

PRESIDENT

Nayan A. Shah

IMMEDIATE PAST PRESIDENT

Mayur Shah

VICE PRESIDENTS

Deepak Goradia
Boman Irani
Harish Patel
Nainesh Shah
Domnic Romell

ADDL. VICE PRESIDENT

Sukhranj Nahar

HON. SECRETARY

Bandish Ajmera

TREASURER

Mukesh Patel

SPECIAL PROJECTS

Parag Munot
Sandeep Raheja
Jayesh Shah
Sanjay Chhabria
Rasesh 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/18-19/124

January 16, 2019

To,

Shri Manu Kumar Srivastava (I.A.S.)

Additional Chief Secretary (Revenue)

Registration and Stamp

Revenue & Forest Department

Government of Maharashtra

Mantralaya, Mumbai

Sub: Proposed Premium for conversion of Class - II Land to Class I

Ref: Our representation dtd. Dec. 17, 2018 bearing No. MCHI/PRES/18-19/084

Respected Sir,

This has reference to the above-mentioned representation dtd. December 17, 2018 submitted to your good self, on the subject of Draft of rules which the Government of Maharashtra proposes to make in exercise of the powers conferred by sections 29 and 328 of the Maharashtra Land Revenue Code, 1966 (Mah.XLL of 1966) for Conversion of Class II lands into Class I. (Enclosed copy of the representation for ready reference)

It has been proposed vide this notification that any holder of Occupancy Class II land or leasehold land could apply to the concerned District Collector for conversion to Occupancy Class I on payment of specified premium, besides some other provisions of these Rules. The Premium to be charged as specified is : "Fifty per cent of value of such land specified in the current Annual Statement of Rates (ASR)".

Sir, it is our sincere request that this premium be clarified as "incremental" premium over any other premium paid in the past for the same land when the transfer of rights may have been affected from one party to another and should not be an absolute 50% of the current day ASR.

Besides, the conversion of lands Class II to Class I, should be made at an incremental premium of only 25% and should be applicable to all kinds of land whether agricultural, industrial, residential or commercial, because currently it seems that the notification that was issued for suggestions & objection which ended on 31st December, was not applicable and did not include industrial land. It is important to note here earlier policies that have been issued by Government of Maharashtra for converting the Government land into freehold by payment of premiums have not worked because the land owners have found the premiums to be very, very costly and unviable; hence, the earlier schemes have been a failure and very few land owners have actually opted for the same.

So, our earnest request to the Government is to come out with a people-friendly scheme, that the land owners would whole heartedly accept. Sir, additionally, we request that once the premium payment has been affected in the government records, the current land owner be given Sanad and the land should be made free of all encumbrances.

CREDIA-MCHI's PRAYERS

1. The conversion of lands Class II to Class I, should be made at an incremental premium of only 25% and should be applicable to all kinds of land whether agricultural, industrial, residential or commercial
2. Provide a facility of interest free deferred payment facility for 3 (three) years.
3. Once the premium payment has been affected in the government records, the current land owner be given Sanad and the land should be made free of all encumbrances.

We look forward to your favorable consideration and confirmation of the above suggestion.

Thanking you,

Yours sincerely,
For CREDAI-MCHI



Nayan A. Shah
President



Bandish Ajmera
Hon. Secretary



Sanjiv S. Chaudhary MRICS
COO, CREDAI-MCHI

Encl.: As above

PRESIDENT
Nayan A. Shah

IMMEDIATE PAST PRESIDENT
Mayur Shah

VICE PRESIDENTS
Deepak Goradia
Boman Irani
Harish Patel
Nainesh Shah
Domnic Romell

ADDL. VICE PRESIDENT
Sukhranj Nahar

HON. SECRETARY
Bandish Ajmera

TREASURER
Mukesh Patel

SPECIAL PROJECTS
Parag Munot
Sandeep Raheja
Jayesh Shah
Sanjay Chhabria
Rasesh 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
Prilam 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/18-19/084

December 17, 2018

To
Shri Manu Kumar Srivastava (I.A.S.)
Additional Chief Secretary (Revenue)
Registration and Stamp
Revenue & Forest Department
Government of Maharashtra
Mantralaya, Mumbai

[Handwritten signature and stamp]
17/12/18
वि.स.स.
सचिव, वन विभाग
महाराष्ट्र सरकार
मंत्रालय, मुंबई

Sub: Draft of rules which the Government of Maharashtra proposes to make in exercise of the powers conferred by sections 29 and 328 of the Maharashtra Land Revenue Code, 1966 (Mah.XLL of 1966) for Conversion of Class II lands into Class I

Ref: Jamin 2018/C.R.90/J-1 dated 17th November 2018.

Respected Sir,

With reference to the above, we submit the following suggestions,

- 1) Kindly clarify that conversion to Occupancy Class-I is without any conditions attached to Class-II land and after conversion the land assumes tenure as freehold.
- 2) Various rates of Conversion Premiums suggested in TABLE of DRAFT RULES is too high and exorbitant and is not tenable as per legal opinions/observations made by various Courts including Supreme Court of India [*Inder Prasad vs. Union of India*; 1994 SCC (5) 239] & High Court of various States [*Delhi High Court: LA.APP. 98/2007*] including Bombay in respect of remainder commercial and beneficial interest of the Lessor / Owner. In case Ready Reckoner rates are not acceptable to occupant choice to be given to take market value of land.
- 3) It is to be borne in mind that suggested conversion formula is relating to market value at current rate which factor itself serves as a necessary stimulant for Owner / Lessor of leasehold lands to earn its just and fair remainder share (valuation) of lease hold land and therefore percentage share of the Govt. out of current market valuation has to be very reasonable for truly attracting the lessees who have otherwise no compulsion at all to respond.
- 4) The draft rules do not consider the cases where in applicant has made application for grant of the Government lands on payment of 100 % of the market value and such applicant comes for conversion of such Class-II lands into Class I lands.

As per the draft rules published, such applicant is required to pay the 100% of the market value of the land + as per draft GR, 50% of market value for conversion into Class I land i.e. 150% of the market value of the land . This is an exorbitant price considering that the ASR are revised every year.

We suggest that

- In such cases where the application for grant of Government in being considered by the Government / Collector office, then the grant of Government land in Class I tenure shall be granted by recovering additional premium of 5% of the ASR over & above the market price of land.

- 5) While calculating the premium for the conversion of the lands, the original price paid to the Government towards the grant of the land, cost of improvement made by the owners and unearned income paid to the Government by the occupants of said lands shall have to be deducted from the ASR value of the land i.e.

Premium for Conversion of land = rate of premium in % (Value of the land as per ASR/Market Value - {original price paid to Government + Cost of improvement made by the Occupants + Unearned income paid to the Government})

- 6) The para wise suggestions / objections are as under

DRAFT RULES

Serial number	Provision number	Provision	Suggestions in BOLD & italics	Remarks
1	1. Short title and application (2)	(2) These Rules shall apply to lands granted for agricultural or residential or commercial purpose on Occupancy Class-II or	(2) These Rules shall apply to lands granted for agricultural or residential or commercial purpose or to Industrial purpose which can be used for Residential/ commercial purposes as provisions of the D.C. regulations of the Municipal	There are policies of the Government in Urban Development Department wherein the Class II lands granted / acquired lands can be used for the Residential / Commercial uses .

		leasehold rights.	Councils/ Corporations, on Occupancy Class-II or leasehold rights.	Suggestions is as per the Government policy and will also reduce the approval time & procedure
2	3.	(3) Upon such verification, if it is noticed that there is violation of any of the terms or conditions of grant of such land which has not been regularized by the Authority competent to do so, then the Collector may reject the application, by an Order, after recording the reasons therefor.	(3) Upon such verification, if it is noticed that there is violation of any of the terms or conditions of grant of such land which has not been regularized by the Authority competent to do so, then the Collector may consider the said application subject to the conditions that violations shall be regularized by the competent authority within stipulated time . reject the application, by an Order, after recording the reasons therefor.	Suitable provisions shall be have to be made for regularization of the <u>Violations</u> Violations , else most of the applications will be rejected on these grounds. The Government may not achieve the intended the purpose .
		(4) Upon such verification, if it is noticed that there is no violation of any of the	(4) Upon such verification, if it is noticed that there is no violation of any of the terms or conditions of grant of such land, or such	

		<p>terms or conditions of grant of such land, or such violation, if any, has been regularized by the authority competent to do so, then the Collector shall by an Order, convert the Occupancy Class-II land or leasehold land into Occupancy Class-I land on payment of conversion premium as specified in the Table below: —</p>	<p>violation, if any, has been regularized by the authority competent to do so <i>OR on conditions that such violations shall be dealt by the competent authority within the stipulated time</i>, then the Collector shall by an Order, convert the Occupancy Class-II land or leasehold land into Occupancy Class-I land on payment of conversion premium as specified in the Table below</p>	
--	--	--	---	--

TABLE
(The suggestions are in BOLD & Italics)

Sr. No	A) Conversion premium payable for conversion of Occupancy Class-II or leasehold lands granted for agricultural purposes only as Occupancy Class - I without any conditions attached to the Govt. land (similar to freehold land) :-			
	Area in which the land is situated and user of the land	Premium to be charged upto three years commencing from the date of publication of these rules in official Gazette	Premium to be charged up to three FIVE years commencing from the date of publication of these rules in official Gazette	The time period of three years is too short for processing the applications in the Revenue Department shall have to be made at least 5 years
1	Land granted for agricultural purposes situated outside the limits of any Nagar Panchayat or Municipal Council or Corporation or Special planning Authority, —			While calculating the premium for the conversion of the lands, the original price paid to the Government towards the grant of the land, cost <u>improvement cost</u> of improvement made by the owners and <u>unearned</u> income paid to the Government by the occupants of said lands shall have to deducted from the ASR value of the land i.e
	(i) allocated to agricultural or no development zone as per the Regional plan ;	Fifty Twenty Five Fifty per cent of value of such land calculated as per potential non-agricultural rate of such land specified in the current Annual Statement of Rates by	Thirty Sixty Seventy five per cent of value of such land calculated as per potential non-agricultural rate of	

		deducting the original price paid to Government + Cost of improvement made by the Occupants + Unearned income paid to the Government.	such land specified in the current Annual Statement of Rates by deducting the original price paid to Government + Cost of improvement made by the Occupants + Unearned income paid to the Government	Premium for Conversion of land = rate of premium in % (Value of the land as per ASR - { original price paid to Government + Cost of improvement made by the Occupants + Unearned income paid to the Government })
	(ii) allocated to any non-agricultural zone as per the Regional plan.	Fifty Twenty Five per cent of value of such land calculated as per potential non-agricultural rate of such land specified in current Annual statement of Rates by deducting the original price paid to Government + Cost of improvement made by the Occupants + Unearned income paid to the Government	Thirty Sixty Seventy five per cent of value of such land calculated as per potential non-agricultural rate of such land specified in current Annual Statement of Rates by deducting the original price paid to Government + Cost of improvement made by the Occupants + Unearned income paid to the Government	

2	Land granted for agricultural purposes, situated within the limits of any Nagar Panchayat or Municipal Council or Municipal Corporation or Special Planning Authority and allocated to any non-agricultural zone as per Development plan, or where non-agricultural use of such land is not permissible as per the Development plan.	Twenty five Fifty per cent of value of such land calculated as per rate of such land specified in the current Annual Statement of Rates by deducting the original price paid to Government + Cost of improvement made by the Occupants + Unearned income paid to the Government	Thirty six Seventy five per cent of value of such land calculated as per rate of such land specified in the current Annual Statement of Rates by deducting the original price paid to Government + Cost of improvement made by the Occupants + Unearned income paid to the Government	For parity the % of premium shall be charged at 80% for all cases after 5 years
(B) Conversion premium payable for conversion of Occupancy Class-II or leasehold lands granted for residential or commercial purposes only without any conditions attached to land (like freehold land):-				
1	Land held on Occupancy Class-II.	Fifty per cent Twenty five per cent of value of such land calculated as per rate of such land specified in the current Annual Statement of Rates by deducting the original price paid to Government +	Sixty Three Sixty per cent of value of such land calculated as per rate of such land specified in the current Annual Statement of	1. For Cooperative Housing societies, the rate of premium shall be made 10% i.e. at par with the redevelopment premium being recovered as per

		Cost of improvement made by the Occupants + Unearned income paid to the Government.	Rates by deducting the original price paid to Government + Cost of improvement made by the Occupants + Unearned income paid to the Government	the Maharashtra Government Cabinet decision for Revenue Department dtd. 30 th January 2018.
2	Land leased out for a period upto ninety-nine years.	Twenty Five per cent Fifty per cent of value of such land calculated as per rate of such land specified in the current Annual Statement of Rates by deducting the original price paid to Government + Cost of improvement made by the Occupants + Unearned income paid to the Government.	Thirty Five Seventy five per cent of value of such land calculated as per rate of such land specified in the current Annual Statement of Rates by deducting the original price paid to Government + Cost of improvement made by the Occupants + Unearned income paid to the Government.	
3	Land leased out for a period of more than ninety-nine years and currently	Thirty Seven and half Thirty Seven and Half per cent of value of such land calculated as per rate of such land	Seventy five Seventy five per cent of value of such land calculated as per rate of	

	held for the same lease period.	specified in the current Annual Statement of Rates <i>by deducting the original price paid to Government + Cost of improvement made by the Occupants + Unearned income paid to the Government</i>	such land specified in the current Annual Statement of Rates <i>by deducting the original price paid to Government + Cost of improvement made by the Occupants + Unearned income paid to the Government</i>	
4	Land granted on leasehold rights to a Co-operative Housing Society and currently held by the Co-operative Housing Society.	Twenty five <i>Twenty five</i> per cent of value of such land calculated as per rate of such land specified in the current Annual Statement of Rates <i>by deducting the original price paid to Government + Cost of improvement made by the Occupants + Unearned income paid to the Government</i>	Sixty <i>Twenty five</i> per cent of value of such land calculated as per rate of such land specified in the current Annual Statement of Rates <i>by deducting the original price paid to Government + Cost of improvement made by the Occupants + Unearned income paid to the Government.</i>	
5	Land granted on occupancy	Twenty Five per <i>Twenty Five per</i>	Sixty Twenty <i>Sixty</i> percent	

	Class - II to a Co-operative housing society and currently held by the Co-operative housing society.	cent of value of such land calculated as per rate of such land specified in the current Annual Statement of Rates.	of value of such land calculated as per rate of such land specified in the current Annual Statement of Rates.	
Additional Category :				
6	Land granted on Occupancy Class-II to a private person with express permission for ultimate transfer to a Co-operative housing society.	<u>No premium</u>	<u>No premium</u>	<u>The Class II lands are granted / leased for constructions Housing complexes. These housing complexes / buildings are required to be transferred to the Federations / Societies as per the relevant Acts / directions / policies of the Government</u>
7	<u>Application of grant of Class II land is under consideration of the Government / Collector, and the applicants apply for conversion of Class I tenure</u>	<u>Five percent value of such land calculated as per rate of such land specified in the current Annual Statement of Rates</u>	<u>-----</u>	

- i. Hope you will find our suggestions fair and reasonable in interest of all stakeholders and implement the same for very rich harvest in Govt. Revenues.
- ii. I request you for personal or group hearing to present our case as may be convenient and suitable to you.

Thanking you,

Yours sincerely,
For CREDAI-MCHI



Nayan A. Shah
President



Bandish Ajmera
Hon. Secretary



Sanjiv S. Chaudhary MRICS
CREDAI-MCHI Secretariat