CREDAI - MCHI

Ref. No. MCHI/PRES/20-21/014

September 15, 2020

Inwar 24/9/2020
लिपिक
उपमुख्यमंत्री यांचे कार्यालय
महाराष्ट्र शासन
मंत्रालय, मुंबई ४०० ०३२

To,

Shri Ajit Pawar
Hon'ble Deputy Chief Minister
Hon'ble Finance Minister
Government of Maharashtra

Sub: Request for reduction in Cost of Approvals, Development charges and Ready Reckoner Rate

Respected Sir,

In view of the COVID-19 pandemic and the nationwide lockdown, members of CREDAI - MCHI were prohibited from carrying on free trade and business as guaranteed under Article 19(1)(g) of the Constitution of India. Since March, 2020, all activities of the real estate / construction industry have come to a grinding halt as opposed to certain other industries which were allowed to operate [with or without restrictions] during the lockdown.

Later whilst some restrictions have been recently lifted by Government of India and the State of Maharashtra, such purported relaxations have made no practical difference for Real Estate sector to restart its business and commence construction activities and effect sales. In other words, even now the situation for Real Estate sector is practically the same as it were at the beginning of the lockdown.

As you are aware Real Estate sector contributes about 6-8% of the GDP of India along with being the second largest employer of the country which employs almost 50%-60% of migrant labour across the industry as well as the ancillary industries attached to it. Approximately 270 [two hundred and seventy] ancillary industries are dependent on the Real Estate Sector.

Sir, we request for adequate relief package by way of <u>50% reduction in all premiums / development charges / cess etc. and a flat across-the board reduction of 20% (twenty percent) in Ready Reckoner Rates in Mumbai</u>. This will have a cascading effect not only on real estate industry but also for the associated ancillary industries.

Government of Maharashtra has in last five years earned huge revenues in the form of stamp duty and registration charges, Premiums, Development Charges etc. which are at their lowest possible levels as on date in FY 2020-21. Sir, as you are aware there are about 25,270 projects registered with MahaRERA and about 20,000 projects are still under construction which will yield about 5,00,000 houses in MMR.

The prospects and fate of these 5,00,000 flat buyers will be jeopardized and permanently impaired with the downfall of real estate sector. The dreams of a home for all these flat purchasers some of whom have invested their lifetime savings will be shattered;

CREDAI - MCHI
Maker Bhavan II, 4th Floor, 18, V. Thackersey Marg, New Marine Lines, Mumbai - 400 020.
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CREDAI - MCHI

*CREDAI – MCHI is the Maharashtra chapter of CREDAI consists of members from the real estate industry in Mumbai Metropolitan Region [“**MMR**”]. It is the recognized body of the real estate industry by the Housing Ministry, Government of India with a membership of over 1,400 leading real estate developers in Mumbai.*

Sir, it is NOW or NEVER. We need leaders like yourself to stand tall and support the fledgling industry in this crucial juncture and help us revive the economy of Maharashtra. Let’s make Maharashtra No.1 state in India again.

Jai Maharashtra! Jai Hind!

Thanking you,

Yours Faithfully,
For CREDAI-MCHI

Deepak Goradia
President

Pritam Chivukula
Hon. Secretary

Policy Proposals for Promoting Investment Flows & Economic Growth of Maharashtra

Recommendations for the Real Estate Sector

May 2020

Rationale for Support

The housing and construction sector is the second largest employment generator in the country and has multiplier effects on 250 plus allied industries.

While the real estate sector has been seeing a slowdown and has been under financial stress particularly since mid-2018, the inherent demand for affordable housing and commercial real estate is still strong. Further, there are a number of large scale critical infrastructure projects that are underway across the state.

The objective of the recommendations given below are:

- To help the real estate sector revive from its slowdown given the importance of the sector in the overall economy;
- Recover from the standstill impact owing to the outbreak of COVID-19; and
- Bring in much needed and long pending reforms in the sector.

The recommendations are divided into 2 components with timelines and prioritisation for implementation:

1. **Short-term recommendations:**

These recommendations need to be implemented immediately to kick-start the real estate industry in the state. More critically, there has to be course correction because markets like MMR have become totally uncompetitive compared to metros in other states owing to high premiums and levies being charged. In Mumbai, 22 premiums are collected under various heads, compared to 10 for Bengaluru, 5 in Delhi and 3 for Hyderabad. Government Charges as a Multiple of Land Value for residential real estate in Mumbai is 13 times more expensive than Delhi and for commercial real estate, it is 34 times more expensive.

2. **Medium-term recommendations:**

These recommendations focus on ensuring a meaningful recovery in the sector, reducing the cost of doing business and help bring in the much needed improved governance standards.

Combined together, these measures will in due course, bring in more revenue to the state government.

SHORT-TERM RECOMMEDATIONS

1. Helping Migrant Workers Get Back To Work

Understanding the stress of construction workers, the Maharashtra government has made a good decision to do a one-time deposit of Rs. 2,000 each to over 12 lac registered construction workers in the state who have lost their livelihoods due to the lockdown.

The state has expressed that it will initially allow only construction workers within Maharashtra to resume work. However, out of the 55 million workforce in the construction sector, **80%** comprise migrant workers.

Recommendation: As a humanitarian response, the Maharashtra government should take the lead of announcing a **temporary scheme** which would offer to cover the **travel and enhanced insurance costs** of the migrant labourers back to the construction sites. For instance, this could be offered for the **first 45 days** post the lockdown being lifted across the entire state. Developers could be used as the conduit and be subsequently reimbursed by the state government.

The key objective is that ongoing projects must restart in the **short window** before the on-set of the monsoons.

Separately, the state will need to issue hygiene/sanitation guidelines for developers to follow to protect workers on various construction sites.

- Require contractors to submit health and safety protocols
- Develop site access protocols
- Ensure necessary provision of personal protection equipment for the construction workers
- Provision of adequate portable toilets and adherence to basic sanitary requirements
- Evaluation of hygiene facilities by local authorities.

2. Deferred Payment Mechanism for Sale of Plots by State Bodies

State bodies like MMRDA, CIDCO & MIDC have large tracts of land which they sell commercially and typically payments for the land is done **upfront.**

If the state is keen on inviting industrial houses to set up businesses, industrial clusters and new manufacturing units or promoting affordable housing, it would be necessary to provide some incentives to those wanting to purchase land.

In the current environment, states will compete fiercely to attract fresh investments. Maharashtra should be geared for this as its general business orientation makes the state a preferred choice for investors. Yet, Maharashtra risks losing out on attracting new investments because land is too expensive. There are now growing prospects of manufacturing shifting out of China or global companies adopting a China plus one strategy. India holds a good chance of attracting such business and the Maharashtra government must put all its focus on being at the forefront to invite large global companies to set up their base in the state.

Land is always the most critical issue and states that have given such approvals rapidly and at reasonable prices have always benefitted. It is imperative that the Maharashtra government now forms a core team, headed by the Chief Minister that will be the one-point facilitator/co-ordinator for all approvals needed. Even if land is offered at slightly lower rates, the benefits will far outweigh through increased tax revenues and new job creation.

Given the current environment where entities need to be careful with their cashflows, one way of incentivising the purchase of plots of land from state bodies is to allow the **buyer to make staggered payments** over a longer period of time rather than insisting on an upfront payment. Front ended costs are not viable in the current milieu.

Further, MMRDA, CIDCO & MIDC need to be realistic in terms of pricing the plots at **reasonable rates** to kick start the real estate sector.

3. Grant Concession/Waiver on Stamp Duty and Registration Charges for a Defined Period

Option 1

- For a defined period of say, 6 to 12 months, **reduce the stamp duty to 1%** for all real estate transactions such as sale/purchase/leave and license/conveyance/lease deeds etc.
- Waive all **registration charges** during this period.
- **Key Benefits**
  - Will help off load the unsold inventory which is the highest in Maharashtra;
  - Incentivise more people to become homeowners;
  - Loss in revenues by the state will be offset by GST collections as the real estate sector would revive though enhanced real estate activity and sale of properties.
- If the above cannot be done for all real estate transactions, then this should be at least for **residential properties**.

Option 2

Understandably, stamp duty/registration charges are an important revenue source for the state.

- An alternative to Option 1 above is to offer a **complete waiver** of stamp duty and registration charges for only **3 months** from **October to December 2020.**

- The timing of announcing a complete waiver of stamp duty is important. Offering this too early will coincide with the onset of the monsoons. Further, *pitru paksha* (shraadh) is estimated to end on September 17, 2020.

- The onset of the **festive season** and the **small window of complete waiver** of stamp duty will encourage more homebuyers to purchase homes.

Other Issues Meriting a Reduction of Stamp Duty

- Provide some concession rate on stamp duty for Joint Development Agreements, Joint Venture Developments and Redevelopment Projects.

- In case of amalgamation, merger, demerger or reconstruction of companies, NCLT orders or court consent terms, the maximum stamp duty payable should be capped at **Rs. 10 lakh**. This will allow for consolidation and completion of projects.

Impact on Revenue

Rs cr

Year	FY 17	FY18	FY19	FY20	FY21 (BE)
Stamp & registration fees collected by Maharashtra govt*	21,000	26,400	28,500	28,000	30,000

**Includes both, property related & other agreements.*

Visibly, there has been a de-growth in the state's overall stamp and registration fees in FY20. However, stamp and registration fees account for less than 10% of the total receipts of the state. The Maharashtra state government's fiscal deficit over the last couple of years has been prudent in the range of ~ 1 to 1.8% of GDP, barring FY20 which was 2.8% of GDP.

As a response to COVID-19 and the paralysis it has brought to the state's economy, there is a need for a **strong state fiscal stimulus package**. This may take the fiscal deficit to ~ 3.2 to 3.4% of GDP. Thus, there will be a need for triggering the 'escape clause' under the FRBM Act.

The concession or temporary waiver on stamp duty will bring in the much needed sales and part of the loss in revenue will be made up through increased volume of transactions.

An illustrative example of loss in revenue on waiver of stamp duty for MMR:

MMR	Rs crore
New Sale Units (nos)	70,000
Average Price	1.2
Value	84,000
Stamp Duty @ 5%	4,200
Loss in revenue from stamp duty per month	350

4. Reduction in Levies and Charges

As is evident from the table, the premium and charges collected in Mumbai is **significantly higher** than other comparable cities. The number of heads increase based on the type of project and land holding. Thus, for Mumbai, the hefty premium translates into significantly higher costs, resulting in deep inefficiencies and increased working capital requirements in a market where lenders are risk averse and reluctant to fund developers. *(Refer Annex for further details.)*

City	Number of Premium & Charges Collected
Mumbai	22
Bengaluru	10
Hyderabad	3
Delhi	5

It is estimated that these levies constitute **one-third** or more of the sale price of a project. **The charges are prohibitively high and need to be rationalised,** if the real estate sector is to revive.

In the present circumstance there will be no fresh launches or income accruing to the state government from real estate transactions if these charges are not reduced.

When compared to the land value in each city (on the basis of the stamp duty ready reckoner values), the multiple of premium payments to value of land in Mumbai ranges from **1.96x** land value for residential developments in the suburbs to **4.23x** land value for commercial developments in Mumbai City. This compares with 0.1x – 0.14x in Delhi, 1.27x in Hyderabad; 0.92x - 1.37x in Bengaluru and 0.62x - 1.41x for Chennai for residential and commercial projects respectively. *(Refer Annex for further details.)*

There is an urgent need to **reduce** the cost of doing business. Given below are some suggestions:

i) Reduction and Rationalisation of Charges Levied

- Reduce all premiums/charges/levies/cess/premium for staircases, lift well and lobbies, amongst several others by **50%** under the Development Control and Promotion Regulations (DCPR) which is payable to the municipal corporation/state government.
  - These premiums/charges should be paid at the time of granting the Occupation Certificate, without any interest being levied.
  - In respect of any on-going project where part instalment of the premium has been paid, these projects too should be eligible for reduced charges.

ii) **Allow a Temporary Concession on Land Under Construction (LUC) Charges and Revise Methodology of Computing LUC**

- Do not levy LUC charges for a period of 6 months to help kick start the sector.
- LUC charges payable to the municipal corporation should be on **basic FSI** and not based on the plot potential.
    - *This means that if a developer gets an approval of say, a 10-storey building, but has constructed only 2 storeys, the builder will be charged only for those 2 floors. As per the current property tax structure, the BMC calculates the proposed floors of the under construction property and levies a tax on that basis. Thus, a developer has to pay for a structure that has not yet been constructed, but stands only as an approval on paper.*

iii) **Other Suggested Changes to Ease the Burden for Developers**

- Open space deficiency premium to be levied only for basic FSI and not on additional FSI allowed by DCPR.
- No premium should be levied for the second staircase and premium for lift well should be charged only once in accordance with the National Building Code and not on every floor as per current practice.

iv) **Reduce Urban Land Ceiling Premium**

- Reduce ULC one-time premium to **5%** irrespective of the status or class of the land.
- Permit partial development while charging ULC premium on a pro rata basis.
- Interest free deferment payment system to be introduced for one-time ULC premium payment spread over a defined time span.

5. Concessions for Retail, Malls & Hotels

- This segment has been worst hit by COVID-19 and will take time to recover even post lockdown.
- It is suggested that for these entities:
    - Allow electricity and water charges at industrial rates
    - Waive property taxes for **6 months**

6. MahaRERA - Extension in Project Completion Date

- Currently, Maha RERA has extended the project completion date by 3 months due to COVID-19 disruptions.

- It is suggested that all project completion deadlines under RERA should be extended by at least **6 months.**

7. Amend Conversion Rules with Lower Charges

- Need to review the Maharashtra Land Revenue (Conversion of Occupancy Class II and Leasehold Lands into Occupancy Class I Rules), 2019 – "Conversion Rules". *(Class II lands are lands that are not freely transferable and require prior permission of the competent authority for any transfers.)*

    - Conversion charges such as conversion of 'industrial' to residential zone, or 'agriculture' to residential and other such land conversions are tedious and expensive.

    - The premium under the conversion rules varies from 15% to 75% of the value of the land as per applicable rate of assessment, depending on the category of the holding.

    - It is suggested that the premium payable for conversion for Class II to Class I should be charged at 25% (residential rate) of the ready reckoner rate irrespective of the user.

8. Reduce Ready Reckoner Rates More Frequently

- Ready Reckoner (RR) rates need to be reviewed more frequently to reflect current market realities.

- The Union Budget 2020 had made an amendment wherein if the market value of the property is less than the circle rate by 10% (earlier 5%), then the difference will be considered as income and taxed.
    - However, property prices could drop by **more than 10%** and this needs to be reflected in the RR rates or else it becomes an additional tax burden[1] for the buyer and seller.

- It is suggested that RR rates of flats be reduced by at least **25-30%.**

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[1] Currently, if the property price is lower than the circle rate, then the difference is considered as other income in the hands of the buyer and taxed accordingly. For the seller, as the property is registered at the circle rate, he/she has to pay a higher capital gains tax.

MEDIUM TERM MEASURES – Reduce the cost of doing business, bring in efficiencies and better governance

9. Streamline Approval Processes

- There is a need to have a high level committee looking at **fast-tracking stuck projects** especially in MMR. Many have been stuck during the construction phase due to pending approvals.
  - New launches of housing will slow down further if existing stocks are not cleared.
  - Increase reliance on **self-declarations** for compliance with environmental conditions, along with punitive actions for non-compliance

- Need for a single committee for **environment clearances**
  - Currently at the state level, environmental clearances for building approvals are given by 2 committees – State Expert Appraisal Committee (SEAC) and State Environment Impact Assessment Authority (SEIAA).
  - At the central level, approval is granted by one committee - Expert Appraisal Committee.
  - Under the ease of doing business at the state level, there should be **one clearance** and MOEF and CRZ clearances should also be granted by a single committee.

10. Measures needing co-ordination between central and state governments

i) Facilitating Online Execution of Mortgages

- The Maharashtra government has been at the **forefront** in terms of providing **e-registration** and stamp duty online for sale and purchase of properties.

- Envisaging that more activities now need to be moved online, it would be beneficial if the state co-ordinates with the central government in order to facilitate **e-signatures** on property transactions such as agreement to sale, house buyers agreement, creation of mortgage etc.

- Currently, mortgage loans can only be approved online, but disbursement online is not possible until necessary regulations are amended to facilitate the same.

ii) **Subsume stamp duty, registration and other charges into Goods and Services Tax (GST)**

- While there have and continues to be various operational challenges in GST, it is the mechanism to bring in greater formalisation across the entire economy and also ensure no leakages of revenue due to the central and state governments.

- GST rates have been reduced for under-construction homes to 1% for affordable homes under Rs 45 lac and 5% for other residential units without input tax credit. Completed homes do not attract GST.

- It would be prudent to subsume stamp duty and registration charges into GST. This would facilitate rationalisation and uniformity of stamp duty across all states and remove the double taxation that homebuyers face on under construction properties where they pay GST and also have to pay stamp duty and registration charges.

- This will also be in line with the principle of 'one nation one tax' concept which when fully implemented will yield higher revenues for state governments.

- Reducing multiplicity of taxes for real estate will ultimately benefit the homebuyer and make housing more affordable to all.

Annex A:

Premium Charges as a Multiple of Land Value – Highest in Mumbai

S No	MCGM, Government, GST and Stamp Duty Charges	Mumbai - Residential		Mumbai - Commercial		Chennai		Bangalore		Hyderabad		Delhi	
		Island City Rs Crs	Suburbs Rs Crs	Island City Rs Crs	Suburbs Rs Crs	Residential Rs Crs	Commercial Rs Crs	Residential Rs Crs	Commercial Rs Crs	Residential Rs Crs	Commercial Rs Crs	Residential Rs Crs	Commercial Rs Crs
i	[illegible]	33.54	14.39	83.85	38.34	0.01	0.01					-	-
ii	[illegible]	17.36	12.54	17.36	12.54	0.01	0.01	50.95	85.24			-	-
iii	[illegible]	29.35	11.31	59.34	23.39	0.00	0.00					-	-
iv	[illegible]	40.59	17.41	50.73	23.74	0.13	0.73					-	-
v	Open Space Deficiency (50% deficient area assumed)	57.09	24.72	167.71	79.49	0.02	0.10					-	-
vi	[illegible]	0.24	0.22	0.30	0.30	2.25	2.93					0.02	0.01
vii	[illegible]	0.03	0.03	0.04	0.04	0.00	0.00					-	-
viii	Development Charges (Land Area)	1.45	0.58	2.91	1.35	0.08	0.10	0.49	1.31			-	-
ix	Development Charges (BUA)	17.39	7.67	44.72	20.33	2.31	1.83	0.99	1.04	14.73	14.73	-	-
x	Labour Welfare Cess at Rs. 275 per sq mt BUA	1.55	1.51	2.06	2.56	-	107.82	0.65	0.90			-	-
	Debris Deposit	0.00	0.00	0.00	0.00	2.53	3.41					-	-
xi	[illegible]	0.00	0.00	0.00	0.00	2.10	2.73					-	-
xii	[illegible]	0.05	0.05	0.05	0.05	0.73	1.02					-	-
xiii	CFO Scrutiny Fees	0.92	0.85	1.15	1.15	0.87	1.14	0.17	0.31			-	-
xiv	[illegible]	0.09	0.08	0.12	0.12	0.00	0.00					-	-
xv	PCO Charges	0.90	0.80	0.30	0.90	0.02	0.03	0.04	0.04			0.10	0.05
xvi	Property Tax	3.00	3.00	3.00	3.00	0.01	0.01	0.03	0.27			0.12	1.25
xvii	Infrastructure Improvement Charge at Rs. 1375.00 per sq mt of [illegible]	0.59	0.51	0.59	0.91	0.06	0.07					-	-
xviii	Cost of construction of Inclusive Housing at [illegible]	15.71	11.81	15.71	11.81	0.05	0.06					-	-
xix	Contingency	10.00	10.00	10.00	10.00	0.12	-	5.00	6.00			-	-
xx	MCGM [illegible]	36.66	15.40	77.38	36.50	5.00	3.00					-	-
xxi	GST at 18% on cost of construction [illegible]	52.48	48.11	55.50	55.50	56.34	86.90	67.00	70.53	105.40	105.40	34.10	21.31
xxii	Stamp Duty on land consideration	8.55	4.05	8.65	4.05	18.25	18.25	5.92	9.47	5.94	5.94	10.56	10.56
xxiii	Total MCGM and Government Premiums, Stamp Duty, GST	338.75	187.60	611.68	347.20	103.14	234.54	162.44	175.11	126.07	126.07	44.90	32.19
xxiv	Land value as per RR rate	172.91	80.92	172.91	80.92	165.87	165.87	119.40	189.45	99.00	99.00	314.16	314.16
xxv	Government charges as a multiple of land value (x)	1.96	2.34	3.54	4.23	0.62	1.41	1.37	0.92	1.27	1.27	0.14	0.10

- The above demonstrates heads of premiums charged across various cities. This illustrative example is based on a standard plot of 10,000 sq mts, being developed, across residential and commercial developments.

- In Mumbai, **22** premiums are collected under various heads, depending on the specific complexities of the project and land holding. This compares with 10 for Bengaluru, 5 in Delhi and 3 for Hyderabad. **Mumbai's premiums are distinctly disproportionate compared to other cities.**

- When compared to the land value across cities, (on the basis of the stamp duty ready reckoner values), the multiple of premium payments to value of land in Mumbai ranges from **1.96x** land value for residential developments in the suburbs to **4.23x** land value for commercial developments in Mumbai city. This compares with 0.1x – 0.14x in Delhi, 1.27x in Hyderabad, 0.92x - 1.37x in Bangalore and 0.62x - 1.41x for Chennai for residential and commercial projects respectively.

- Government Charges as a Multiple of Land Value:

    - ***Residential:*** *Mumbai city is **13x** more expensive than Delhi, 3x more expensive than Chennai, 1.4x more expensive than Bengaluru, and 1.5x more expensive than Hyderabad. Mumbai's suburbs are 1.2x more expensive than Mumbai city.*

    - **Commercial**: *Mumbai city is **34x** more expensive than Delhi, 2.5x more expensive than Chennai, 3.8x more expensive than Bengaluru, and 2.8x more expensive than Hyderabad. Mumbai's suburbs are 1.2x more expensive than Mumbai city.*

Annex B: Carpet Area to Land Area Ratios

S No	Particulars (Area Statement)	Mumbai - Residential		Mumbai - Commercial		Chennai		Bangalore		Hyderabad		Delhi	
		Island City	Suburbs	Island City	Suburbs	Residential	Commercial	Residential	Commercial	Residential	Commercial	Residential	Commercial
		Sqmts	Sqmts	Sqmts	Sqmts	Sqmts	Sqmts	Sqmts	Sqmts	Sqmts	Sqmts	Sqmts	Sqmts
1	Plot Area (sqmts)	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000.00	10,000.00
2	Less: Amenity Area (sqmts)	500	500	500	500	1,000	1,000	500				50%	25%
3	Net Plot Area (sqmts)	9,500	9,500	9,500	9,500	9,000	9,000	9,500	10,000	10,000	10,000	5,000.00	2,500.00
4	Permissible FSI	1.33	1.00	1.33	1.00	3.25	3.25	3.25	3.25	8.00	8.00	2.00	1.25
5	Permissible TDR (assumed road width of 13.40 m)	0.45	0.70	0.45	0.70	-	-	1.95	1.95			-	-
6	Permissible Premium FSI (assumed road width of 13.40 m)	0.62	0.50	1.22	1.30	0.50	1.53					-	-
7	**Total permissible BUA (sqmts)**	22,800	20,900	28,500	28,500	37,500	48,750	49,400	52,000	80,000	80,000	**20,000.00**	12,500.00
8	Add: Fungible FSI (sqmts)	7,980	7,315	9,975	9,975							-	-
9	**Total FSI + TDR + Premium FSI + Fungible (sqmts)**	30,780	28,215	38,475	38,475	37,500	48,750	49,400	52,000	80,000	80,000	**20,000.00**	12,500.00
10	Area of Inclusive Housing to be provided (sqmts)	3,032	2,250	3,032	2,230							-	-
11	Land RR Rate (per sqmt)	145,300	58,000	145,300	58,000	155,575	155,575	115,101	189,446	39,000	39,000	264,000	254,000
A	Carpet Area for Sale (CA) (Sqft)	291,561	267,264	364,451	364,451	371,358	482,765	372,219	391,810	585,567	585,567	189,446	118,404
B	Carpet Area to Land Area Ratio (A / 1)	2.71	2.48	3.39	3.39	3.45	4.49	3.46	3.64	5.44	5.44	1.76	1.10

- Delhi has a carpet area to land area multiple of 1.10x for commercial developments and 1.76x for residential developments. However, the government charges as a multiple of land value (see table above) in Delhi are 0.14x and 0.10x times for residential and commercial projects respectively.

- In Mumbai's island city, the carpet area to land area multiple is 2.71x and 3.39x for residential and commercial developments respectively. Government charges as a multiple of land value are 1.96x and 3.54x respectively.

- In Mumbai's suburbs, the carpet area to land area multiple is 2.48x and 3.39x for residential and commercial developments respectively. Government charges as a multiple of land value are 2.34x and 4.23x respectively.

(Note: The above data is from independent market sources.)