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March 30, 2020

PRESIDENT
Nayan A. Shah

IMMEDIATE PAST PRESIDENT
Mayur Shah

PRESIDENT-ELECT
Deepak Goradia

VICE PRESIDENTS
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
Rasesh Kanakia

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

JT. TREASURERS
Nayan Bheda
Munish Doshi

CO-ORDINATORS
Tejas Vyas
Shailesh Sanghvi
Pritam Chivukula

COMMITTEE MEMBERS
Jagdish Ahuja
Jitendra Jain
Deepak Gundecha

INVITEE MEMBERS
Praful Shah
Raajesh 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
Harshul Savla

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 UNIT
Ajay Ashar

PRESIDENT, KALYAN DOMBIVLI
Deepak Mehta

PRESIDENT, MIRA VIRAR CITY
Ashit Shah

PRESIDENT, RAIGAD
Kiran Bagad

PRESIDENT, NAVI MUMBAI UNIT
Prakash Baviskar

To,
Shri Shaktikanta Das (I.A.S.)
Governor
Reserve Bank of India
Central Office Building 18th Floor,
Shahid Bhagat Singh Road Mumbai-400 001.

**Sub: Representation towards COVID 19 relief package granted
on 27th March, 2020.**

In view of the COVID-19 pandemic, declared as Natural Disaster, the Monetary Policy Committee (MPC) of Reserve Bank of India ("RBI") has taken the following decisions to provide relief to the business community. A Statement on Developmental and Regulatory Policies ("**Policy**") was made by the Governor of the Reserve Bank of India ("RBI") on 27th March, 2020 and Circular No.DOR.No.BP.BC.47/21.04.048/2019-20 was issued shortly thereafter.

At the outset, we thank the RBI for taking a bold step in the right direction which will help the banks infuse the necessary liquidity into the system. We further thank you for taking much needed decision to give a 3 month extension to borrowers and lenders alike.

As the Circular clearly states that the regulatory measures have been announced to mitigate the burden of debt servicing brought about by disruptions on account of COVID-19 pandemic and to ensure the continuity of businesses which ensures that not one employee or consumer is affected due to disruption of business caused by this natural disaster.

However this RBI Policy is in the nature of a permission to Lending Institutions to defray recovery of monies due between 1st March and 31st May, 2020. This may lead to different policies being adopted by each bank, NBFC and HFC to implement the aforesaid policy and more so, the lending institutions may also decide to implement the circular on a case to case basis.

We strongly believe that the policy of granting 3 months extension should be implemented across the board and uniformly by all bank for all the borrowers. Since each and every business and organization is affected by this natural disaster/ natural calamity and subsequent national lock down, any discretionary approach will defeat the purpose and spirit behind the Policy announced.

Further, some of the lending institutions are not allowing instalment/ EMI/interest moratorium to accounts classified as SMA 0/1/2/3 or NPA. As impairment of cash flow has equally affected these borrowers alike, it is very important imperative for this policy to cover all accounts including those who have been classified as SMA 0/1/2/3 or NPA and their status quo to be maintained until the May 31st, 2020.

Urgent need for a Special package for Real Estate Sector:

Sir, due to the ongoing economic crisis in India, the Real Estate sector, which was already reeling under depressed demand and slow down since the last two years, is now facing un-precedented stress and difficulties especially in these daunting times. With the outbreak of Corona Virus in India coupled with the ongoing banking crisis and downfall of various NBFCs lending to the real estate sector, the real estate sector is now deeply suffering from these multiple mega blows.

Substantial time and efforts by all stake holders including the RBI, is required to overcome the loss and damage caused due to the economic slow down, the NBFC crisis and now the lock down of the entire country.

While the ongoing economic crisis had disrupted the flat purchasers' income flow due to ongoing layoffs, restructuring of the companies etc., most of our customers were already facing liquidity issues, which had in turn caused a resultant delay of payments due from the flat purchasers.

Further, due to the NBFC crisis, there is no disbursement of even sanctioned home loans which has directly impacted payments due from the purchasers to the developers.

Now with Corona virus spreading fast, the demand for homes and offices has come to a complete standstill. Our labourers have migrated back to their villages and will return only after monsoon season is over. The supply chain of goods and materials required will also take months to restore.

Thus, our cash flows, firstly from new sales and collection from the sold units have been severely affected, secondly from license fees /rentals from tenants in retail malls and office complexes is equally impaired. These tenants have written to us their inability to pay their monthly rentals as their establishments are being forced to shut down by the government orders or lack of business due to non-existent footfalls. We run the risk of huge vacancies in our malls and office complexes over the next 12 months.

These unprecedented never before events over the last few weeks and also the expected long drawn lockdown of the country shall be causing severe strain on our already depleted and frugal cash flows.

Hence Real Estate sector will take a minimum of six months to be in position to start generating sufficient cash flows to start repayment of any lending facility granted to us by the lending institutions.

Sir, the current situation is more serious than the situation in 2008 Global Financial Crisis (GFC). Moreso, India was relatively less affected by the GFC in 2008. But then too in 2008, a One-Time Restructuring (OTR) was permitted by RBI and that saved hundreds of industries and thereby lacs of jobs.

The RBI once again needs to permit an OTR wherever the projects are cash flow positive as defined by the Finance Ministry under the SWAMIH Fund as well as an opportunity to re-assess underwritten cashflows beyond the current DCCO circular norms.

Hence we request that for Real Estate Sector

- 1) All lending institutions, governed by the RBI, should be directed to pass on a moratorium of six months of all dues and overdue instalments/EMI/ Interest of all loan types as defined in the RBI mastercircular, including term loans, which are outstanding as on 1st March 2020.
- 2) A clarification be issued stating that dues and overdues of all loans (including loans categorized as SMA0, SMA1, SMA2 and NPA) as on 1st March 2020, shall be granted this moratorium for period of six months from any further classification or actions.
- 3) No interest should be charged for the period of Lock Down plus thirty days.
- 4) It is to be further clarified that No penal interest or default interest shall be charged for this differed period from 1st March 2020 to 31st August 2020.
- 5) Further, we request to clarify that 'Term Loan' to include Working Capital Term Loan (WCTL) or a Funded Interest Term Loan (FITL) or Debentures subscribed by the Lending Institution.
- 6) Interest payable on term loans for the period 1st March 2020 to 31st August 2020, should be allowed to be capitalized, payable at the end of the period of term loan. All the term loan should be directed to be extended by six months with the same terms and conditions.
- 7) In the case of deferment of interest on Working Capital Facilities sanctioned in the form of cash credit/overdraft, lending institutions should allow a deferment of three months on payment of interest in respect of all such facilities outstanding as on March 1, 2020. The accumulated interest for the period shall be paid across the balance tenure of the facility in equated installments after the expiry of the deferment period.
- 8) One Time Restructuring :-Where Lending Institutions finds that the Project is cash flow positive as defined by Finance Ministry for the SWAMIH Fund an One- Time Restructuring (OTR) is more beneficial in the interest of the Lending Institutions, Borrower and the Apartment purchasers, and thus should be allowed as was permitted in GFC 2008. Since we all will be going back to the drawing board this time which is different from the GFC 2008, lending institutions should be allowed to re-assess business needs as well as allow extension of tenures beyond the DCCO norms and loan amounts if need be and be directed to use force majeure clause for all loans while implementing such one time restructuring. This one time restructuring should be allowed in respect of all loans, including loans categorized as SMA0, SMA1, SMA2 and NPA.

- 9) **RBI to direct Lending Institutions of Passing of the reduction of base rates by automatic route and link to repo rate at the earliest. We request that till lending rates of bank are linked to repo rate, the reduction of 0.75% in Repo Rate effected by RBI be directed to be passed on immediately by automatic route to all borrowers.**

Thanking you in anticipation of a favorable response.

Yours Sincerely,
For CREDITAI-MCHI



Nayan A. Shah
President



Bandish Ajmera
Hon. Secretary

CC: The Chairman's of the following Banks:

I. List of Scheduled Public Sector Banks:

- 1.Allahabad Bank
- 2.Andhra Bank
- 3.Bank of Baroda
- 4.Bank of India
- 5.Bank of Maharashtra
- 6.Canara Bank
- 7.Central Bank of India
- 8.Corporation Bank
- 9.Indian Bank
- 10.Indian Overseas Bank
- 11.Oriental Bank of Commerce
- 12.Punjab & Sind Bank
- 13.Punjab National Bank
- 14.State Bank of India
- 15.Syndicate Bank
- 16.UCO Bank
- 17.Union Bank of India
- 18.United Bank of India

II.List of Scheduled Private Sector Banks:

- 1.Axis Bank Ltd.
- 2.Bandhan Bank Ltd.
- 3.Catholic Syrian Bank Ltd.
- 4.City Union Bank Ltd.
- 5.DCB Bank Ltd.
- 6.Dhanlaxmi Bank Ltd.
- 7.Federal Bank Ltd.
- 8.HDFC Bank Ltd
- 9.ICICI Bank Ltd.
- 10.IndusInd Bank Ltd
- 11.IDFC FIRST Bank Ltd.* (IDFC Bank Ltd.)
- 12.Jammu & Kashmir Bank Ltd.

- 13.Karnataka Bank Ltd.
- 14.Karur Vysya Bank Ltd.
- 15.Kotak Mahindra Bank Ltd
- 16.Lakshmi Vilas Bank Ltd.
- 17.Nainital Bank Ltd.
- 18.RBL Bank Ltd.
- 19.South Indian Bank Ltd.
- 20.Tamilnad Mercantile Bank Ltd.
- 21.YES Bank Ltd.
- 22.IDBI Bank Ltd.

III. List of Scheduled Foreign Banks in India:

- 1.Australia and New Zealand Banking Group Ltd.
- 2.Westpac Banking Corporation
- 3.Bank of Bahrain & Kuwait BSC
- 4.AB Bank Ltd.
- 5.Sonali Bank Ltd.
- 6.Bank of Nova Scotia
- 7.Industrial & Commercial Bank of China Ltd.
- 8.BNP Paribas
- 9.Credit Agricole Corporate & Investment Bank
- 10.Societe Generale
- 11.Deutsche Bank
- 12.HSBC Ltd
- 13.PT Bank Maybank Indonesia TBK
- 14.Mizuho Bank Ltd.
- 15.Sumitomo Mitsui Banking Corporation
- 16.The Bank of Tokyo- Mitsubishi UFJ, Ltd.
- 17.Cooperatieve Rabobank U.A.
- 18.Doha Bank
- 19.Qatar National Bank
20. JSC VTB Bank
21. Sberbank
22. United Overseas Bank Ltd
23. FirstRand Bank Ltd
24. Shinhan Bank
25. Woori Bank
26. KEB Hana Bank
27. Industrial Bank of Korea
28. Kookmin Bank
29. Bank of Ceylon
30. Credit Suisse A.G
31. CTBC Bank Co., Ltd
32. Krung Thai Bank Public Co. Ltd.
33. Abu Dhabi Commercial Bank Ltd.
34. Mashreq Bank PSC
35. First Abu Dhabi Bank PJSC
36. Emirates Bank NBD
37. Barclays Bank Plc.
38. Standard Chartered Bank

39. NatWest Markets Plc
40. American Express Banking Corporation
41. Bank of America
42. Citibank N.A.
43. J.P. Morgan Chase Bank N.A.
44. SBM Bank (India) Limited*
45. DBS Bank India Limited*
46. Bank of China Ltd.

Also The Chairman's of all List of Scheduled Regional Rural Banks and List of Scheduled Small Finance Banks.

List of HFC's & NBFC's:

I. Deposit Taking HFC's:

- 1 Can Fin Homes Limited
- 2 Cent Bank Home Finance Limited
- 3 Dewan Housing Finance Corporation Limited
- 4 Aadhar Housing Finance Limited (Formerly: DHFL Vysya Housing Finance Limited)
- 5 GRUH Finance Limited
- 6 Housing and Urban Development Corporation Limited
- 7 Housing Development Finance Corporation Limited
- 8 ICICI Home Finance Company Limited
- 9 LIC Housing Finance Limited
- 10 Manipal Housing Finance Syndicate Limited
- 11 PNB Housing Finance Limited
- 12 Sundaram BNP Paribas Home Finance Limited
- 13 Saral Home Finance Limited (Formerly, Vishwakriya Housing Finance Limited)
- 14 GIC Housing Finance Limited
- 15 Ind Bank Housing Limited
- 16 National Trust Housing Finance Limited
- 17 REPCO Home Finance Limited
- 18 L&T Housing Finance Limited

II Non Deposit Taking NBFC's:

1. Magma Housing Finance Limited
(Formerly, GE Money Housing Finance)
2. Prosper Housing Finance Limited
(Formerly, HBN Housing Finance Limited)
3. Indiabulls Housing Finance Limited
4. India Home Loan Limited
5. Religare Housing Development Finance Corporation Limited
(Formerly, Maharishi Housing Development Finance Corporation Limited)
6. Mahindra Rural Housing Finance Limited
7. MAS Rural Housing and Mortgage Finance Limited
8. Micro Housing Finance Corporation Limited
9. Orange City Housing Finance Limited
10. Sahara Housingfina Corporation Limited
11. India Shelter Finance Corporation Limited
(Formerly, Satya Prakash Housing Finance Private Limited)
12. SRG Housing Finance Limited
13. Swagat Housing Finance Company Limited
14. Vastu Housing Finance Corporation Limited

15. Reliance Home Finance Limited
(Formerly, Reliance Homes Finance Private Limited)
16. IIFL Home Finance Limited
(Formerly: India Infoline Housing Finance Limited)
17. Tata Capital Housing Finance Limited
18. Swarna Pragati Housing Micro Finance Private Limited
19. Akme Star Housing Finance Limited
20. Panthoibi Housing Finance Company Limited
21. North East Region Housing Finance Company Limited
22. Edelweiss Housing Finance Limited
23. Aptus Value Housing Finance India Limited
24. Home First Finance Company India Private Limited
25. Shubham Housing Development Finance Company Limited
26. Muthoot Housing Finance Company Limited
27. Shriram Housing Finance Limited
28. Aavas Financiers Limited
(Formerly, A u Housing Finance Limited)
29. Manappuram Home Finance Limited
(Formerly, Milestone Home Finance Company Private Limited)
30. New Habitat Housing Finance and Development Limited
31. Habitat Micro Build India Housing Finance Company Private Limited
32. Homeshree Housing Finance Limited
(Formerly, USB Housing Finance Corporation Limited)
33. DMI Housing Finance Private Limited
34. VIVA Home Finance Limited
35. Aspire Home Finance Corporation Limited
36. Muthoot Homefin (India) Limited
37. Aditya Birla Housing Finance Limited
38. Mentor Home Loans India Limited
39. ART Housing Finance (India) Limited
(Formerly : ART Affordable Housing Finance (India) Limited)
RAAS Affordable Housing Finance (India) Limited)
40. Mamta Housing Finance Company Private Limited
41. SEWA Grih Rin Limited
42. Fasttrack Housing Finance Limited
43. Fullerton India Home Finance Company Limited
44. Supreme Housing Finance Limited
45. Nivara Home Finance Limited
46. Khush Housing Finance Private Limited
47. Capri Global Housing Finance Limited
48. Bajaj Housing Finance Limited
49. Hinduja Housing Finance Limited
50. IKF Home Finance Limited
(Formerly: IKF Housing Finance Private Limited)
51. Five-Star Housing Finance Private Limited
52. West End Housing Finance Limited
53. Ummeed Housing Finance Private Limited
54. Aviom India Housing Finance Private Limited
55. IndoStar Home Finance Private Limited
56. Essel Finance Home Loans Limited
57. Bee Secure Home Finance Private Limited

58. KIFS Housing Finance Private Limited
59. Centrum Housing Finance Limited
60. Manibhavnam Home Finance India Private Limited
61. Anand Housing Finance Private Limited
62. Navarathna Housing Finance Limited
63. Altum Credo Home Finance Private Limited
64. Aryarth Housing Finance Limited
65. Clix Housing Finance Private Limited
66. Hero Housing Finance Limited
67. Piramal Housing Finance Limited
68. Satin Housing Finance Limited
69. JM Financial Home Loans Limited
70. IFL Housing Finance Limited
71. Roha Housing Finance Private Limited
72. Family Home Finance Private Limited
73. Baid Housing Finance Private Limited
74. APAC Housing Finance Private Limited
75. Wonder Home Finance Limited
76. Adani Housing Finance Private Limited
77. Easy Home Finance Limited
78. Sasvitha Home Finance Private Limited
79. Varashakti Housing Finance Private Limited
80. Capital India Home Loans Limited
81. Nanayasurabhi Affordable Housing Finance Limited
82. Indie Homefin Private Limited
83. Aham Housing Finance Private Limited