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Ateeque Khot

**PRESIDENT, NAVI MUMBAI**  
Prakash Baviskar

Ref. No. MCHI/PRES/18-19/030

September 06, 2019

To,  
Hon'ble Shri Devendra Fadnavis  
Chief Minister  
Government of Maharashtra  
Mantralaya, Mumbai - 400 032

मुख्यमंत्री सचिवालय  
महाराष्ट्र शासन  
मंत्रालय, मुंबई - ४०० ०३२  
दिनांक ०६/०९/१९

Sub: Request for Facility of Payment of premiums by State government authorities and its subsidiary such as MSRDC, MMRDA, MHADA Dharavi Redevelopment Project, etc

Ref: MCGM circular dated 4 September 2019

Respected Sir,

We are deeply thankful for your recommendation for reduction in various premiums and also reduction in interest rate charged on Facility of Instalments in payment of premiums charged by MCGM. The same have been implemented in short time, which will help the industry in these very difficult times.

In this regards, we would request you to kindly consider the following suggestions:

- As MCGM is already giving Facility of Instalments in payments payable for grant of IOD/ CC for various fees/ charges/ deposits/ premiums to be paid in respect of Building permissions with revised interest rates (MCGM Circular attached), we request you to please consider the same benefits and instalment facility in the payments that are payable to all State government authorities and its subsidiary such as MSRDC, MMRDA, Dharavi Redevelopment Project, etc.
- In line with SRA, we humbly request that if MHADA could consider interest free Facility of Instalments in payments payable for grant of IOD/ CC for various fees/ charges/ deposits/ premiums to be paid in respect of Building permissions for the next two years.

The above steps would help induce significant growth in economic activity helping create significant employment opportunities. Real estate industry is an essential and integral part of MMR's economy and we need your support and foresight to survive in this difficult period.

**CREDAI-MCHI Prayer's**

We humbly request that and instalment facility in the payments, paid to all State government authorities and its subsidiary such as MSRDC, MMRDA, MHADA, Dharavi Redevelopment Project, etc.

Thanking you,

Your sincerely,  
For CREDAI-MCHI

Nayan A. Shah  
President

Bandish Ajmera  
Hon. Secretary

Sanjiv S. Chaudhary MRICS  
Chief Operating Officer

(1) Shri. Ajoy Mehta (I.A.S.), Chief Secretary, Government of Maharashtra, Mantralaya, Mumbai - 400032

(2) Dr. Nitin Kareer (I.A.S.), Principal Secretary - I, Urban Development Department, Government of Maharashtra, Mantralaya, Mumbai - 400 032

MUNICIPAL CORPORATION OF GREATER MUMBAI  
NO. CHE/DP/ 13915 /GEN Date 04.09.2019

**C I R C U L A R**

Sub: Facility of installments in payments payable for grant of IOD/ CC for various fees/ charges/ deposits/ premiums to be paid in respect of Building permissions.

Ref: i)CHE/DP/15755/GEN dtd. 06-09-2017  
ii)CHE/DP/23185/GEN dtd. 20-11-2017.

In view of number of requests received from various Developers/ Architects developing the land/ reconstructing the buildings in the jurisdiction of MCGM, it is now decided after due consideration to modify the above circulars mentioned at reference no (i) & (ii) as follows to grant the facility of installments in payment of fees/ premiums/ charges/ deposits, to those who have requested payment of such amounts in the installments as per the following guidelines:-

- (1) The installments facility shall not be granted to following payments and shall be paid at initial stage i.e. at IOD/ Amended plan approval
  - (i) Scrutiny fees (shall be paid along with submission of proposal)
  - (ii) IOD deposit
  - (iii) Debris deposit
  - (iv) Labour cess
  - (v) Development charges
- (2) The installment may be granted to the premiums/ charges payable to MCGM for followings:
  - (i) 25% MCGM share of Additional FSI on payment of premium permissible under Reg 30 of DCPR 2034.
  - (ii) Additional FSI permissible under Reg 33 of DCPR 2034. For MCGM part.
  - (iii) 50% of total premium, payable to Corporation towards, utilisation of Fungible Compensatory area under Reg 31(3) of DCPR- 2034.
  - (iv) Premium to exempt area covered under Staircase/Lift/ Staircase and Lift Lobby from FSI.
  - (v) Premium towards condonation of deficiency in open space of all types
- (3) The facility of installments in the payments to be paid to MCGM will be allowed only where the minimum amount payable at the time of granting installment facility to MCGM under clause 2 above is Rs. 50.00 Lakh and above.

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- (4) The installment facility shall be granted to the payments mentioned at above Clause No (2) only

**(A) For building having height less than 70.00 mtrs.**

The installments facility shall be granted for the period of 24 (Twenty Four) months. There will be total of three installments, starting with the first initial payment and followed by two installments at the interval of 12 months each.

The installment facility shall be granted as per following table.

Sr. No.	Type of Payments to be made (As per Sub Clause)	Initial payment	At the end of months with interest	
			12 <sup>th</sup>	24 <sup>th</sup>
		1 <sup>st</sup> Installment	2 <sup>nd</sup> Installment	3 <sup>rd</sup> Installment
1.	2	10%	45%	45%

**(B) For building having height equal to or more than 70.00 mtrs.**

The installments facility shall be granted for the period of 36 (Thirty Six) months. There will be total four installments, starting with the first initial payment and followed by three installments at the interval of 12 months each. The installment facility shall be granted as per following table.

Sr. No.	Type of Payments to be made (As per Sub Clause)	Initial payment	At the end of months with interest		
			12 <sup>th</sup>	24 <sup>th</sup>	36 <sup>th</sup>
		1 <sup>st</sup> Installment	2 <sup>nd</sup> Installment	3 <sup>rd</sup> Installment	4 <sup>th</sup> Installment
1.	2	10%	30%	30%	30%

Note:- No further extension in allowing payment in installments will be entertained beyond the above prescribed schedule.

- (5) Developer/Architect shall apply for grant of facility of installment payments in respect of payments to be made to MCGM for items mentioned in clause 2 above only and same shall be submitted to the concerned Dy Ch Engineer (Building Proposal) of zonal office for his approval.

- (6) All the installment proposals shall be submitted to the concerned Deputy Chief Engineer(BP) for consideration and obtaining sanction. The format of the report

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Chief Engineer

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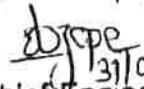
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to be submitted to the concerned Deputy Chief Engineer(BP) shall be as per **Annexure C** to this Circular. The approval of the concerned Deputy Chief Engineer (BP) can be obtained once the concessions are approved or can be processed independently on request of Arch. / L S /Developer.

After grant of installment facility from the concerned Deputy Chief Engineer (BP), for new building proposals or for ongoing proposals, where the work is being carried out as per approval;

- (i) The concerned A.E.(BP) shall issue demand note of the payments to be made by Developer/Owner/Society considering installment facility within 3 days from date of issue of IOD/ amended plan in case of new proposal/ amended plan and within 3 days of receipt of sanction from the concerned Deputy Chief Engineer (BP) in case of ongoing proposals. Developer/Owner/Society will be asked to submit an Indemnity Bond indemnifying MCGM officials from any legal disputes and cases arises out of the said permission and also Registered Undertaking stating that they will abide by the terms and conditions of the instalment circular and will pay all the dues at scheduled dates as per approval.
- (ii) Following conditions shall be incorporated in the IOD/ amended plan approval letter.
- (a) In case of IOD  
"That the payment as per schedule of installment granted by the concerned Dy.Ch.E. (BP) shall not be made."
- (b) In case of amended plan approval,  
"The payment as per schedule of installment granted by Dy.Ch.E.(BP) shall be made."
- (iii) Developer/ Owner/ Society (The project proponent) shall submit Registered Undertaking stating that, all the terms and condition mentioned in this circular shall be binding on them and the same will be followed scrupulously. The project proponent shall also undertake that, they shall make aware to the prospective buyers in the project and the RERA Authorities about the installment payment facility availed by them in the various payments to be made to MCGM / Government and the provisions in the Circular about initiating action by MCGM against the default in payment on schedule date.

The project proponent shall also submit Indemnity Bond indemnifying MCGM / MCGM staff against the any dispute, litigation, RERA compliances etc. regarding the installment payment facility availed by them.

  
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The project proponent shall make payment of demand of 1st installment within 1 month from the issue of demand note.

(7) Only after receipt of said Indemnity Bond and Registered Undertaking along with payment of 1st installment, Commencement Certificate will be issued by concerned A.E. (BP)/ E.E.(BP) subject to compliance of all other related IOD/ amended plan approval letter conditions.

(8) (a) In respect of Building having height less than 70.00 mtrs.

The remaining installments shall be payable in yearly installments in two years from the date of payment of 1st installment. The amount of each installments shall be due in 12th & 24th month from the payment of the first installment or due date as per schedule & shall be paid on due date with the interest calculated at the rate of 8.5% p.a. on reducing outstanding balance payment as illustrated in Scenario-I of Annexure- A.

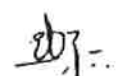
(b) In respect of Building having height equal to or more than 70.00 mtrs. The remaining installments shall be payable in yearly installments in three years from the date of payment of 1st installment. The amount of each installments shall be due in 12th, 24th & 36th month from the payment of the first installment or due date as per schedule and shall be paid on due dates with the interest calculated at the rate of 8.5% p.a. on reducing outstanding balance payment as illustrated in Scenario- I of Annexure- B.

(c) C.C. equivalent to 10% of approved Built Up Area shall be restricted. If BUA of topmost floor is more than the 10% BUA, then the C.C. for the entire top most floor shall be restricted.

(d) The total recovery of payment for balance amount with interest due shall be confirmed by concerned A. E. (B.P.) before releasing restricted 10% C.C. The C.C. thus restricted, shall be released forthwith on receipt of all the installments with interest within the specific period as mentioned in sub-clause 8(a) & (b) above and other clauses of this circular subject to compliance of all other related IOD/ amended plans approval letter conditions.

  
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(9) The Developer/Owner/Society shall deposit G. L. Code wise / organisation wise post-dated cheques for installment amount with an interest due and drawn on Scheduled Bank, as per the schedule date of payment.

(10) If Developer/Owner/Society fails to deposit the interim installment amount with 8.5% interest on due date, then the interest rate at 10% p.a. shall have to be recovered on delayed period on due outstanding installment amount (including 8.5% p.a. interest) upto 6 (Six) months beyond scheduled date.

If the installment payment due with 10% interest is not paid within the period of extended 6 (Six) months from the schedule date, then the 12% p.a. interest shall have to be recovered on such delayed period (beyond extended period of 6 months) on due outstanding installment amount (including 8.5% interest), on or before the schedule date of next installment / last installment, as the case may be, along with amount due for the next scheduled installment due on that date.

On failure to deposit the installment amount with interest as stated above, on scheduled date of next installment / schedule date of last installment, the facility granted for installment shall be treated as cancelled.

The stop work notice as per MMC Act 1888 and also action as deemed fit as per Section 55 of MR & TP Act 1966 will have to be initiated against the Developer/ Owner/ Society immediately by informing concerned Designated Officer of Ward with specific details about non-payment of dues and work beyond approvals if any as the case may be as illustrated in **Scenario-II of Annexure- A & B**.

Thereafter, no instalment facility shall be granted for the proposal under reference in future.

In such case, amount payable by the Developers/Owners/Society shall be arrived as follows;

- i) Payment payable for the project shall be recalculated as per the SDRR Rate of prevailing year for the area on the date on which entire payment which was differed is being made by the developer. Then from such recalculated payment, amount of payment already paid shall be deducted. However, any interest amount paid will not be allowed to be adjusted against recalculated payment or any other amount payable to MCGM.

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- ii) The amount of balance installments along with applicable interest from the date of deferred installment till the date on which deferred entire payment with interest is being made by the developer shall be calculated

The amount whichever is more out of calculations (i) and (ii) above shall be recovered from the Developers/Society/Owner as illustrated in **Scenario-III of Annexure- A & B.**

- (11) In case all earlier installment amount due has been paid by the Developer/Owner/Society and there is default of last scheduled installment then the interest rate at 10% p.a. shall have to be recovered on delayed period on due outstanding installment amount (including 8.5% p.a. interest) upto 6 (Six) months beyond schedule date.

If the last installment payment with 10% p.a. interest is not paid within the period of extended 6 (Six) months from the schedule date, then 12% p.a. interest shall have to be recovered on such delayed period (beyond extended period of 6 months) on due outstanding installment amount (including 8.5% interest), within next 6 months.

If the Owner/ developer fails to pay the entire amount due of last installment within 12 (Twelve) months including interest as mentioned above, then, the facility granted for installment payment shall be treated as cancelled and further action as mentioned in clause 10 above shall be initiated and the balance payments shall be reworked and recovered as mentioned clause 10 above. as illustrated in **Scenario-IV of Annexure- A & B.**

If the Developer/ Owner/ Society availing the benefit of installment has carried out the work beyond C.C. granted, then the facility granted for installment shall be treated as cancelled and further action as mentioned in clause 10 above shall be initiated and the balance payments shall be reworked and recovered as mentioned therein clause 10 above along with regularisation charges before regularisation of work and before grant of C.C./ further C.C. as illustrated in **Scenario-V of Annexure- A & B.**

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(12) If the plans are amended in future during the installment payment facility period which attracts certain premiums, charges as mentioned in clause 2 and if, there is no default in payment as per earlier installment payment facility granted, the said additional amount payable towards amended plan shall be allowed to be paid in installment as under and as illustrated in **Scenario – VI and VII of Annexure- A & B**, only on approval of the concerned Dy Ch Engineer (B.P.) for the same.

a) The additional amount payable will be divided into two or three or four installments as the case may be as follows:

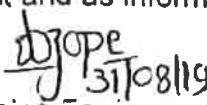
i) 10% amount shall be payable immediately on approval of additional installment facility.


ii) Balance 90% amount shall be equally distributed and clubbed among the remaining/further installments as per earlier sanction.

b) The balance additional amount shall be payable on due dates of the installments already granted along with an interest as per this circular and shall be subjected to all the conditions of this circular.

(13) The concerned A.O. of Building Proposal department shall maintain the head-wise details of the amount of installments and head-wise details of the interest amount. The A.O. shall keep proper record and also monitor the regular payments to be made by the Developer/ Owner/ Society and also issue demand letters/Notices to the defaulting Developer/ Owner/ Society immediately under the intimation to the concerned A.E.(B.P.)/ E.E.(B.P.). The concerned A.E.(B.P.)/ E.E.(B.P.) shall immediately inform with details of non-payment of installment amount / work beyond C.C. to concerned Designated Officer (D.O.) to issue stop work notice as the case may be and also initiate further course of actions as per Sec.55 of MR & TP Act 1966 as the case may be. On receipt of all dues/ installments/ penalties, the A.E.(B.P.)/ E.E.(B.P.) will inform the concerned D.O. for withdrawal of the Stop Work Notice/ MR & TP Notice, as per the merits of the case. The concerned D.O. should take action for withdrawal of stop work/ MR & TP notice as the case may be immediately as per the provisions of act and as informed by Building Proposal Department.

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- (14) The defaulters shall never be considered for grant of facility of installments in any payment in future for the said project in which default has occurred
- (15) The defaulted amount shall be treated as arrears in Property Tax and shall be recovered accordingly by the Assessment Department of MCGM as per the relevant provisions in act and norms, if not paid by the Developer/ Owner/ Society as per this circular and as and when demanded by the MCGM.
- (16) Installment payment facility and interest rate to be charged thereon in respect of payment to be made to State Government /Dharavi Redevelopment Project/ MSRDC will be in accordance with the policies that may be formulated and communicated to the MCGM by respective Departments/Authorities.
- (17) The reduced rates of Additional FSI / Fungible Compensatory Area as per Govt. directives issued under Section 154 of MR & TP Act, under no. TPB-4319/189/CR-123/2019/UD-11 dtd 20 August 2019, will not be applicable for the Built Up Area already approved prior to 20 August 2019, by availing installment payment facility.
- (18) This policy circular shall be made applicable from date of issue, hence while calculating the interest amount for ongoing proposals where installment payment facility is already granted shall be worked out as per the interest rate mentioned in previous circulars upto date of issue of this circular. Further calculation of interest shall be made as per this circular **as illustrated in Scenario VIII of Annexure A & B.**
- (19) The calculation of premium amount payable to the various authorities other than MCGM and the amount of installment as being informed by concerned authorities from time to time and interest thereon shall be calculated and informed to concern authorities in the form of challan by Building Proposal Department. Further the record regarding monitoring recovery of installment payment and interest shall be maintained by respective Building Proposal Department.

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31/08/19  
Chief Engineer  
(Development & Plan)

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The illustrative example as per above guide lines for the respective clauses above is annexed as **ILLUSTRATION, ANNEXURE 'A'** (for buildings having height less than 70 00 mtrs ) and **ANNEXURE 'B'** (for buildings having height equal to or more than 70 00 mtrs.), with different **Scenarios - I, to VIII**, as a guidelines while calculating the installments & dues, penalties, an interest, etc. Simultaneously, the format for report to be submitted to the concern Dy Ch Engineer (B.P.) for obtaining sanction to installment facility is annexed as **ANNEXURE - 'C'**.

- NOTE:**
- i) The necessary modifications as per the above policy circular will be made in 'Auto DCR', and till that time the proposals will be processed with existing offline arrangement.
  - ii) This circular will supersede the earlier circular issued vide reference no.(i) & (ii) for allowing installment payment facility.
  - iii) This circular shall come into force with effect from date of issue.

(iv) Shall be applicable only for next two years.

*R.B. Zope*  
31/08/19  
(R.B. Zope)  
Ch.E.(DP)

*[Signature]*  
C.A.(Finance) 1/2

*[Signature]*  
31/8/19  
(Praveen Darade)  
A.M.C.(P)

*[Signature]*  
(Praveen Pardeshi)  
Municipal Commissioner