

NATIONAL ASSOCIATION OF MOTION PICTURE EXHIBITORS
 C/o Liberty Cinema, 19-B New Rohtak Road New Delhi - 110005
 Tel: 91-11-28715896

OFFICE OF UDM

Dy. No. 3458

Date 30/7/12

The Hon'ble Minister Mr. Kamal Nath
 Ministry of Urban Development
 Govt. of India.
 "A" Wing
 Nirman Bhawan
 New Delhi- 110001

MPD 2021 Review
 by
 30/7

Subject: Review of the Master Plan Delhi; 2021

Hon'ble Mr. Minister Sir,

We are the Apex Association of Cinemas and Multiplexes of Delhi.

The film exhibition industry has undergone a sea change over the past decades, and the ground reality of situation facing cinemas and multiplexes in Delhi needs to be addressed by and reflected in the Master Plan Delhi - 2021 which we understand is being reviewed.

We give below our suggestions for the review of the Master Plan Delhi- 2021.

1. RESTRICTION ON CINEMAS FOR COMMERCIAL USE

Under the Master Plan, stand alone cinemas are allowed to be converted to buildings for other commercial activities. While there is no restriction on commercial buildings in respect of using them for different commercial activities, buildings/sites thus converted are restricted by the proviso that the property must continue to have one or more Cinemas with a total seating capacity of at least 300. While the restriction (vide Directions U/S 41(1) of DD Act vide its letter No. K-13011/17/92-DDIB dated 19th August, 1992 and letter No. K-13011/17/92-DDIB dated 27th August, 1992 Annexure-1 Colly.) was imposed in 1992 and was aimed at preserving an adequate number of screens for cinema goers as there were limited sources of entertainment, the proviso is no longer required. At the time when only single screen cinemas existed in Delhi, there were a maximum 73 screens operating in Delhi at any point in time. Now however, with Malls and Multiplexes being developed across the city, there are approximately 100 screens being operated by the local and national chains plus 13 single screen cinemas in the city. In addition, TV entertainment runs 24 hours a day, sports programs are covered from around the world. New forms of entertainment have also been introduced such as Ice skating, Water Parks, Race tracks and Magic Kingdom etc.

Secretary UD

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Single screen cinemas are no longer economically viable since cinema going has transformed into a local activity with multiple screen options available in all diverse and distributed parts of the city. Cinema going is no longer an activity for which cine-goers would travel long distances to go to a limited number of screens with limited shows. Nowadays, not only do Delhiites have local screens available at a short distance from home or work, but also multiple film options and show timings at their local multiplex with start times within minutes of each other. Since multiplexes are being incorporated in Malls developments, they also offer other leisure options like eating, shopping, gaming, etc. East Delhi areas, in addition, are served by their 'neighborhood screens' across the border in areas such as Vaishali, NOIDA, Kaushambhi, etc., which though not strictly part of the city, constitute a 'local' cine-going option of residents there.

The restriction of retaining a minimum 300 seats screen should be removed, especially since standalone cinemas are built on small plots, and thus are incapable of being converted to malls. They require large areas to be demarcated for parking and cannot bear the burden of have to set aside 12000 square feet for cinema. In addition, the market situation with respect to entertainment venues and Mutiplex development has seen a sea change in the intervening period. At one time, due to a paucity of cinema screens, a standalone conversion of a smaller cinema site into a multiplex with limited was a competitive entertainment venue. However, that is no longer the case. Single screen cinemas are:

- Situated in older more crowded areas on smaller plots;
- Not amenable to development as large malls;
- Small multiplexes situated on converted cinemas sites already becoming uncompetitive.

Even in the case of a multiplex, the famous Fame-Adlabs, a 5-screen multiplex situated in Andheri, Mumbai was closed down on July 13, 2012 as soon as its 10 year lease got over. It is no longer able to meet its expenses. This despite the fact that it is part of a commercial building with office space built above it. However, since it was not part of a mall, it found that attracting cine-goers was more and more difficult, resulting in its closure just days ago.

2. INCREASE IN F.A.R.

Most Cinemas are allowed an FAR of 100 whereas other commercial building are allowed an FAR of 150. Cinemas should be treated at par with other commercial buildings and allowed the FAR of 150 or whatever is the prevalent increased norm for other commercial properties. When cinemas are redeveloped, the L&DO increases the ground rent of the plot to level of ground rent applicable to Commercial Properties in general, as has been done in the case of one of our members, Sangam Cinema. However, while commercial properties are permitted to utilize a FAR of 150, cinemas are restricted to a FAR utilization of 100, despite having to pay the same level of ground rent as a property which is permitted 150 FAR.

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3. CONVERSION FROM LEASE HOLD TO FREE HOLD.

Whereas the DDA is allowing conversion of cinemas plots from lease hold to free hold on the same conversion charges as commercial plots.

The L&DO has bracketed cinemas plots with hotels. It has not notified there conversion charges. It is suggested that the L&DO be directed to allow conversion of cinema plots on the same rate as other commercial plots. In the alternative, if the same ground rent is charged from cinemas as is applicable to hotels, then the cinemas may be allowed to be redeveloped as Hotel with the same FAR as is applicable for hotels.

In case there is any clarification or additional information required from us we would be glad to provide the same.

Thanking you,

Yours faithfully,
For National Association of Motion Pictures Exhibitors.


(Rajan Gupta)
Hon. General Secretary.

Dated: 27th July 2012

CC. To The Secretary, Ministry of Urban Development, Govt. of India, "A" Wing
Nirman Bhawan, New Delhi- 110001

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