

Maharashtra Right To Information Discovers: Whither Goes Our Money.

Article by Shailesh Gandhi, 18 December 2004

I felt a deep sense of shame a few days back, when I read that since the World Bank had not sanctioned a loan of Rs.17 crores, the pavements in Mumbai could not be repaired. Are we indeed a poor Country, or has poverty been thrust upon us. Using the Right To Information Act, has given some very interesting and meaningful results. I wanted to share them with friends.

We say property prices and inflation have gone up manifold in the last thirty years. Information given under MRTI from the Collector of Mumbai, Suburban shows atleast one instance where this is not true. Khar Gymkhana,- a popular and prestigious club in the Western Suburbs of Mumbai,- paid an annual lease rent of Rs.60,801 in August 1970, which rose to Rs. 1,03,836 in 1984 and is now down to Rs.55,812! The size of the plot is 8340 sq.mts. Do we now understand why members of elite clubs get 5 star comforts at such 'reasonable' prices? It is because of Citizen's subsidy to the rich.

Under the garb of laws and rules Citizens are being shortchanged by astronomical amounts. Here is what my analysis based on Information received from the Collector, Mumbai Suburban,- which has the authority to give away our lands in Mumbai's suburbs,- reveals. The total land given by the Suburban Collector on lease is 98,47,372.84 sq. m. and fetches a lease rent of Rs. 4,04,97,601. This works out to about Rs. 4.11 per square metre, per year. But some would say, these leases were given many years back. What can be done about them? When leases are given fresh or renewed, present rates should be enforced. We can take an approximate average value of land as about Rs. 22000 per sq. mtr. (about Rs. 2000 per sq.ft.) in the Suburbs of Mumbai. When a lease is given, it is usually worked as a percentage of the market value. The percentage is close to the interest rates. If a lease has been given at some point decades back, the lease rent continues to be what was originally fixed. But, when it expires, the principle of about 7 to 10% of the market value being fixed as the lease rent is a common commercial principle. By this the average lease rent atleast for leases freshly created should be about Rs. 1700 (about 8% of 22000) per sq m. for Mumbai suburbs. When fresh leases are created this norm should be adopted by 'public servants' who are appointed to safeguard our interests.

To verify, this I asked information from the Collector Mumbai Suburban about leases created in the last three years. The total area of leases given fresh, or renewed is 305757.62 Sq. m. for a total lease rental of Rs. 3.24 crores. This means that in the last three years the average lease rental charged was Rs. 106 per sq.m., instead of about Rs.1700. This represents a loss to Citizens of about Rs.48.7 crores annually! I am giving below a few random cases, which appear to defy all logic:

Location	Purpose	Area-sq.m.	Annual Lease in rupees	Annual Lease Rs. per Sq.m.	Annual Lease per Sq. ft.	Date of lease
Bandra	Residential	3914.71	399739	102.1	9.4	27/02/01
Bandra	Residential	1804	184245	102.1	9.4	27/01/04
Bandra	Residential	505.84	82949	164	15.1	27/11/03
Danda	Post Office	137623.5	14663096	106.5	9.8	27/11/03
Juhu	Coop. Consumer Store	475.5	536992	1129.3	103.7	3/3/04
Khar	Khar Gymkhana	8340	55812	6.7	0.6	27/9/04
Bandra	Otters Club	5000	225007	45	4.1	30/12/03
Juhu	Garden	1869.9	624110	333.8	30.6	14/5/04
Juhu	Garden	819.7	162955	198.8	18.3	23/8/04
Kurla	Prayer Hall	1918	584	0.3	0.03	17/7/01
Amboli	Sports Complex	5572	11500	2.1	0.2	30/5/04
Erangal	Beautification	1000	160618	160.6	14.7	3/3/04
Versova	Stall	30	70996	2366.5	217.3	3/8/04
Vileparle	Business Purpose	964.88	159794	165.6	15.2	24/3/04
Bandra	Xerox,telephone	27.88	58596	2101.7	193	20/1/03

Lease rental of Rs.1129.3 has been charged on a renewal, and over Rs.2300 as well, in new leases per sq.m. (On the lowest side it goes down to Rs.0.03 per sq.m.). This is some validation of my contention of an average rate of Rs. 1700 per Sq.M. Just to understand the impact of Rs. 1700 being charged in the last three years renewal or new leases, I did a calculation applying an average rate of Rs.1700 on just last three years leases. This shows that Citizens are losing about Rs. 48 crores annually. In the PIL no.102 of 2001 filed in the Bombay High Court, the decision has been that Public bodies must invite tenders for giving public places on lease, or rent even for periods of a few days.

We the Citizens are not poor. Our Commons are being given away, our money is being used to support the lifestyles of a few. Every Citizen must take up the RTI slogan, 'Hamara Paisa, Hamara Hisab'. In Mumbai itself, there is the Mumbai collector, BMC and the Bombay Port Trust, who have given large tracts of our land in their charge. I have asked for information from the Mumbai collector, and BMC., and request friends to use MRTI across Maharashtra to get information from various places. I am sure Citizens will ask for information on how our lands are being given by our "Public Servants". We must make this a widespread movement to stop this pilferage of our money. This is money which is being pilfered from even the poorest Citizen, including the pavement dweller and one who may even be starving. This property belongs to the poorest and richest Citizens in equal measure.

'They' argue that they are doing it by various rules and resolutions, and 'in public interest'. The case for stopping subsidies and arbitrariness in public lands is as strong, if not stronger than the one for stopping them in all areas.

I am sure this 'modus operandi' is operating all across the Country. I am hoping a few friends will get similar details from various Cities in Maharashtra, and other States where RTI is available. Do send me the details obtained in this matter. We the Citizens, will then make a concerted effort to stop this.

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In case anyone is interested, I will gladly send a copy of the RTI application, which can be copied and used.

Mera Bharat Mahaan...
Nahi Hai,
Per yeh Dosh Mera Hai.

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