

PRESIDENT
Vimal Shah

IMMEDIATE PAST PRESIDENT
Paras Gundecha

PRESIDENT-ELECT
Dharmesh Jain

VICE PRESIDENTS
Mayur Shah
Nayan Shah
Deepak Goradia
Boman R. Irani

HON. SECRETARY
Nainesh Shah

HON. TREASURER
Sukhranj Nahar

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S. Shahzad Hussain
I.A.S. (Retd.)

HON. JOINT SECRETARIES
Harish Patel
Ashok Mohanani
Sandeep Runwal
Bandish Ajmera

JOINT TREASURERS
Lakshman Bhagtani
Mukesh Patel

CO-ORDINATORS
Rasesh Kanakia
Jagdish Ahuja
Pujit Aggarwal
Parag Munot

COMMITTEE MEMBERS
Vikas Walawalkar
Jayesh Shah
Nayan Bheda
Sanjay Chhabria
Rajendra Chaturvedi
Shailesh Sanghvi
Tejas Vyas

INVITEE MEMBERS
Sandeep Raheja
Munish Doshi
Jitendra Jain
Domnic Romell

PAST PRESIDENTS
Sunil Mantri
Pravin Doshi
Mohan Deshmukh
Mofatraj Munot
Niranjan Hiranandani
Rajni S. Ajmera
G. L. Raheja
Lalit Gandhi
Babubhai Majethia

MCHI-CREDAI UNITS

President, Thane
Suraj Parmar

President, Kalyan-Dombivli
Johar Zojwalla

President, Mira Virar City
Ashit Shah

President, Raigad
Vikas Bhamre

President, Navi Mumbai
Arvind Goel

Ref. No. MCHI/PRES/14-15/092

December 10, 2014

To,
Hon'ble Shri Eknath Khadse,
Minister for Revenue,
Camp Office, Hyderabad House
Vidhan Bhavan
Govt of Maharashtra
Nagpur

Officer on Special Duty
Office of the Minister for
Revenue, Relief and Rehabilitation
Minority Development and Waf,
Agriculture, Animal Husbandry, Dairy
Development & Fisheries, State Excise

10/12/14

Sub: About continuing the Ready Recknor Rates of 2014
No Increase in the Rates - Request for!

Respected Sir,

MCHI-CREDAI is an apex body consisting of members from Real Estate Industry among Mumbai Metropolitan Region (MMR) which formed in 1982, and it's the most prominent and the only recognized body of Real Estate Developers in Mumbai and MMR.

It is a general experience that every year, irrespective of the market conditions, the State Government in order to realize more revenue has been increasing the values of properties in Mumbai while framing and approving Ready Reckoner for the respective year. This affects housing industry since increase in property value in RR has a direct impact on housing sales as it increases Stamp Duty resulting in high cost of the House. Over last two years the housing industry has been showing downward trends but still the RR Values of property are not being factually reflected in the Ready Reckoner. In addition to the Stamp Duty, the purchaser has also to bear the greater burden of VAT, Service Tax, and Sales Tax on the increased value. In this situation the RR values have to be reasonable and fair.

Real Estate Industry is going through a very negative stress. The prices have peaked and impacted the sales adversely. They have been in the state of stagnancy over a year or so, however there is no improvement in the sales. The inventory has peaked, suggesting that there are more commitments (construction commitments). However the current prices are not generating enough sales and the cash to meet these commitments as well as expected Revenue for the State. Despite all that, there is a little and no correction in the prices. The gap between affordability and prices are not reducing. Caught between un-affordability and cost crises, realty is in the state of extreme inefficiencies. While the consumers can't afford prevailing prices, the escalation in the cost has also reduced the scope of their correction. Making it extremely unproductive state of the industry. If government will continuously increase the RR Rate per year it will not only affect on the sale component of the flat but which will also badly affect the generation of the revenue for the State of Maharashtra through Stamp Duty & Registration collection.

Sir, it is a really high time where the government should realize the importance bringing policy and reforms that ensures economic efficiencies and is productive of market. And the first step of it, the rationalization of land cost, if the cost of basic

MCHI-CREDAI (ISO 9001:2008)

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raw material which is the land, is made unviable for project, it is a problem for housing. And it also creates urban imbalances. It is important that land prices be brought down at least by 30% in ready reckoner preempting the market to follow suit. It will help ease the cost burden which will eventually help in rationalizing selling prices for the market and eventually help improving sales and transactions.

Hence, Sir, MCHI-CREDAI humbly requesting you to consider our case sympathetically on humanity ground as well as to help the cause of the customers (common citizens) and keep the Ready Recknor Rate of 2014 for the year of 2014-15 as it is, without any further increase!

Thanking you for your positive response!

Yours faithfully,
For MCHI-CREDAI





Vimal Shah
President

CC to: **Hon'ble Shri Haribhau Bagade**
Speaker
Vidhan Sabha
Camp Office, Hyderabad House
Vidhan Bhavan
Govt of Maharashtra
Nagpur

Hon'ble Shri Devendra Fadnavis
Chief Minister
Chief Minister's Office,
Camp Office, Hyderabad House
Vidhan Bhavan
Govt of Maharashtra
Nagpur

Hon'ble Shri Prakash Mehta
Minister for Housing,
Camp Office, Hyderabad House
Vidhan Bhavan
Govt of Maharashtra
Nagpur


10/12/14
मुख्यमंत्री कार्यालय
महाराष्ट्र विधानसभा
विधान भवन, मुंबई/नागपूर


10-12-14

लिपिक,
मुख्यमंत्री कार्यालय,
विधान भवन,
मुंबई/नागपूर.