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CREDAI - MCHI

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December 28, 2018

भा.रि.बैं., कें. का. भवन, मुंबई
प्राप्त हुआ
31 DEC 2018
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To,
Shri Shaktikanta Das
The Governor
Reserve Bank of India
Mumbai

Sub: (MOST URGENT) Mumbai Real Estate and Housing Sector at "Break-Point"

Dear Sir,

This is in reference to the recent events in the financial markets, which started with ILFS defaulting on its Commercial Paper borrowing leading to Mutual Funds and Banks becoming cautious towards funding of NBFC's.

This crisis has further pushed the real estate sector into the doldrums from where, if some major corrective actions are not taken without any further delay, timely completion of under-construction projects and roll out of new ones would come to a standstill. Should the cascading effect of credit flow into the real estate sector not be resumed immediately, the situation in MMR is at its breaking point and it may only be a matter of time that while on one side many developers may have to shut shop, the lakhs of daily wage earners that depend on this sector for livelihood, will not have an alternative. The gravity of this crisis is much gloomier than it appears and this is really our "***MAYDAY***" calling!

Sir, we write to you today as we, as an industry, need your undivided support to bring us out of this vicious cycle or the current crisis may culminate in the shutting down of the industry. The industry today is in dire need of a comprehensive package to bail it out of this crisis, and we look forward unto you to kindly provide us with a path forward. ***This may well be our only chance!***

We sincerely request your immediate appointment to give our industry leaders a chance to present the pain and the case in person to you. We earnestly hope you would consider our request and thanking you in anticipation of a favorable response.

Yours Sincerely,
For CREDAI-MCHI

Nayan A. Shah
President

Sanjiv S. Chaudhary MRICS
CREDAI-MCHI Secretariat

Encl : 1) Letter to Hon'ble, Prime Minister on Real Estate, the sleeping Giant – to be shaken up or left in deep slumber?
2) Letter to Hon'ble Finance Minister on Financial Turmoil in the Real Estate and Housing Sector.

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