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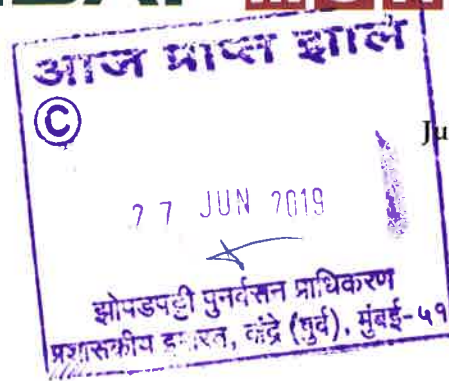
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Ref. No. MCHI/PRES/18-19/339

To,  
**Shri Deepak Kapoor (I.A.S.)**  
Chief Executive Officer  
Slum Rehabilitation Authority  
Bandra (E),  
Mumbai - 400051



June 27, 2019

**Sub: Proportion of rehabilitation approved on Government/MCGM/MHADA/Public Lands in comparison with those approved on Private Lands.**

**Ref : Letter from the office of the IGR dated 23.01.2019 under no. सहसंचा-मू /पु /MCHI-CREDAI/७२**

Respected Sir,

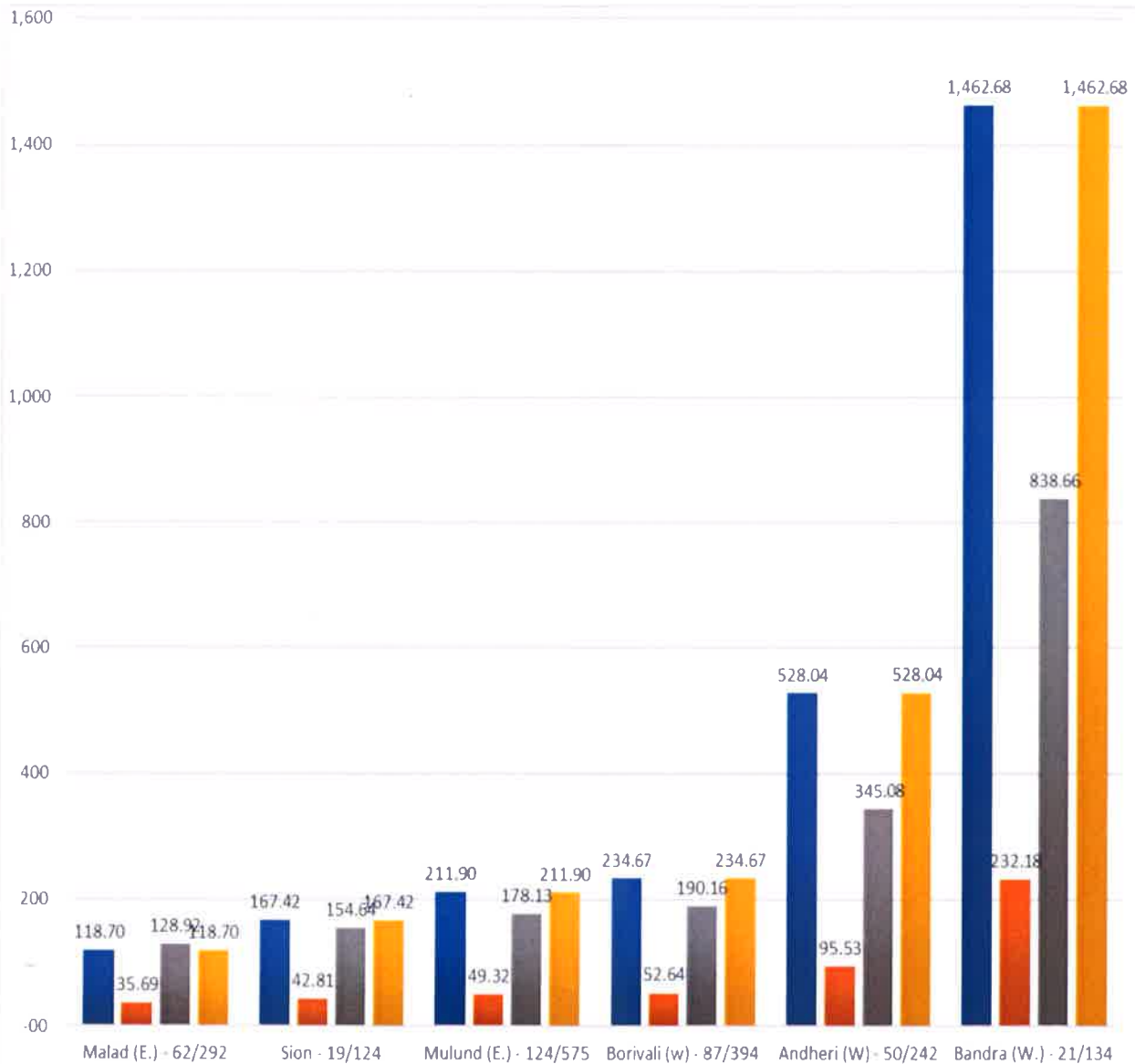
At the outset we would like to acknowledge and thank you for having supported Real Estate Development and Rehabilitation in the present dire and dark scenario faced by a number of developers. We would like to bring to your attention one of the prominent hurdles faced in the vision of 'Housing for All by 2022' by the Honorable Prime Minister, especially in the city of Mumbai. In fact, Slum Rehabilitation plays an important role in a city like Mumbai where affordability of tenements as per the sizes specified under the P.M.A.Y is often not possible to the common man.

As you may be aware that presently aware that the Government Notification dated 16.04.2008 under no. TPB/4308/897/CR-145/08/UD-11 as a result of which for schemes on land belonging to MHADA/MCGM/State Government Lands, the developer would have to pay premium at the rate of 25 % of the land value, as per the Ready Reckoner at various stages. The said Government Notification, has empowered the Inspector General of Stamps, to allow valuation of the lands based on the same Notification.

However, when it comes to development of Private lands for Slum development the yardstick for valuation differs greatly. Despite various judgements and instances wherein slum lands have been acquired by the Government for far lesser value than even the 25 % of Ready Reckoner Land Value. In the case of Development, the valuation for slums schemes, a number of Owners on Slum Encroached lands as well as Developers who are interested in development of the Slum areas, find great difficulty to transact in terms of having registered instruments of development or ownership due to the steep amount of stamp duty being levied on the transaction. The stamp duty for such lands is computed on the basis guideline nos. 26 of the Stamp Duty Ready Reckoner 2019-20. The said guidelines impose the value of stamp duty based on prospective Sale BUA to be achieved, after rehabilitation of the existing slums as well as the applicable fungible area under guideline no. 25 of the Stamp Duty Ready Reckoner 2019-20.

The above mentioned guidelines also cause the land value to exceed the market value and in the event of Sale/Transfer/Conveyance of Private Slum Lands, such high valuation of the lands thereby causes great income - tax liability on the original land owners. As a result Private Slum land owners are hesitant to transfer lands to the developers.

The following below is the comparison of Stamp Duty applicable between schemes approved under DC Regulation 33(10) on Private and Public lands, 33(11) and DC Regulation 30 (considering a 12.20 Mt. Wide DP Road affecting the plot) for various locations and Zones in the Suburban regions, per square feet of Built up area permissible.



■ Stamp Duty per Sq / Ft of Sale BUA - DCR 33(14) 
 ■ Stamp Duty Calculation for 33(11) - Public Lands  
■ Stamp Duty per Sq / Ft of Sale BUA - DCR 32 
 ■ Stamp Duty per Sq / Ft of Sale BUA - 33(10)

A Simple comparison of the above, it will be evidently clear that the stamp duty on such schemes is enormously high and thereby a deterrent, for Developers to approach Landowners to develop Private Slum Lands and vice versa.

We would like to present the Percentage of Rehabilitation Tenements approved on Schemes on Public Lands, Private lands and Private + Public Lands (amalgamated lands) over the past two years.

Sr. No.	Year	No. of Rehabilitation Tenements Approved		
		Private Lands	Government Lands	Private + Govt. Lands
1.	2017	25 %	47 %	27 %
2.	2018	33 %	57 %	9 %

Also a perusal of the facts available in public vide survey of slum clusters conducted by the CTSO (SRA) in the year 2015-2016, showing the ownership of the lands is attached below :

Public Lands				Private Lands		DAT A NOT Avail- able	Reservations and Open Spaces						TOTAL
State Govt.	MCG M	MHADA	Centra l Govt	Pvt.	Khot (Pvt) Trust								
Acre	Acre	Acre	Acre	Acre	Acre	Acre	Road	Rlwy	Nala	Open Spaces	Out of CTS	Total	
2140.21	856.43	272.37	511.77	3620.94	518.38	201.72	7.99	0.05	41.42	0.03	0.67	50.16	8171.98
46%				51%		2%	1%						

The lands belonging under private ownership constitute nearly 51 % of the slum schemes in the city and yet the percentage of Private Slums coming forward for approval is a mere 25-33 % only. Hence it may be inferred that such a method of land valuation calculation is preventing the redevelopment of slums.

We would also bring to your attention, the Cabinet Decisions for Re-Development under 33(7) & 33(9) of DCPR allowing the registration of instruments for Development at a stamp value at Rs. 1000/- only. Until a few year ago all SRA agreements were considered as registered instruments for stamp value of Rs. 100/- as per notification of 27.10.1997 No. CSL-1097/CR-166/15-C from Corporation and Textiles Department.

Considering the above we are requesting your support to address these dire, issues and represent to the IGR, along with facts furnished herewith:

- The information as sought by Inspector General of Registration and Controller of Stamps as per letter dated 23.01.2019.

- b. Allow registration of Instruments on slum lands for the purpose of slum development as per notification of 27.10.1997 No. CSL-1097/CR-166/15-C from Corporation and Textiles Department.

Lastly even temporal measures granting reliefs to the above raised issues until the deadline period of Housing for All by 2022 i.e. next 3 years will greatly boost and support the initiative for a slum free Mumbai.

Your sincerely,  
For CREDAI-MCHI



Nayan A. Shah  
President



Bandish Ajmera  
Hon. Secretary



Sanjiv S. Chaudhary MRICS  
Chief Operating Officer