

'Health, educational bodies not to pay FAR charges'

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The Delhi High Court has directed the Delhi Development Authority to refund Floor Area Ratio (FAR) charges to three educational institutions run by non-profit organisations. The DDA had levied the charges for permitting them to carry extra constructions in the buildings.

The fall-out of this judgment would be cumulative accrual of monetary benefits in crores to more than a thousand non-profit institutions in the Capital that are providing education, health-care and social services. They had deposited different amounts with the DDA as FAR charges for adding extra floors to their buildings.

The three petitioner institutions -- Ved Educational Welfare Society, Triveni Educational and Social Welfare Society and International Management Institute -- had collectively deposited about Rs.5 crore with the DDA while protesting that the charges were too steep. They had also argued that as they were exempted from paying income tax, no extra charge could be recovered from them for expanding the built-up area.

On their representations, the DDA had also constituted a committee in 2008 to consider whether such institutions were exempted from paying FAR charges.

The committee submitted its report in 2012 recommending that voluntary organisations in education, health-care and social services should be exempted from paying FAR charges. The DDA took a decision in the matter as per the recommendation which was later notified by the Union Government.

Following the notification of the rule, Jagan Nath Memorial Educational Society moved the Court seeking a direction to the DDA to refund the money it had deposited to avail of the permission to build extra floors after the land development authority refused its plea for refund. A Single Bench allowed its plea and directed the DDA to refund the money.

Thereafter, the DDA challenged the Single Bench order before a Division Bench. The three above-mentioned petitioners through their lawyer, R. K. Saini, also approached the Division Bench seeking refund of their deposited amounts.

A Division Bench of Justice G. Rohini and Justice Pradeep Nandrajog dismissed the DDA's appeal against the Single Bench order and allowed the three petitions. It also directed the DDA to refund Rs.1,46,48,700 to Ved Educational Welfare Society, Rs.43,85,931 to Triveni Educational and Social Welfare Society and Rs.2,86,54,308 to International Management Institute within eight weeks.

Had recovered the charges from three non-profit bodies for allowing them to go for extra constructions in the buildings