

# MUMBAI METROPOLITAN REGION DEVELOPMENT AUTHORITY

No. TCP (P-2)/ BKC/ Misc./1266/ 750 /2020

Date: 10 SEP 2020

## CIRCULAR

**Sub: Implementation of Urban Development Dept., Govt. of Maharashtra letter no. TPB/4317/1005/ PK.302/2017/UD-11 dated 19<sup>th</sup> Sept. 2019 regarding adopting instalment payment facility for grant of Commencement Certificate for various charges/ premiums to be paid in respect of Building permissions in MMRDA SPA areas.**

**Ref:** i) MCGM's Circular issued u/no. CHE/DP/14770/GEN. dt.17/09/2019;  
ii) UDD, GoM letter no. TPB/4317/1005/ PK.302/2017/UD-11 dt.19/09/2019;  
iii) Representation of CREDAI- MCHI dt.12/06/2020, 16/07/2020 & 03/08/2020.

Requests are received from the Stakeholders of the Housing Industry, M/s. CREDAI-MCHI [as mentioned in reference no. iii) above] for providing 'Instalment facility/ deferred facility' for the various charges/ premiums that are payable in respect of obtaining Building permissions in MMRDA's SPA areas. The Municipal Corporation of Greater Mumbai (MCGM) vide its Circular dt.17/09/2019 [ref.no. i) above] has already provided the 'Instalment facility' for payment of various charges/ premiums in respect of Building permissions. The U.D. Dept., Govt. of Maharashtra vide its letter dt.19/09/2019 [ref.no. ii) above], has directed MMRDA, MHADA etc. to adopt the facility of instalments in the payments of premiums as detailed & adopted by MCGM vide its circular dt.17/09/2019. MHADA has accordingly implemented the instalment facility circular of MCGM as per UD Dept. directions & issued a Circular dt. 11/12/2019.

Govt. of Maharashtra has appointed MMRDA as the Special Planning Authority (SPA) u/s 40 of MR&TP Act, 1966 in the following areas;

- i) Bandra Kurla Complex Notified Area,
- ii) Back-Bay Reclamation Scheme (BBRS Block-III to VI),
- iii) Wadala Truck Terminal (WTT),
- iv) Chattrapati Shivaji International Airport Notified Area (CSIANA),
- v) Oshiwara District Centre (ODC),
- vi) Bharatratna Dr. Babasaheb Ambedkar Memorial at Indu Mill,
- vii) Bhiwandi Surrounding Notified Area ( BSNA, for 60 villages),
- viii) Kalyan Growth Centre (KGC, for 10 villages),
- ix) Ambernath Kulgaon Badlapur Surrounding Notified Area (AKBSNA),
- x) Metro Lines, Metro Bhavan, Metro Depot, Casting yards & Allied users.

Therefore, in view of the directions of U.D. Dept., Govt. of Maharashtra to MMRDA vide its letter dt.19/09/2019 [ref.no. ii) above] and for having uniformity in the process of granting building permissions, the grant of facility of instalments in payment of premiums/ charges, to those who have requested payment of such amounts in the instalments is to be adopted & implemented on lines of MCGM's Circular dt.17/09/2019, as per the following guidelines :-

- 1) The installments facility shall not be granted to following payments and shall be paid at initial stage i.e. at the 1<sup>st</sup> C.C. approval
  - i. Scrutiny fees
  - ii. Layout Deposits/ Security Deposits etc.
  - iii. Labour Cess
  - iv. Development Charges
  - v. 100% Additional Development Charges in lieu of 'Vital Urban Transport Projects'.
- 2) The installments facility may be granted to premiums/ charges payable to MMRDA in all SPA areas under MMRDA's jurisdiction for the following, subject to applicability of equivalent provisions in the DCR's of respective SPA's;
  - i. 25% MMRDA share of Additional FSI on payment of premium permissible under Reg. 30 of DCPR-2034,
  - ii. Additional FSI permissible under Reg. No. 33 of DCPR-2034 for MMRDA part,
  - iii. 50% of total premium payable to MMRDA towards utilization of Fungible Compensatory Area under Reg.No.31(3) of DCPR-2034,
  - iv. Premium to Exempt of area covered under Staircase/ Lift/ Staircase and Lift Lobby from FSI,
  - v. Premium towards Condonation of Deficiency in Open Spaces of all types payable to MMRDA,
- 3) The facility of installments in the payments to be paid to MMRDA will be allowed only where the minimum amount payable at the time of granting installment facility to MMRDA under clause 2 above is Rs.50.00 Lakh and above.
- 4) The installment facility shall be granted to the payments mentioned at above Clause No. 2 only;
  - a) **For buildings having height less than 70.00 mtrs.**

The installment facility shall be granted for the period of 48 (Forty Eight) months. There will be total of five installments, starting with first initial payment and followed by four installments at interval of 12 months each. The installment facility shall be granted as per the following table;

Sr. No.	Initial Payment	At the end of Months with Interest			
		12 <sup>th</sup>	24 <sup>th</sup>	36 <sup>th</sup>	48 <sup>th</sup>
	1 <sup>st</sup> Installment	2 <sup>nd</sup> Installment	3 <sup>rd</sup> Installment	4 <sup>th</sup> Installment	5 <sup>th</sup> Installment
1	10%	22.5%	22.5%	22.5%	22.5%

**b) For buildings having height more than 70.00 mtrs.**

The installment facility shall be granted for the period of 60 (Sixty) months. There will be total of six installments, starting with first initial payment and followed by five installments at interval of 12 months each. The installment facility shall be granted as per the following table;

Sr. No.	Initial Payment	At the end of Months with Interest				
		12 <sup>th</sup>	24 <sup>th</sup>	36 <sup>th</sup>	48 <sup>th</sup>	60 <sup>th</sup>
	1 <sup>st</sup> Installment	2 <sup>nd</sup> Installment	3 <sup>rd</sup> Installment	4 <sup>th</sup> Installment	5 <sup>th</sup> Installment	6 <sup>th</sup> Installment
1	10%	18%	18%	18%	18%	18%

**Note:**

- i. No further extension in allowing payment in installments will be entertained beyond the above prescribed schedule.
  - ii. The balance installment amount and schedule dates of installment of earlier approved Installment Payment facility regarding Clause 2 above shall be got modified in accordance with this circular.
- 5) The Developer/ Architect shall apply for the grant of facility of installment payments in respect of payments to be made to MMRDA for items mentioned in clause 2 above only and same shall be submitted to the concerned Chief/ Head of Dept. who on receipt of such request shall process the same for obtaining approval of Metropolitan Commissioner.
- 6) All the installment proposals shall be submitted for the approval of Metropolitan Commissioner, through the Accounts Division. The approval can be obtained once the proposal is approved or can be processed independently on the request of Architect/ Licensed Surveyor/ Developer. On receipt of approval for grant of installment facility from Metropolitan Commissioner;
- i. The concerned officer shall issue the demand letter of the payments to be made by the Develop/ Owner/ Society considering installment facility within 3 days of receipt of such approval.

- ii. While issuing the Commencement Certificate/ Amended plan approval letter, the following condition shall be incorporated stating that;

“The payment as per schedule of installment granted by MMRDA shall be made.”

- iii. Developer/ Owner/ Society (The Project Proponent) shall submit Registered Undertaking stating that, all the terms and condition mentioned in this circular shall be binding on them and the same shall be followed scrupulously. The project proponent shall also undertake that, they shall make aware to the prospective buyers in the project and the RERA Authorities about the installment payment facility availed by them in the various payments to be made to MMRDA and the provisions in the Circular about initiating action by MMRDA against the default in payment on scheduled date.

The project proponent shall also submit Indemnity Bond Indemnifying MMRDA/ MMRDA staff against any dispute, litigation, RERA compliances etc. regarding the instalment payment facility availed by them.

The project proponent shall make payment of demand of 1<sup>st</sup> instalment within 1 month from the issue of demand note.

- 7) Only on receipt of said Indemnity Bond and Registered Undertaking along with payment of 1<sup>st</sup> Installment, the Commencement Certificate will be issued by the concerned division of MMRDA handling the respective SPA, subject to compliance of other requisite conditions.
- 8) (a) In respect of Building having height less than 70.00 mtrs., the remaining installments shall be payable in yearly installments in five years from the date of payment of 1<sup>st</sup> installment. The amount of each installments shall be due in 12<sup>th</sup> , 24<sup>th</sup> , 36<sup>th</sup> & 48<sup>th</sup> month from the payment of the first installment or due date as per schedule & shall be paid on due date with interest calculated at the rate of 8.5% per annum on reducing outstanding balance payment.

In respect of Building having height equal to or more than 70.00 mtrs., the remaining installments shall be payable in yearly installments in five years from the date of payment of 1<sup>st</sup> installment. The amount of each installments shall be due in 12<sup>th</sup> , 24<sup>th</sup> , 36<sup>th</sup> , 48<sup>th</sup> and 60<sup>th</sup> month from the payment of the first installment or due date as per schedule & shall be paid on due date with interest calculated at the rate of 8.5% per annum on reducing outstanding balance payment.

(b) The C.C. equivalent to 10% of the approved Built Up Area shall be restricted. If BUA of topmost floor is more than the 10% BUA, then the C.C. for the entire top most floor shall be restricted.

(c) The total recovery of payment for balance amount with interest dues shall be confirmed by the concerned division before releasing restricted 10% C.C. The C.C. thus restricted, shall be released forthwith on receipt of all the installments with interest within the specific period as mentioned in this circular and subject to compliance of all other related requisite conditions.

9) The Developer/ Owner/ Society shall deposit the post-dated cheques for installment amount with an interest due and drawn on Scheduled Bank, as per the schedule of payment.

10) If the Developer/ Owner/ Society fails to deposit the installment amount within a period of three months from the schedule date of installment/ schedule date of last installment, the Stop Work Notice and also action as deemed fit as per Section 55 of MR&TP Act, 1966 will have to be initiated against the Developer/ Owner/ Society immediately.

Thereafter, no installment facility shall be granted for the proposal under reference in future till the payment towards installment amount due alongwith interest is made to MMRDA.

In cases where the payment is deferred beyond extended period of 3 months, amount payable by the Developers/ Owners/ Society shall be arrived as follows and shall be got verified from the Accounts Division, however, this may be at the discretion of Metropolitan Commissioner,

- i. Payment payable for the project shall be recalculated as per the SDRR rate of prevailing year for the area on the date of which entire payment which was deferred is being made by the developer. Then from such recalculated payment, amount of payment already paid shall be deducted. However, any interest amount paid will not be allowed to be adjusted against recalculated payment or any other amount payable to MMRDA.
- ii. The amount of balance installments along with applicable interest from the date of deferred installment till the date on which deferred entire payment with interest is being made by the developer shall be calculated.

The amount whichever is more out of the calculation (i) and (ii) above shall be distributed equally among the remaining installments and shall be recovered on scheduled dates from the Developers/ Society/ Owner along with 8.50 % interest.

**11)** If the Developer/ Owner/ Society availing the benefit of installment has carried out the work beyond C.C. granted, then the facility granted for installment shall be treated as cancelled and further action as mentioned in Clause 10 above shall be initiated and the balance payments shall be reworked and recovered as mentioned therein clause 10 above along with regularization charges before regularization of work and before grant of further C.C.

**12)** If the plans are amended in future during the installment payment facility period which attracts certain premiums, charges as mentioned in Clause 2 herein and if, there is no default in payment as per earlier installment payment facility granted, the said additional amount payable towards amended plan shall be allowed to be paid in installment as under, only on approval of Metropolitan Commissioner for the same.

**(a)** The additional amount payable will be divided into two/ three/ four/ five or six instalments as the case may be as follows;

i. 10% amount shall be payable immediately on approval of additional installment facility.

ii. Balance 90% amount shall be equally distributed and clubbed among the remaining/ further installments.

**(b)** The balance additional amount along with interest in accordance with this circular shall be payable on the revised due dates of the earlier approved instalment facility as per note (ii) in Clause 4, and shall be subjected to all the conditions of this circular.

**13)** The concerned Accounts Divisions shall maintain the head-wise details of the amount of installments and head-wise details of the interest amount. Accounts Division shall keep proper record and also monitor the regular payments to be made by the Developer/ Owner/ Society and also issue demand letters/ Notices to the defaulting Developer/ Owner/ Society immediately under the intimation to the concerned handling the respective SPA.

In case failure to make installment payment on due dates, the Accounts Division shall deposit the post-dated cheques, 10 (Ten) days in advance prior to extended period of three months beyond due date.

The concerned building proposal section shall immediately inform with details of non-payment of installment amount/ work beyond C.C. to concerned Designate Officer (D.O.) to issue stop work notice as the case may be and also initiate further course of actions as per Sec.55 of MR&TP Act, 1966 as the case may be.

On receipt of all dues/ installments/ penalties, the respective building proposal section shall inform the concerned D.O. for withdrawal of Stop Work Notice/ MR&TP

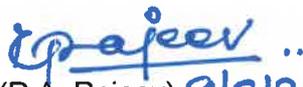
Notice, as per the merits of the case. The concerned D.O. should take action for withdrawal of stop work/ MR&TP Notice as the case may be immediately as per the provisions of act and as informed by the building proposal section of the respective SPA.

- 14) The defaulted amount shall be treated at par with other default payments as per the extant provisions in Act and norms of MMRDA, if not paid by the Developer/ Owner/ Society as per this circular and as and when demanded by MMRDA.
- 15) The Installment payment facility and interest rate to be charged thereon in respect of payment to be made to the State Government/ Dharavi Redevelopment Project/ MSRDC will be in accordance with the policies that may be formulated and communicated to MMRDA by respective Departments/ Authorities.
- 16) The reduced rates of Additional FSI (under Reg. 30A(6) & 33 of MCGM's DCPR-2034)/ Fungible Compensatory Area (under Reg. 31(3) of MCGM's DCPR-2034) as per the Govt. directives issued under Section 154 of MR&TP Act, under no. TPB-4319/189/CR-123/2019/UD-11 dtd. 20<sup>th</sup> August 2019, will not be applicable for the Built Up Area already approved prior to 20<sup>th</sup> August 2019.
- 17) The calculation of premium amount payable to the various authorities other than MMRDA and the amount of installments as being informed by concerned authorities from time to time and interest thereon shall be calculated and informed to concern by concerned division in consultation with Accounts Division. Further, the record regarding monitoring recovery of installment payment and interest shall be maintained by the respective division handling the building proposal.

The illustrative examples and different scenarios as mentioned and appended to MCGM's Circular dt.17/09/2019 shall act as guidelines while calculating the installments & dues, penalties, interest etc. in MMRDA.

This circular shall come in force with effect from the date of issue and will be applicable only upto 03/09/2021.

This circular is issued with the approval of Hon. Minister, Urban Development Dept. and Hon. Chairman, MMRDA, subject to the Post-Facto approval in Authority.

  
(R.A. Rajeev) 9/9/2020

**Metropolitan Commissioner  
MMRDA**

**To:**

1. Sr. Director (Integrated Systems) Metro-PIU
2. Director (Projects) Metro-PIU
3. Director (Works) Metro-PIU
4. Director (Systems) Metro-PIU
5. Joint M.C./ D.M.C. (Admin)
6. Chief, Town & Country Planning Div.
7. Chief, Planning Div.
8. Chief, Rental Housing
9. Chief, Town Planning
10. Chief (R & R)/ Chief, SDC
11. Chief, Transport & Communications Div.
12. Chief, Lands & Estate Cell
13. O.S.D., SRA
14. Financial Advisor
15. Chief Accounts Officer
16. Chief Engineer, Engineering Div.
17. J.P.D. (Legal)
18. J.P.D. (Town Planning)/ Chief, IT Cell
19. Senior Planner, Sub Regional Office- Thane
20. P.S. to M.C.
21. P.S. to A.M.C. - I
22. P.S. to A.M.C. - II
23. P.S. to Jt. M.C.
24. Circular File

**Copy to:** With a request to give wide publicity to the said circular.

1. President, CREDAI-MCHI
2. President - PEATA