

S. S. Hussain I.A.S. (Ex)

Chief Executive Officer

Ref. No. MCHI/CEO/17-18/147

March 05, 2018

Sub: Request for Exemption (Setoff) from Heavy Licence Fees against the payment of full development charges & premium, which are being paid to the corporation

Dear

With reference to the above referred subject, I would like to state as under:-

- 1) In Mumbai region, various developments are in progress for Residential/Commercial /Industrial developments along with various redevelopment schemes.
- 2) In order to enable and assist in Sales of the ongoing project, currently, for promotion of sales and marketing of the said Residential / Commercial/ Industrial developments, Developer of the project requires to take permission from License Dept. of MCGM for putting up hoardings / advertisement / promotional material on the boundary or within their premises. It is treated similar to with carrying out 3rd party commercial advertising, for which they require to pay heavy charges / fees to MCGM for advertising and promotion of their own projects. So it is our prayer that within the plot and project premises, exemption should be granted from paying heavy license fees by giving set off against the payment of development charges/ fees/ premiums for display of advertising/ marketing within the plot and project premises.. in other words, once premium, development charges/ fees for particular project is paid to MCGM, then the developer should be allowed to market and advertising within the plot and project premises in order to assist project sales.
- 3) As you are aware that for obtaining various sanctions and approvals from MCGM and other planning Authorities, Developers are already paying huge amounts towards premiums, charges, taxes, fees, etc. In an already burdened industry as the feasibility of the projects have reduced this particular fee would further add to project cost. Since developers need to generate sales, undertake branding activities and awareness of their projects, they require to advertise their project by providing various project highlights, elevations, amenities, etc. for promotion / Marketing of their own project at site where construction is in progress or completed.

So developers need the exemption (setoff) from the payment of the heavy licence fees in lieu of the development charges for fully paid to the corporation. This will help to make the huge positive changes in the real estate industry. So we urge you accordingly direct the concerned official

Hence, on behalf of CREDAI-MCHI, I would like to bring your kind attention the issue of exemption (Setoff) to be given against payment of development charges premiums for display of advertisement within plot boundary. So, to remove this hurdle you may kindly instruct your concerned department officials to make necessary changes as suggested by us to bring ease of business reforms in the above said procedure for the separate Projects.

Yours



(S. S. Hussain)

To,
Shri Ajoy Mehta (I.A.S.)
Municipal Commissioner,
Municipal Corporation of Greater Mumbai
Mumbai - 400 001