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**IMMEDIATE PAST PRESIDENT**  
Dharmesh Jain

**PRESIDENT-ELECT**  
Nayan Shah

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Deepak Goradia  
Boman Irani  
Harish Patel  
Nainesh Shah

**HON. SECRETARY**  
Domnic Romell

**HON. TREASURER**  
Sukhraj Nahar

**CEO**  
S. Shahzad Hussain  
I.A.S. (Retd.)

**SPECIAL PROJECTS**  
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Rasesh Kanakia

**HON. JOINT SECRETARIES**  
Parag Munot  
Sandeep Runwal  
Lakshman Bhagatani  
Bandish Ajmera

**JOINT TREASURER**  
Mukesh Patel  
Jayesh Shah

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Nayan Bheda  
Munish Doshi  
Tejas Vyas  
Pratik Patel  
Dhaval Ajmera  
Sandeep Shah

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Sanjay Chhabria  
Shailesh Sanghvi  
Jitendra Jain  
Deepak Gundecha

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Rajesh Prajapati  
Shailesh Puranik  
Praful Shah  
Sachin Mirani  
Rushank Shah  
Rajeev Jain  
Diipesh Bhagatani  
Shyamal Mody  
Nikunj Sanghavi  
Digant Parekh  
Pritam Chivukula

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Vyomesh Shah  
Paras Gundecha  
Pravin Doshi  
Mohan Deshmukh  
Mofatraj Munot  
Rajni S. Ajmera  
Late G. L. Raheja  
Late Lalit Gandhi

Late Babubhai Majethia

**CREDAI-MCHI UNITS**  
**PRESIDENT, THANE**  
Ajay Ashar

**PRESIDENT, KALYAN-DOMBIVLI**  
Manoj Rai

**PRESIDENT, MIRA VIRAR CITY**  
Ashit Shah

**PRESIDENT, RAIGAD**  
Vilas Kothari

**PRESIDENT, NAVI MUMBAI**  
Prakash Baviskar

Ref. No. : MCHI/PRES/17-18/075

December 6, 2017

To,  
**Hon'ble Shri Devendra Fadnavis**  
Chief Minister  
Government of Maharashtra  
Mantralaya  
Mumbai 400 032

मुख्यमंत्री सचिवालय  
महाराष्ट्र शासन  
मंत्रालय, मुंबई - ४०० ०३२.  
दिनांक.....६/१२/१७.....

**Sub: Computation of FSI by the MCGM under DC Regulation 1991**

**Ref: Circular No.4/ 2017 dated 14.06.2017 issued by the Maharashtra Real Estate Regulatory Authority (MahaRERA) with respect to clarification on calculation of Carpet Area as defined under Sec.2(k) of Real Estate (Regulation and Development) Act 2016 (RERA)**

Respected Sir,

With reference to the above subject, clarification issued by the Maharashtra Real Estate Regulatory Authority (MahaRERA) in respect to calculation of carpet area as defined under Sec. 2(k) of the Real Estate (Regulation and Development) Act 2016 (RERA). In this regard, we would like to submit as under :

- 1) The Government of India has enacted the RERA 2016 and all Sections of the Act has come into force with effect from 01.05.2017. Thereafter, the Government of Maharashtra has also notified the rules under the Act and established MahaRERA vide notification No. 23 dated 08.03.2017 for regulation and promotion and real estate sector in the State of Maharashtra. MahaRERA, thereafter has notified the Maharashtra Real Estate Regulatory Authority (General) Regulations, 2017 for implementation of RERA 2017.
- 2) Under Sec. 2(k) of the RERA, 2016, carpet area of an apartment to be sold by the promoters is defined as the net usable floor area of an apartment, excluding the areas covered by external walls, areas under service shafts, exclusive balcony or verandah area and exclusive open terrace area, but including the area covered by the internal partition walls of the Apartment. Explanation for the purpose of this clause, the expression "exclusive balcony or verandah area" means the area of the balcony or verandah, as the case may be which is appurtenant to the net usable area of an apartment, meant for the exclusive use of the Allottee and "exclusive open terrace area" means the area of the open terrace which is appurtenant to the net usable of an apartment, meant for the exclusive use of the allottee. Therefore in essence the definition of carpet area under Sec. 2 (k) of RERA, 2016 means the built up habitable area of an apartment.

- 3) In accordance with RERA 2016 and MAHA RERA General Regulation 2017, the MAHA RERA authority has issued a circular dated 14.06.2017 bearing No. 4/2017 inter alia clarifying the definition of the carpet area by attaching to the said clarification illustrative plan which clarifies the term carpet area used under Sec.2(k) of RERA 2016.
- 4) Sec.32 of RERA Act 2016 provides as under :

**32.** The Authority shall in order to facilitate the growth and promotion of a healthy, transparent, efficient and competitive real estate sector make recommendations to the appropriate Government of the competent authority, as the case may be, on, –

  - (i) to render advice to the appropriate Government in matters relating to the development of real estate sector;
- 5) Sec.33(1) of the RERA Act 2016 provides as under :

**33. (1)** The appropriate Government may, while formulating a policy on real estate sector (including review of laws related to real estate sector) or any other matter, make a reference to the Authority for its opinion on possible effect, of such policy or law on real estate sector and on the receipt of such a reference, the Authority shall within a period of sixty days of making such reference, give its opinion to the appropriate Government which may thereafter take further action as it deems fit.
- 6) Sec. 89 of the RERA Act 2016 provides as under :

**89.** The provisions of this Act shall have effect, notwithstanding anything inconsistent therewith contained in any other law for the time being in force.
- 7) The Sec. 32, Sec.33(1) and Sec. 89 of RERA 2016 make it adequately clear that in respect to the directions/clarifications issued by the MahaRERA authority due cognizance is required to be taken by the Government and the Planning Authority concerned.
- 8) It is important to state here that the RERA 2016 was promulgated by the Government of India to ensure uniformity in regulation of the Development of the Real Estate Sector across India.
- 9) Reference is now requested to the provision of DC Regulation 1991 and the draft DCPR 2034 and the methodology adopted for computation of FSI in respect of both the DCR 1991 and DCPR 2034, which clearly is in contravention of the RERA Act 2016 and the Circular dated 14.06.2017 bearing no.4/2017. It is important to highlight here that as per the RERA Act 2016, all plans approved by the planning authority with carpet area clearly stated therein are required to be uploaded on the MahaRERA website for obtaining registration under the RERA Act 2016. However, as the methodology adopted for computation of FSI by the MCGM and methodology adopted for computation of Carpet/built up area as contained in the circular dated 14.6.2017 is at variance. The customer/flat purchaser once again has to grapple between two different definitions and thus defeating the whole purpose of the Government of India to bring uniformity by introducing the RERA Act 2016.

In view of the above, we request you to kindly issue the directions under Sec.154 to the MCGM to compute FSI in accordance with Circular dated 14.06.2017 bearing no.4/2017 so as to ensure that there is uniformity and clarity with regards to disclosure to the customers. It is important to highlight here that area such as balcony, verandah or open terraces may be counted in FSI as per the provisions of DCR 1991/Draft DCPR 2034 subject to however, that the net usable floor area of an apartment is computed in accordance with the Sec. 2(k) of RERA 2016 read with circular dated 14.06.2017 bearing no.4/2017.

A decision in this regard will go a long way to bring the transparency in the real estate sector.

Thanking you

Yours faithfully,  
For CREDAI-MCHI



**Mayur Shah**  
President



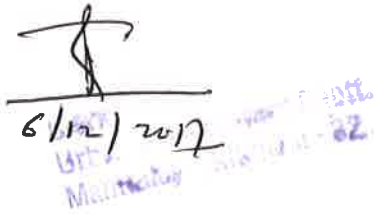
**Domnic Romell**  
Hon. Secretary



**S. S. Hussain, I.A.S. (Retd.)**  
Chief Executive Officer

CC.:

**Dr. Nitin Kareer (I.A.S.)**  
Principal Secretary - I  
Urban Development Department  
Government of Maharashtra  
Mantralaya,  
Mumbai - 400 032



6/12/2017  
Mantralaya  
Mumbai - 400 032



# MAHARASHTRA REAL<sup>1</sup>ESTATE REGULATORY AUTHORITY

Slum Rehabilitation Authority (SRA) Building, 'A' Wing, Prof. Anant Kanekar Road, Bandra (East), Mumbai - 400 051

## महाराष्ट्र स्थावर संपदा नियामक प्राधिकरण

प्राधिकारपट्टी पन्थस्यन प्राधिकरका इवानन, ए' विंग, प्रो. अनंत कांकराड मार्ग, बान्द्रा (पूर्व), मुंबई ४०० ०५१

MahaRera/Secy/File No.27/84 /2017

Date: - 14.06.2017

### Circular No.:- 4/2017.

**SUB:** - Clarification on Calculation of Carpet area as defined under section 2(k) of the Real Estate (Regulation and Development) Act, 2016

**Ref:** - Section 2(k) of the Real Estate (Regulation and Development) Act, 2016

#### **Preamble:-**

Government of India has enacted the Real Estate (Regulation and Development) Act, 2016 and all the sections of the Act have come into force with effect from May 1, 2017. Government of Maharashtra has also notified the rules under the Act and established Maharashtra Real Estate Regulatory Authority (MahaRERA), vide Notification No.23 dated 8 March 2017, for regulation and promotion of real estate sector in the State of Maharashtra, with its headquarters at Mumbai. MahaRERA, thereafter, has notified Maharashtra Real Estate Regulatory Authority (General) Regulations, 2017, for the implementation of the Act and processing the applications received for Registration of Real Estate Projects and Agents.

Whereas the MahaRERA Authority, under section 37 of the RERA Act, 2016 and Regulation 38 of the MahaRERA (General) Regulations 2017 is vested with the powers to issue directions and orders to promoters, real estate agents and allottees from time to time for effective implementation of the Act and to achieve the underlying object behind the Real Estate (Regulation and Development) Act, 2016.

Whereas under section 2(k) of the Real Estate (Regulation and Development) Act, 2016, carpet area of the apartment to be sold by the promoter is defined as "carpet Area" means net usable floor area of an apartment, excluding the area covered by the external walls, area under services shafts, exclusive balcony or verandah area and exclusive open terrace area, but including the area covered by the internal partition walls of the Apartment.

Explanation – For the purpose of this clause, the expression "exclusive balcony or verandah area" means the area of the balcony or verandah, as the case may be which is appurtenant to the net usable area of an apartment, meant for the exclusive use of the allottee and "exclusive open terrace area" means the area of the open terrace which is appurtenant to the net usable area of an apartment, meant for exclusive use of the allottee.

Whereas there are various interpretations being given to the words "internal partition walls" and "external walls" by different professionals and Architects and therefore there is need to clarify the terms "internal partition walls" and "external walls" in order to have uniformity in the calculation of carpet area of an Apartment across all the projects being registered with MahaRERA.

For the purpose of the Real Estate (Regulation and Development) Act, 2016, "walls" would mean walls made of Reinforced Cement Concrete (RCC) or plain concrete or Shear wall(s) or wall made from bricks or blocks or precast materials or drywalls or walls made of any material or composition of one or more of any of the materials and shall include column(s) within or adjoining or attached to the wall.

Therefore, for the purpose of calculation of carpet area under clause 2(k) of the Real Estate (Regulation and Development) Act, 2016,

All walls which are constructed or provided on the external face of an apartment shall be regarded as "external wall".

All walls or independent columns constructed or provided within an apartment shall be regarded as "internal partition wall"

An illustration is attached herewith for clarification of the walls which are to be considered as "External Walls" and "Internal Partition Walls" with respect to an apartment and also of the area to be included and excluded while calculating Carpet area of an Apartment

This Order will come into force with effect from the date of commencement of the Real Estate (Regulation and Development) Act, 2016.

Sd/-

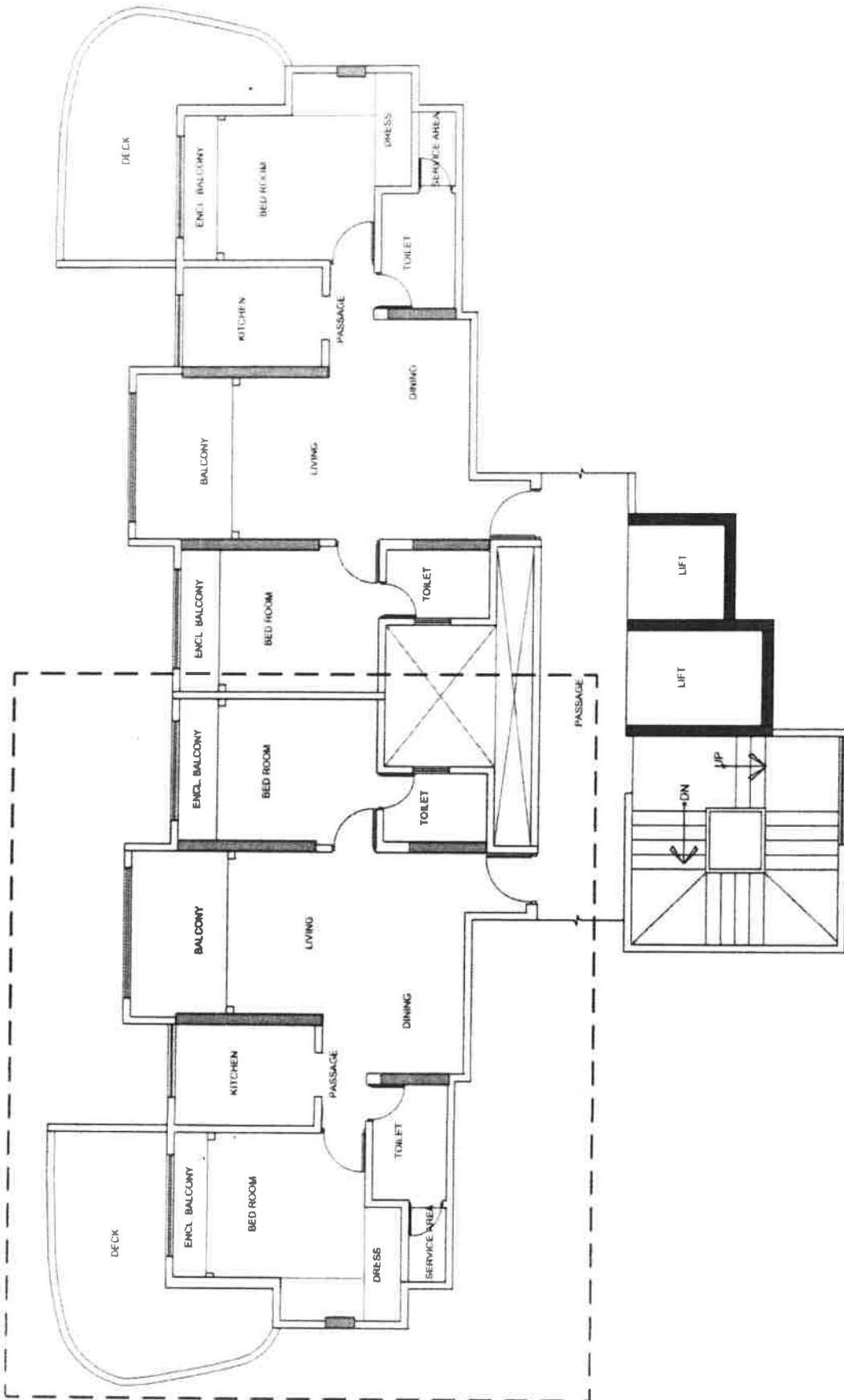
(Proposal Approved by  
Hon'ble Chairperson  
MahaRera)



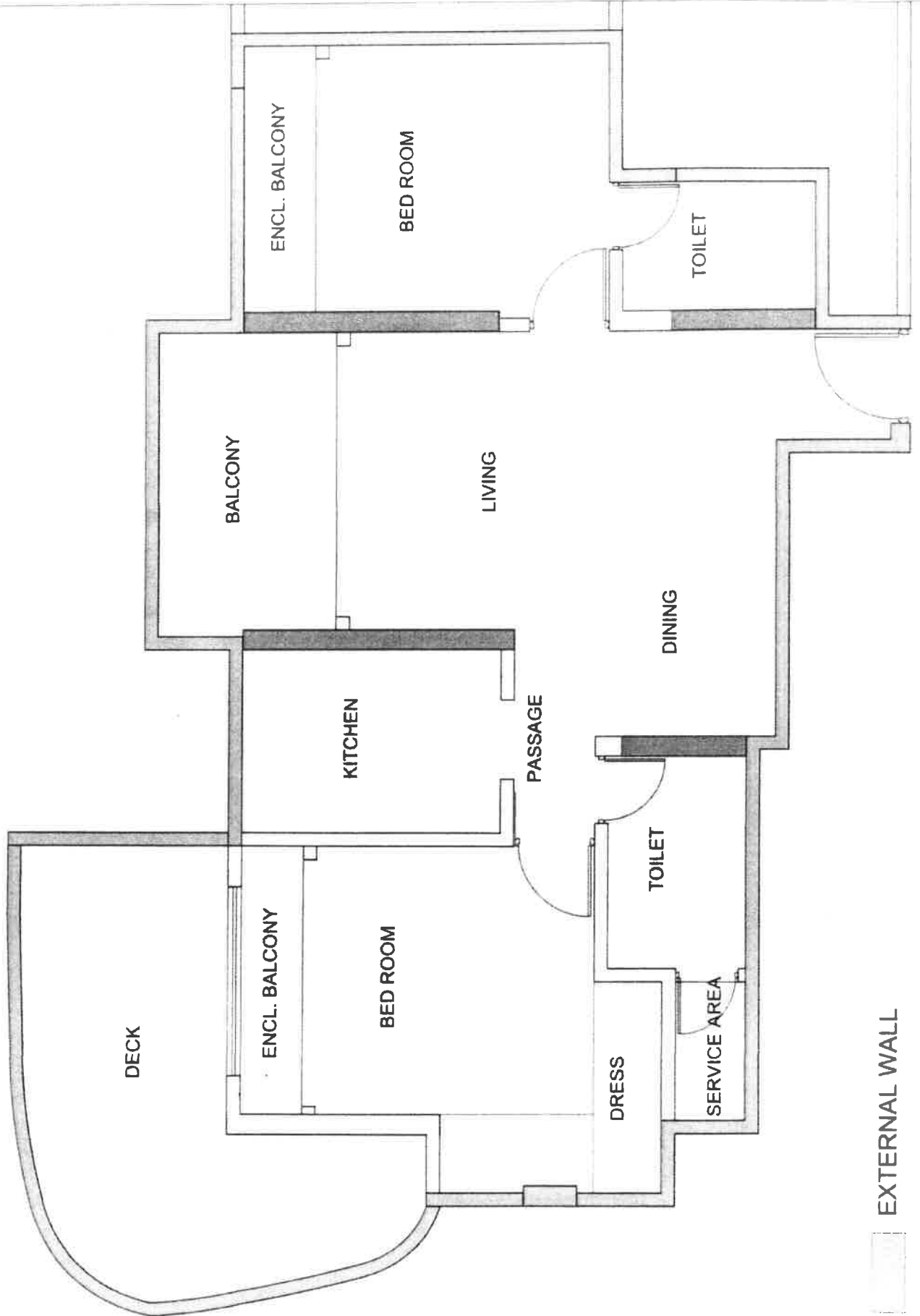
Secretary/MahaRera

To,

1. All concern
2. All heads & staff of MahaRera office

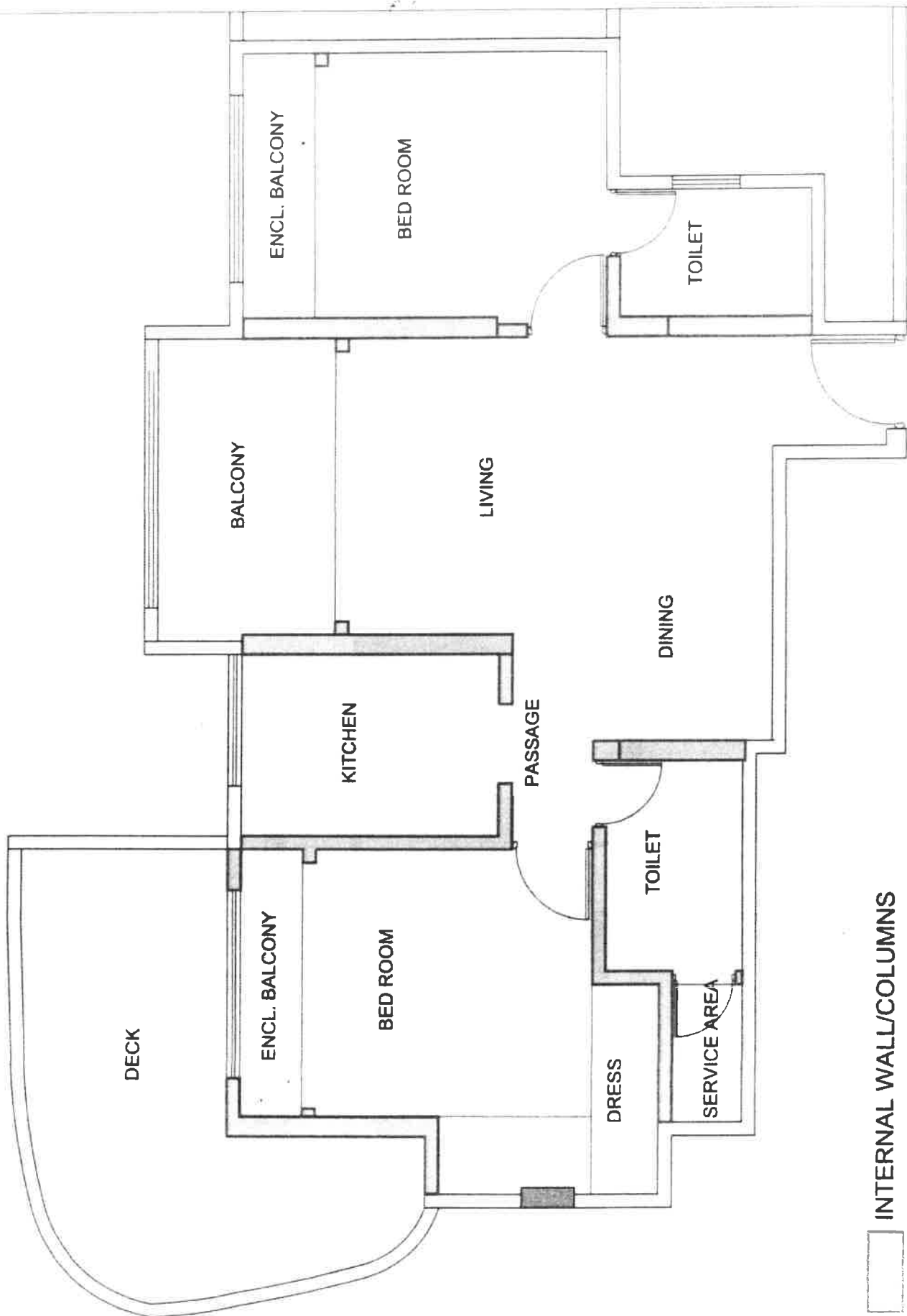


2.EXTERNAL WALL



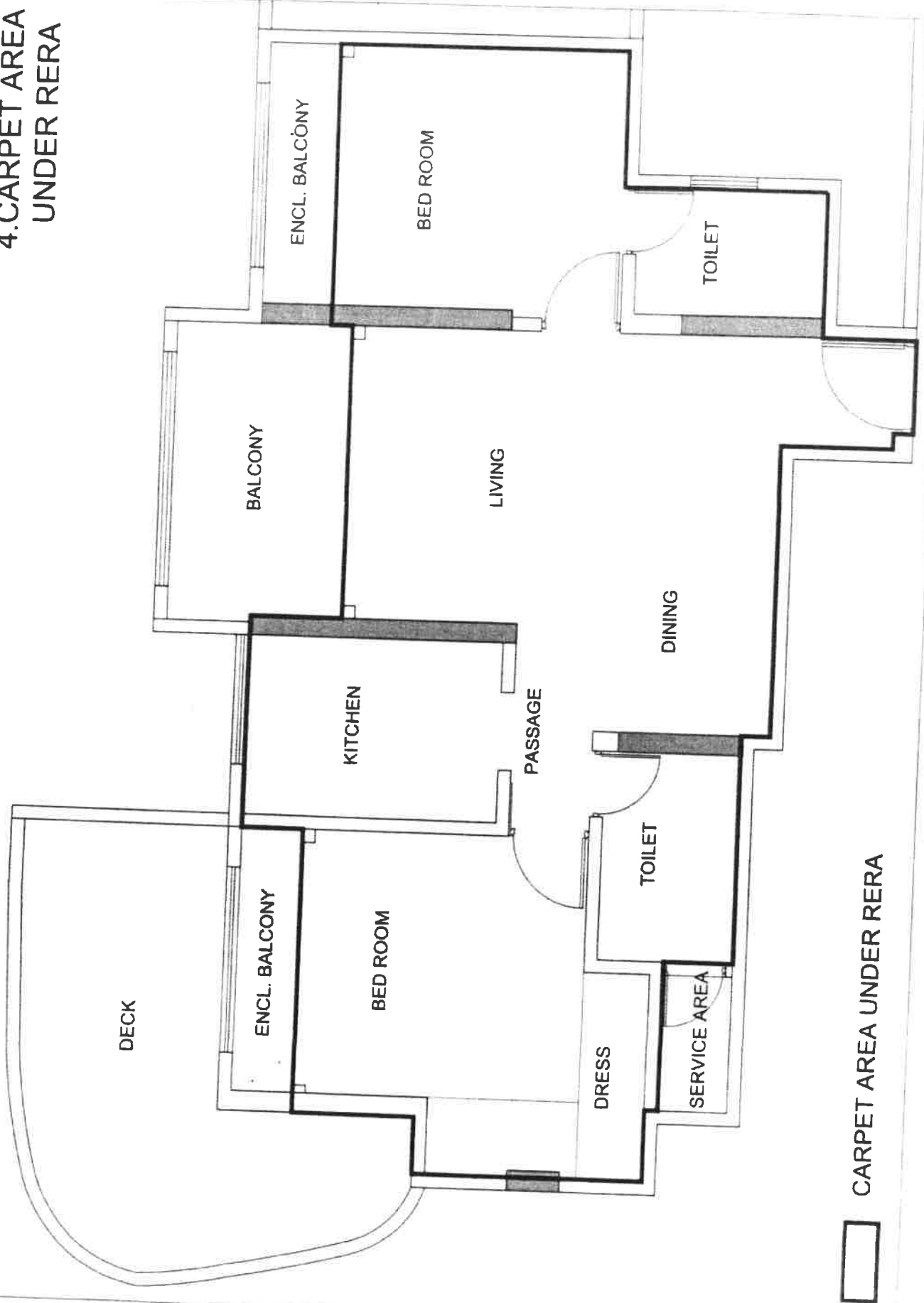
EXTERNAL WALL

### 3.INTERNAL WALL

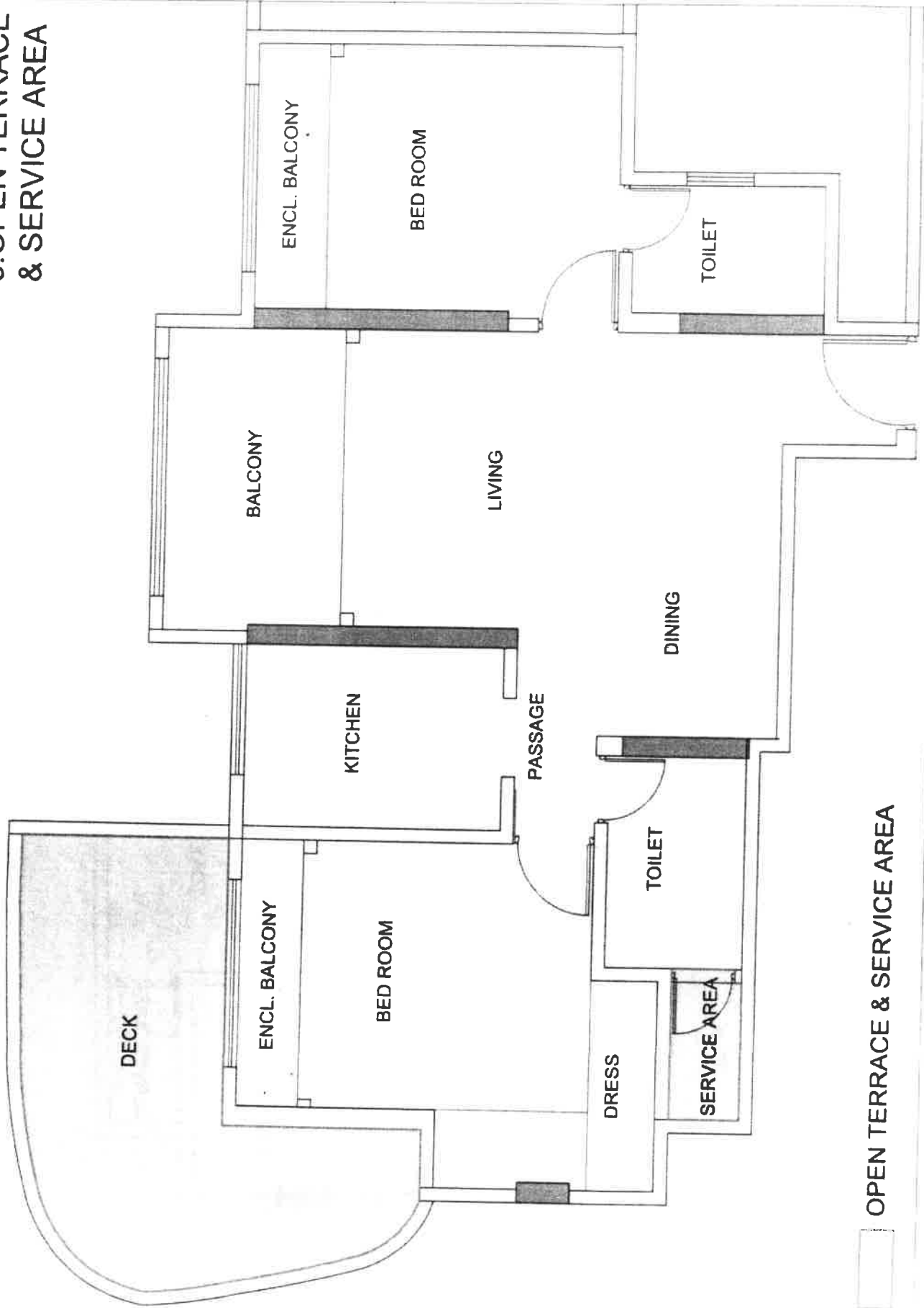




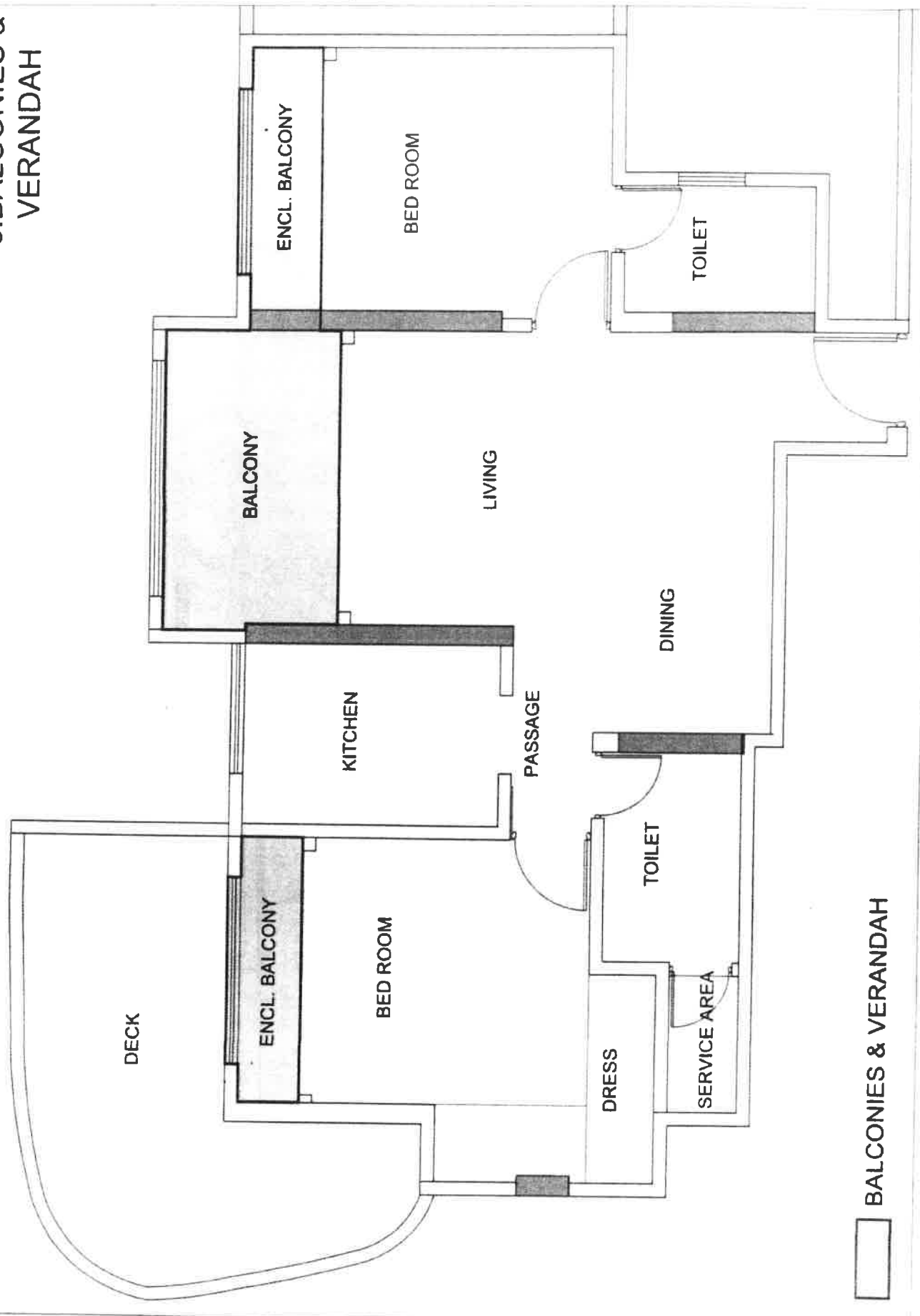
4. CARPET AREA  
UNDER RERA



5. OPEN TERRACE  
& SERVICE AREA



6. BALCONIES &  
VERANDAH



# 7.ALL LAYERS

