

# WILL EXTRA FSI FOR 'C' CATEGORY CESSED BUILDINGS PROVE BENEFICIAL?

**SHILPA PANDYA** TAKES A LOOK AT WHETHER THE STATE GOVERNMENT'S ANNOUNCEMENT OF AN INCREASE IN PERMISSIBLE FSI FOR 'C' CATEGORY CESSED BUILDINGS, WILL RESULT IN MORE HOMES FOR THE *AAM AADMI*



buildings are over four decades old and in desperate need of redevelopment. Earlier, in a given area, there were buildings that came under both, 'A' and 'C' categories, thereby causing redevelopment hurdles. The FSI of 2.5 to category 'C' structures will allow developers to provide better homes to residents of south Mumbai, where such structures exist," he maintains.

If implemented properly, this rule has the potential to create a huge spurt in supply, in the residential segment, says Susil Dungarwal of retail and mall advisory, Beyond Square Feet. "In the long run, it will help to stabilise prices, control the movement of population from south Mumbai to the suburbs and encourage the creation of proper infrastructure," he concludes.

"When it comes to redevelopment, FSI norms make all the difference, in terms of a project being viable, or otherwise," says Rajesh Vardhan, MD, Vardhaman Group. Based on the age of cessed buildings, three categories were created - 'A', 'B' and 'C'. For 20 years, the 'C' category of cessed buildings were denied the benefits given to 'A' and 'B' categories. Now, all are equal, at least in terms of the FSI allowed during redevelopment, says Mihir Dhruva, CEO, Siddharth Group.

Gaurav Gupta, director, Omkar Realtors & Developers Pvt Ltd lauds the state government's amendment, allowing 2.5 FSI on 'C' category of cessed buildings, saying that it finally creates opportunity for all groups ('A', 'B' and 'C') to benefit. "For a tenant residing in the cessed buildings, it eliminates the artificial discrimination created by previous norms. For a builder, the plot

will offer nearly twice its area, for sale. Lastly, for the government, it ensures that its commitment of creating better infrastructure facilities for citizens is honoured," he says.

Hemal Jain, business development head, Neev Homes, however, says that the amendment will not be beneficial. "Out of a total 18,000 cessed buildings, the 'C' category barely constitutes eight per cent - approximately 1,400 buildings," he says. "The numbers will not be large enough to impact supply or affect prices," agrees Dhruva. Jain suggests that it would have been better, if the government had made amendments to the FSI policy, vis-à-vis 'A' and 'B' categories. "This could have led to speedier redevelopment, in south Mumbai," he feels.

Shailesh Sanghvi, director of the Sanghvi Group of Companies, insists that the move is in the right direction. "Despite the low numbers, 'C' category