

Ref. No. MCHI/PRES/14-15/016

July 24, 2014

To,
Hon'ble Shri Balasaheb Thorat
Minister for Revenue Department
Government of Maharashtra
Mantralaya,
Mumbai 400 032.

Sub: Calculation or change of 1% Stamp Duty in respect of Agreement for Development or Joint Venture Agreement, or any agreement, in respect of development of immovable property.

Respected Sir,

Greetings from MCHI-CREDAI

We are very much thankful to you, for giving us your most valuable time for meeting with MCHI-CREDAI Members, to expedite important issues related to Revenue Department for Real Estate Industry.

MCHI-CREDAI is an apex body of Builders/Developers, from MMR and continuously working in favour of Builder community for their prospective purpose and to get positive results from the Government level by constant follow up. In our continuous two rounds of meetings with you and Revenue officials, gives tremendous boost for important works, which are held up since long back.

Agreement for Development or Joint Venture Agreement or any agreement, arrangement or contract in respect of development of immovable property between the Owner or Holder and Developer, called by any name, but including Conveyance of immoveable property and Deed of Partnership introducing immoveable property into any partnership as referred under Article 47 of Schedule 1 of Bombay Stamp Act, 1958 may be properly charged.

Wherever Stamp Duty has been paid by the developer under development agreement and/or conveyance, and/or any other instrument on the full rate of Stamp Duty on the market value of all the property and the said property is for the development of buildings, then in such event, the agreement for sale of premises and/or flat constructed or proposed to be

constructed and sold on such property should be valued for the purpose of calculation of stamp duty should be as follows:-

	Ready Reckoner Rate of the constructed premises/shop/offices
Less	Ready Reckoner Rate of the land/FSI of the plot on which such premises is proposed to be sold.
=	Net Value on which the stamp duty shall be calculated.

Explanation :

Since the stamp duty has already been paid, on the document transferring the land or development rights, the stamp duty on the sale of premises to be constructed and sold by such purchaser of the property or development rights should be after deduction of the land value.

Therefore, our request is that the Revenue Department should accept the Stamp Duty for all agreements in respect of development of immoveable property as per the above formula please.

Awaiting for your kind cooperation.

Yours Sincerely,
For MCHI-CREDAI



Vimal Shah
President

CC To:

Dr. Shrikar Pardeshi (I.A.S.)
Inspector General of Registration & Controller of Stamps
New Administrative Building
Govt. of Maharashtra,
Pune - 411001

Ref. No. MCHI/PRES/14-15/017

July 24, 2014

To,
Hon'ble Shri Balasaheb Thorat
Minister for Revenue Department
Government of Maharashtra
Mantralaya,
Mumbai 400 032.

Sub: Maximum Fees of ` 100/- on any Conversion of Partnership to a Limited Company under Chapter IX of the Companies Act, 1956.

Respected Sir,

We are very much thankful to you, for giving us your most valuable time for meeting with MCHI-CREDAI Members, to expedite important issues related to Revenue Department for Real Estate Industry.

MCHI-CREDAI is an apex body of Builders/Developers, from MMR and continuously working in favour of Builder community for their prospective purpose and to get positive results from the Government level by constant follow up. In our continuous two rounds of meetings with you and Revenue officials, gives tremendous boost for important works, which are held up since long back.

Any conversion of Partnership to a limited Company under Chapter IX of the Companies Act, 1956 and/or any conversion of any Limited Company or Partnership or Association of persons or any other form of organization to the Limited Liability Partnership under the Limited Liability Partnership Act, 2008 or vice versa, and transfer of Assets movable or immovable in consequence of such Conversion not to be charged as Transfer.

EXPLANATION & JUSTIFICATION

Conversion of Partnership to a limited Company under Chapter IX of the Companies Act, 1956 and/or any conversion of any Limited Company or Partnership or Association of persons or any other form of organization to the Limited Liability Partnership or vice versa, there is no change of ownership or there is no transfer of assets. The entity and the ownership of entity that is result of such conversion remains same but only the form of entity changes. Such conversion happens, only under the orders of the Registrar of Companies, Registrar of Firms or Bombay High Court. Since conversion happens only under the orders of statutory authorities, there is no possibility of any misuse of such method to effect the transfer of movable or immovable property to any third party. In view of the above the of transfer movable or immovable assets, which happens due to such conversion, should be treated as no transfer of asset at all and stamp duty

on such conversion should be not there. In view of this, the conversion is like/similar to change of name involving the same ownership etc., no transfer of asset is involved either prior to conversion or after the conversion. We request that the Stamp Duty on conversion document should be levied at only ` 100/-. There is no justification deeming or regarding "purported transfer of assets", which is not the case.

Therefore, our request is to charge maximum fee upto ` 100/- for any conversion of partnership to Limited Company under the Companies Act, 1956.

Awaiting for your kind cooperation.

Yours Sincerely,
For MCHI-CREDAI



Vimal Shah
President

CC To:

Dr. Shrikar Pardeshi (I.A.S.)
Inspector General of Registration & Controller of Stamps
New Administrative Building
Govt. of Maharashtra,
Pune - 411001

Ref. No. MCHI/PRES/14-15/018

July 24, 2014

To,
Hon'ble Shri Balasaheb Thorat
Minister for Revenue Department
Government of Maharashtra
Mantralaya,
Mumbai 400 032.

Sub: Amalgamation, Merger, Demerger or Reconstruction of Companies, or court consent terms maximum Stamp Duty payable shall be ` 10,00,000/-

Respected Sir,

Greetings from MCHI-CREDAI

We are very much thankful to you, for giving us your most valuable time for meeting with MCHI-CREDAI Members, to expedite important issues related to Revenue Department for Real Estate Industry.

MCHI-CREDAI is an apex body of Builders/Developers, from MMR and continuously working in favour of Builder community for their prospective purpose and to get positive results from the Government level by constant follow up. In our continuous two rounds of meetings with you and Revenue officials, gives tremendous boost for important works, which are held up since long back.

In some States, like Maharashtra, Gujarat, Karnataka, Andhra Pradesh. etc., have enacted their own Stamp Act, the rates applicable in the above states are:

- i) Maharashtra - 0.7% of value of shares allotted OR 7% of value of immovable properties in Maharashtra subject to a ceiling of 10% of the value of shares.
- ii) Gujarat - Maximum 2% of value of shares.
- iii) Karnataka - 0.1% of value of properties in Karnataka.
- iv) Andhra Pradesh - 2% on the market value of shares.

The remaining states which have neither their own stamp act nor have they made any state amendment in the adopted Indian Stamp Act, 1989. Levy of stamp as per decision of High Court.

In view of this, we would request the Govt. to fix the Stamp Duty on Amalgamation, demerger, etc under orders of High Court should be for a maximum of ` 10,00,000/-

Awaiting for your kind cooperation.

Yours Sincerely,
For MCHI-CREDAI



Vimal Shah
President

CC To:

Dr. Shrikar Pardeshi (I.A.S.)

Inspector General of Registration & Controller of Stamps

New Administrative Building

Govt. of Maharashtra,

Pune - 411001

Ref. No. MCHI/PRES/14-15/019

July 24, 2014

To,
Hon'ble Shri Balasaheb Thorat
Minister for Revenue Department
Government of Maharashtra
Mantralaya,
Mumbai 400 032.

Sub: ` 100/- Stamp duty on Conveyance or Agreement for Development in respect of land declared as Slum or Slum Rehabilitation under Maharashtra Slum Act.

Respected Sir,

Greetings from MCHI-CREDAI

We are very much thankful to you, for giving us your most valuable time for meeting with MCHI-CREDAI Members, to expedite important issues related to Revenue Department for Real Estate Industry.

MCHI-CREDAI is an apex body of Builders/Developers, from MMR and continuously working in favour of Builder community for their prospective purpose and to get positive results from the Government level by constant follow up. In our continuous two rounds of meetings with you and Revenue officials, gives tremendous boost for important works, which are held up since long back.

` 100/- Stamp Duty on Conveyance or Agreement for development or joint venture agreement or any agreement, arrangement or contract in respect of any land which is declared as Slum or Slum Rehabilitation area under Maharashtra Slum Act.

Stamp Duty on conveyance or agreement for sale or agreement for development or any other instrument including Joint Venture in respect of land declared as Slum under Slum Act, or on which qualifies for slum rehabilitation scheme under DCR 33 (10) or Section 3 of Slum Rehabilitation Act should be ` 100 only.

The premium which is levied by Government for the land which is taken for redevelopment of slums on it, is 25% of the Ready Reckoner rate. Such premium is charged only at the time of sanction of the scheme on such land. Any land which is encroached as slum, and is to be acquired under Maharashtra Slum Act, then its valuation is done in accordance with the provisions of Section 14 of the Slum Act. Under Slum Act, the valuation of the slum land is equal to 100 months rent /compensation which is permitted to be charged and payable by the slum dwellers. This amount

comes to not more than 5% of the Ready Reckoner rate of any property. In case of land encroached by the slum dwellers, under the Slum Act, the owner is not entitled to collect any rent and neither entitled to remove any encroacher from such land. In view of this, the maximum compensation, the owner can collect is ` 10/- per Slum Dweller unit under the Slum Act.

In view of the above reasons, the valuation of slum land can either be as per the consideration payable under the Maharashtra slum act at the time of acquisition or it can be premium being charged by Government for government land involved in slum rehabilitation. Only if the slum land is being transferred after issue of LOI sanctioning the rehabilitation scheme. The real valuation of the land can thus be based on the acquisition value of the slum land under the Maharashtra Slum Act. However, only in case of transfer of slum land where in rehabilitation scheme is sanctioned, then valuation of such land shall be @ 25% of the Ready Reckoner rate of such land. The present system of calculating the Stamp Duty based on FSI potential of the slum land is completely erroneous.

Therefore, our request is to accept ` 100/- as a Stamp Duty as a Conveyance for Agreement for Development in respect of land which is declared as Slum or Slum Rehabilitation under Maharashtra Slum Act.

Awaiting for your kind cooperation.

Yours Sincerely,
For MCHI-CREDAI



Vimal Shah
President

CC To:

Dr. Shrikar Pardeshi (I.A.S.)
Inspector General of Registration & Controller of Stamps
New Administrative Building
Govt. of Maharashtra,
Pune - 411001

Ref. No. MCHI/PRES/14-15/020

July 24, 2014

To,
Hon'ble Shri Balasaheb Thorat
Minister for Revenue Department
Government of Maharashtra
Mantralaya,
Mumbai 400 032.

Sub: Automatic NA on approval of building plans.

Respected Sir,

Greetings from MCHI-CREDAI

We are very much thankful to you, for giving us your most valuable time for meeting with MCHI-CREDAI Members, to expedite important issues related to Revenue Department for Real Estate Industry.

MCHI-CREDAI is an apex body of Builders/Developers, from MMR and continuously working in favour of Builder community for their prospective purpose and to get positive results from the Government level by constant follow up. In our continuous two rounds of meetings with you and Revenue officials, gives tremendous boost for important works, which are held up since long back.

The procedure considered in the revised order will cause delay as earlier. The procedure should be simple and on the fast track. A system only of intimation to the collector should be there and not order of approval of type of land. If at all, remarks have to be obtained from the Revenue Authorities then the opinion /remarks from Tahsildar/Talathi should be given in 7 days with classification of class 1 and class 2 lands. When any person shall apply for determining the tenure of land, the Revenue Authorities should not insist on ownership proof as such application is meant only for notifying classification of the land and not ownership. The Officer should issue status remark of land within 7 days for such application. Only documents which should be insisted to be submitted with such an application should be PR card and/or 7/12 extract copy. No other document should be demanded/insisted upon.

Therefore, our request is to simplify NA process by changing the rules and regulations accordingly for Class -1 & Class -2 lands.

Awaiting for your kind cooperation.

Yours Sincerely,
For MCHI-CREDAI



Vimal Shah
President

Ref. No. MCHI/PRES/14-15/021

July 24, 2014

To,
Hon'ble Shri Balasaheb Thorat
Minister for Revenue Department
Government of Maharashtra
Mantralaya,
Mumbai 400 032.

Sub: To honour the Court Orders in respect of Royalty on Excavation.

Respected Sir,

Greetings from MCHI-CREDAI

We are very much thankful to you, for giving us your most valuable time for meeting with MCHI-CREDAI Members, to expedite important issues related to Revenue Department for Real Estate Industry.

MCHI-CREDAI is an apex body of Builders/Developers, from MMR and continuously working in favour of Builder community for their prospective purpose and to get positive results from the Government level by constant follow up. In our continuous two rounds of meetings with you and Revenue officials, gives tremendous boost for important works, which are held up since long back.

As per discussion in our meeting in Mantralaya, we raised the issue about Royalty Payment in Excavation for Foundation of Building by MCHI-CREDAI members. We also mentioned about interim order from Hon'ble High Court of Bombay about stay. We request that the directions be issued to all the collectors to follow the orders of the High Court with proper and due clarifications from the Department so that the Field Officers are aware of the Government stand and compliance of the Interim Stay from the Hon'ble High Court. The Collectors of Thane & Raigad District already instructed to the concerned Sub Divisional Officers and Tahsildars to honour the court orders but still some officers collecting the Royalty payment from MCHI-CREDAI Members. Also the Collector for Mumbai Suburban have sought an Opinion/Directions from Revenue Department on Interim Order of Hon'ble High Court, which creating hurdles for doing the major construction work in jurisdiction of Mumbai Suburban area.

Therefore, we kindly request you to instruct officers concerned to honour Interim order of the Hon'ble High Court as well as implement the Revenue Department order issued by Dy. Secretary on 17th November 2011. (Copy enclosed)

Awaiting for your kind cooperation.

Yours Sincerely,
For MCHI-CREDAI



Vimal Shah
President