068	00440069
FCS	**Facsimile services(FAX)	16/07/2001	00440149	00440150	00440151
CR	**Leased Circuits	16/07/2001	00440137	00440138	00440139
	**Pager Services (Radio Paging)		00440015	00440020	00440021
GS		01/11/1996			
GH	**Telegraph Service	16/07/2001	00440141	00440142	00440143
SU	**Telephone Services	01/01/1996	00440003	00440119	00440122
X	**Telex Services	16/07/2001	00440145	00440146	00440147
	Primary Education Cess		00440298	00440299	00440300
	Secondary & Higher Education Cess		00440426	00440427	
ice merged with Telecommunication Services(TEL) w.e.f 01/06/2007(not to be used for payment of Tax)					
ub-head "Interest/Penalty/Other receipts" is meant for interest,penalty leviable on delayed payment					
er Tax					
b-head "Deduct Refunds" in not to be used by the assesseees. It is meant for the Central					
ervice Tax Department while allowing Refund.					

Revised Guidelines suggested for redevelopment of

Industrial Clusters

Concerned local body or land owning agency or society of Industries or registered Industrial association can prepare redevelopment plans.

The boundary of the Industrial area will be as defined by Department of Industries Delhi Government at the time of notifying the areas of industrial concentration having more than 70% plots with industrial activity.

Master Plan Delhi 2021 has listed 20 areas as Industrial clusters, which are slated for redevelopment. Delhi Government added two more areas namely Prahladpur Bangar and Mundka South afterwards. Guidelines for redevelopment are also stipulated in the plan.

In order to make these guidelines prepared by DDA operative certain modifications and additions will be required in the guidelines.

- i. No change
- ii. No change
- iii. No change
- iv. The lesser needs to give no objection/clearance on board to the industrial plot owner to amalgamate the plots and later to apply for freehold rights. If the individual plot owner is required to approach for such no objection/clearance the amalgamation will not take place.
- v. No change.
- vi. Other stipulations – (Modifications required are given below)

The characteristics of these industrial areas are –

Majority of small plots, 100% plot coverage, projections on public land and mixed use. What really needs to be done is to promote, incentivize and facilitate amalgamation of plots for redevelopment which will generate open spaces and parking. The TDR as a tool can be specially harnessed for this purpose.

- a. When we are specifying the road width in relation to size of plot reservation of 10% area for roads becomes superfluous. This needs to be omitted.
- b. Loading and unloading will be strictly inside the plots for any size. For plots more than 100 sqmt in area minimum 3-mt setback will be left for loading and unloading.
- c. Only those facilities be insisted upon which are not available in the vicinity. Fire stations, police stations CETP may not be required if available in the vicinity. The area specific facilities be insisted upon.
- d. All the units will have to obtain statutory clearances and will have separate electric connections. All the industrial areas now has been recognized as industrial in Zonal Plans the Industries falling in these areas will be considered for providing interim clearances such as DPPC, Factory License, SSI registration, MCD and Electricity Authority.

- 126
- e. This may be kept as optional as in many areas such spaces may not be available. 5% open area to be provided in case of amalgamation of plots.
 - f. No change.
 - g. Plots measuring 100 sqmt and below to have road width of 5 mt minimum and preferable 7.5 mt. All Existing road widths if more than 5 mt will be maintained.
 - h. The coverage and setbacks shall not be insisted upon provided the FAR is as permissible in Master plan subject to adherence to road widths. No projections outside the plot of any nature. Individual plot owner with an area of 1000 sqmt and above will be permitted to develop public parking as per the Master plan. Max floor space shall be 2500sqmt(250FAR) including 10% or 40FAR whichever less for commercial component.
 - i. In case of amalgamation of plots minimum area shall be 500 sqmts. The FAR will be 1.5 times the permissible FAR as per MPD 2021 on individual plots before amalgamation. All other development controls will be same as for industrial plot of 500 sqmt stated in master plan 2021.
 - j. If any land required for road widening in Individual plot or in an amalgamated plot in addition to FAR permitted FAR of land surrendered will be given as an incentive.
 - k. Industrial activity consuming electricity more than 80kw will have to accommodate the ESS inside the plot, for rest the system in operation to continue.
 - l. If any plot owner is willing to spare his land for Facility he will be entitled to TDR equivalent to the FAR permissible on that plot and can be sold to any amalgamated plot in that area or any other industrial cluster.
 - m. No charges on enhanced FAR as an incentive if redevelopment is completed by the agency or society within 5 years from the date of approval of plans, only extra services charges are to be paid. All plot owners also have to get their bldg plans regularized in that period.
 - n. As in case of villages and unauthorized colonies we do not insist on set back and ground coverage. FAR and Height will be as per Master Plan and incentive FAR given above. Every part of the building will be part of FAR except the area for parking. 10% of the permissible FAR will be allowed over and above the permissible FAR for building services.
 - o. All projections or ramp if any outside the plot line will be removed in totality. Stacking of goods, or any flexible/temporary projection on the public land not allowed.
 - p. Areas which fail to implement their redevelopment plans within the prescribed period will get extension of another one year on the payment of enhanced FAR charges and twice the services charges. Failing which no industrial licenses will be renewed and industries will have to close down with immediate effect. The area will revert back as residential area and will be governed as per norms for redevelopment of residential areas.
 - q. Mixed use (Non industrial use) to the extent of 40% of the permissible FAR will be allowed on all plots and on any floor if the plots are redeveloped with amalgamation. In all other plots it will be restricted to only 10% of the permissible FAR.
 - r. In case of plots more than 400 sqmt flatted factories as per norms given in master plan would be allowed.
 - s. All industries listed in Group A in Master Plan 2021 are permissible in these areas.

3. Other conditions – No change.

125

Udhan B. Sanghi, IAS

Commissioner & Secretary Industries
Govt. of NCT of Delhi
DSD, DSIDC Ltd

DO NO: DSIDC/2010/1000
Dated: 28.9.2010

This has reference to the meeting held under the chairmanship of the Minister of Urban Development, Government of India on 28th September 2010 to discuss the following draft guidelines: -

1. Guidelines for redevelopment of Influence Zone along MRTS and Metro Transport Corridor, underutilized/Low Density areas, Special Resettlement Colonies, Villages, Unauthorized Colonies and JCT clusters.
2. Guidelines for Redevelopment of Clusters of Industrial Concentration in performing areas/unplanned industrial areas.

During the said meeting many stakeholders pointed out inconsistencies and practical difficulties in implementation of the draft guidelines. The Honble Minister suggested that suggestions of the Government of NCT of Delhi and other stakeholders may be sent to the Ministry of Urban Development. Accordingly suggestions to the draft guidelines are as under: -

1. Guidelines for redevelopment of Influence Zone along MRTS and Metro Transport Corridor, underutilized/Low Density areas, Special Resettlement Colonies, Villages, Unauthorized Colonies and JCT clusters.

Mono Rail and elevated BRT are being planned to supplement the Metro as part of the Mass Rapid Transit System in the NCT of Delhi. It is recommended that appropriate, if the guidelines for redevelopment for influence zone are applicable in case of Mono Rail and elevated BRT roads similar to the Metro roads.

Guidelines for Redevelopment of Clusters of Industrial Concentration in performing areas/unplanned industrial areas.

- (i) The Govt. of NCT of Delhi has approved Industrial Policy 2010-21 (copy enclosed as **Annexure-A**). The vision of the policy is to make Delhi a hub of clean, high-technology & skilled manufacturing activities by 2021. Key Policy Parameters include Redevelopment of industrial areas by encouraging Knowledge Based Industrial Parks and redevelopment with Transfer of Development Rights mechanism. The details of the TDR mechanism may be referred to the enclosed Industrial Policy.

124

The proposed guidelines for redevelopment of industrial clusters were examined and consultations were held with various associations of industrial clusters. During consultation it was observed that the guidelines require many changes.

The revised guidelines incorporating suggestions of stakeholders are placed at **Annexure-B** and a comparative statement of the guidelines and modifications is enclosed at **Annexure-C**.

Delhi being a metro, the employment generation in tertiary sector is much more than that of primary and secondary sectors and is also growing at a faster rate. Thus service sector should be encouraged and considered a permissible activity in both planned and unplanned industrial areas. Accordingly, it is suggested that 'Service Industry' should be made a permissible activity in industrial areas in the Master Plan of Delhi.

We shall be grateful, if the above suggestions may kindly be incorporated in the draft redevelopment guidelines.

Human Rights

Commissioner of the

Shri Sudhir Krishna, IAS
Secretary (Urban Development),
Ministry of Urban Development
Government of India, Govt. of India,
Jalimura Bhawan, New Delhi.