

PRESIDENT

Nayan A. Shah

IMMEDIATE PAST PRESIDENT

Mayur Shah

VICE PRESIDENTS

Deepak Goradia
Boman Irani
Harish Patel
Nainesh Shah
Domnic Romell

ADDL. VICE PRESIDENT

Sukhraj Nahar

HON. SECRETARY

Bandish Ajmera

TREASURER

Mukesh Patel

SPECIAL PROJECTS

Parag Munot
Sandeep Raheja
Jayesh Shah
Sanjay Chhabria
Rakesh Kanakia

HON. JOINT SECRETARIES

Navin Makhija
Sandeep Runwal
Shailesh G. Puranik
Dhaval Ajmera
Pratik Patel

JOINT TREASURER

Nayan Bheda
Munish Doshi

CO-ORDINATORS

Sandeep Shah
Tejas Vyas
Shailesh Sanghvi
Pritam Chivukula

COMMITTEE MEMBERS

Jagdish Ahuja
Jitendra Jain
Deepak Gundecha

INVITEE MEMBERS

Praful Shah
Rajesh Prajapati
Sachin Mirani
Nikunj Sanghavi
Rajeev Jain
Shyamal Mody
Digant Parekh
Rushank Shah
Samyag Shah
Jayesh C. Shah
Sunny Bijlani
Sahil Parikh
Naman Shah
Suhail Khandwani
Ricardo Romell

PAST PRESIDENTS

Dharmesh Jain
Vyomesh Shah
Paras Gundecha
Pravin Doshi
Mohan Deshmukh
Mofatraj Munot
Rajnikant Ajmera
Late G. L. Raheja
Late Lalit Gandhi
Late Babubhai Majethia

CREDAI-MCHI UNITS

PRESIDENT, THANE
Ajay Ashar

PRESIDENT, KALYAN-DOMBIVLI
Ravi Patil

PRESIDENT, MIRA VIRAR CITY
Ashit Shah

PRESIDENT, RAIGAD
Ateeque Khot

PRESIDENT, NAVI MUMBAI
Prakash Baviskar

Ref. No. MCHI/PRES/18-19/131

January 23, 2019

To,
Hon'ble Shri Arun Jaitley
Minister for Finance
Government of India
North Block
New Delhi - 110 001

Sub: Envisaged delay in Project Execution & Possession owing to the ongoing Liquidity Crisis

Respected Sir,

As you are aware that the ongoing NBFC crisis which began with IL&FS failing to repay its commercial dues, has caused a liquidity crisis for the entire NBFC sector. This crisis has spilled over onto the real estate sector and has dried up liquidity for the real estate sector, both for the consumer as well as for the developer.

With the perceived risk post the IL&FS fiasco, while the cost of borrowing has gone up by upto 200 basis points (that is 2%), there is a considerably delay in the disbursement cycle leading to major cash flow issues for the real estate developers. From the ground, while consumers have been reporting undue delay in home loan disbursements, Construction Funding disbursements have also been either put on hold or delayed indefinitely.

The above scenario has already pushed many projects into the NPA list and many are likely to be classified NPAs. Many developer entities are today under the purview of NCLT for a situation which is not their doing. It is with this background that CREDAI-MCHI is humbly requesting the Government to come out with a policy note, not later than 20th February, 2019, vide which all developer loans should be allowed to be restructured with a one year moratorium period for interest and minimum three years extension to consumer housing loans. The above steps would go a long in restoring faith and stability in the real estate sector which today is on the verge of crumbling.

CREDAI-MCHI's PREAYERS

1. Allow one-time restructuring of all developer loans, irrespective of NPA classification with a one year moratorium period for interest;
2. At time of restructuring, PSU Banks to be allowed to take over even those developer loans that have a land component as part of the existing loan structure;
3. Provide minimum three years extensions to consumer housing loans.

We look forward to your support and a positive response, as always in the past.

Yours sincerely,
For CREDAI-MCHI


Nayan A. Shah
President


Bandish Ajmera
Hon. Secretary


Sanjiv S. Chaudhary MRICS
COO, CREDAI-MCHI