



MUMBAI METROPOLITAN REGION DEVELOPMENT AUTHORITY
मुंबई महानगर प्रदेश विकास प्राधिकरण

MMRDA/RHD/MCHI/13/446

October 22, 2013

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

Sub : Issues concerned with the implementation of Rental Housing Scheme in MMR area

Ref : Representations of MCHI-CREDAI to MMRDA dated 30.7.2013, 31.7.2013, and 8.8.2013,

Dear Sir,

This is with reference to the meeting representatives of MCHI-CREDAI had with the undersigned on 31.07.2013 to discuss issues related to implementation of Rental Housing Scheme (RHS) in MMR. A no. of suggestions were made with regard to the provisions in the GR as well as the practices being followed by various Competent Authorities while approving the RHS. The above cited written submissions have also been made by the MCHI-CREDAI in this regard. The following are MMRDA's views on the points raised by MCHI-CREDAI:

Recd
M. A. as directed
24/10/13

No.	Item	Suggestion by MCHI	Remarks of MMRDA				
1	Stages of release of FSI	Presently very low FSI is being released for free sale component at the beginning and at the intermittent stages causing hardship to the develop-pers. MCHI suggests that the procedure as in SRA be adopted.	The following revised schedule is proposed :				
			Sr. No.	Stages of Release of FSI	RH Component (All Areas)	Free Sale component U1 - U2 Areas	Free Sale component ULB/SPA Areas
			1.	On grant of CC by ULB/Plng Auth. for entire project	1.00	0.25	1.00
			2	On completion of 50% plinth of Rental Comp.	-	0.50	0.50
			3.	On completion of 50% BUA of Rental Comp.	-	0.75	0.50
			4.	On Completion of 100% BUA of Rental Comp.	-	1.25	0.75
			5.	On handing over 25% land & completed Rental bldgs with occupancy & completion certificates	-	0.25	0.25
				Total	1.00	3.00	3.00

Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051.

EPABX : 2659 4000 • FAX : 2659 1264 • WEB SITE : <http://www.mmrda.mumbai.org>

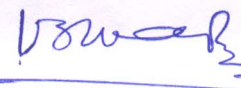
No.	Item	Suggestion by MCHI	Remarks
2	Levy of premium for staircase and podium	MCHI suggests that ULBs be instructed not to charge such premium.	UDD, GoM has already clarified vide its letter dated 23.9.2011 that premium for such elements in the sale component be charged as per prevailing DCRs but exempted for the rental component. Therefore, Govt. clarification will prevail in this regard. A copy of the same is enclosed.
3	Off-site infrastructure charges	MCHI suggests that infrastructure charges be collected in tune with the progress of work of off-site infrastructure and if the developer carries out the said work, the same be deducted from the charges leviable.	Off-site infrastructure charges are being levied as per the rental GRs. The schedule fixed by MC, MMRDA as provided in the GRs aims to collect the charges in 18 months after commencement of work. The schedule is very reasonable and even takes into account the difficulties of developers in obtaining Environmental Clearance/CC in the U1&U2 areas. Hence no change in the schedule is required.
4	Signing of Agreement	MCHI desires that agreements be executed in respect of all RHS	Will be done.
5	Waiver of Stamp Duty	MCHI requests that Stamp Duty be waived on conveyance of 25% property to MMRDA.	MMRDA has already written to the Govt. regarding the same and is actively pursuing the matter.
6	Handing over possession of rental component	MCHI suggests handing over rental buildings in phases.	If it is possible to segregate a lot, the proposal will be considered case by case. However, appropriate conditions for undertaking balance works at site will be put in to avoid causing inconvenience, nuisance and health hazards.
7	Need for revalidation of LC	LC and NOC for CC are valid only for six months requiring frequent revalidation. MCHI suggests that revalidation of LC should not be required once CC is obtained.	Revalidation of LC will not be required after engineers of MMRDA confirm commencement of work on site in accordance with the CC obtained for the purpose of Rental Housing Scheme.
8	Delay in granting of CC by NAINA	MCHI suggests that MMRDA should play the role of PIng. Auth. as CIDCO (NAINA) is not gearing up to do so in respect of RHS.	Grant of CC and amendments to the same are statutory functions of SPA under the MR&TP Act, 1966. Therefore, The suggestion cannot be accepted. However, all efforts are made to sensitize CIDCO in this regard.

No.	Item	Suggestion by MCHI	Remarks
9	Help to obtain Environmental Clearance	MCHI desires that MMRDA should assist in obtaining Environmental Clearances.	MMRDA is already assisting in every possible way with the Environmental Clearance. However, the Environmental Committees have serious reservation regarding the high densities in the rental component of RHS. While the Govt. has announced reducing the density by half (by doubling carpet area of rental tenements) in 2012, GR regarding the same is awaited.
10	Approval of Tree Authority	MCHI requests MMRDA to write to ULBs for expediting permissions from Tree Authority.	This is statutory function of the Tree Authorities and they may continue to do so as per their standard procedures. MMRDA cannot intervene in this process.
11	Restriction on Mortgage of property	MCHI suggests that restrictions on Mortgage of property should be limited to 25% land under rental component and developers be allowed to mortgage the remaining 75% without prior approval of MMRDA.	Presently developers are not permitted to mortgage the 25% land under rental component, but can seek prior approval of MMRDA for mortgaging the balance 75% land. This procedure will continue but grant of such NOCs will be expedited.

Hope the above helps implementation of the Rental Housing Schemes in a faster and better manner.

Thanking you,

Yours faithfully,



(UPS Madan)
Metropolitan Commissioner

S. S. Hussain I.A.S. (Ex)
Chief Executive Officer

Ref. No.: MCHI/CEO/13-14/044

July 30, 2013

To,
Shri U.P.S. Madan (I.A.S.)
Metropolitan Commissioner,
Mumbai Metropolitan Region Development Authority,
Government of Maharashtra,
Mumbai 400 051.

Dear *Shri Madan*,

Thanks for the appointment for MCHI CREDAI members.

Our members want to meet and discuss with you on following issues/ points related to MMR in terms of the development in real estate sector.

1. There is no clarity regarding the release of F.S.I. Hardship on release of FSI as of present norms discourage developer to participate in Rental Housing Scheme. The prevailing policy for the issue of C.C. by MMRDA is as follows.

Table - A

Sr.No.	Stages of Release of FSI	Rental Component	Free Sale Component
1	On Grant of BP/CC upto plinth by ULB / planning	1.00	1.00
2	On Completion of 50% BUA of Rental Component	-	0.75
3	On Completion of 100% BUA of Rental Component	-	1.00
4	On handing over of "25% land & completed Rental component buildings" with occupancy certificate & completion certificate.	-	0.25
	Total	1.00	3.00

Our request to take a practical approach as 37(10) & other prevailing schemes. Kindly release occupation certificate of sale building on or after conveyance and handing of rental housing building to MMRDA.

2. ULB is charging all over sudden heavy premium for staircase and podium, the same way they are charging on any regular proposal as if the proposal does not have any Rental Housing Scheme connection. As per clause 35(2)(C) of Appendix XXI-B notification dated 21st June and 29th July 2008, Stated as "Premium shall not be charged for exclusion of staircase & lift-well etc. as covered under the provision of DCR 35(2)(C)." Kindly send clarification to all ULB.
3. Offsite Infrastructure charges to be paid proportionate to the development of projects & progress of such infrastructure work around site. If such off site infrastructures work is carried out by Developer, the same to be deducted from offsite infrastructure charges.

S. S. Hussain I.A.S. (Ex)
Chief Executive Officer

4. Agreement to Sell for 25% of the property which is earmarked have Rental Housing Scheme, should be signed as early as possible.
5. Stamp Duty matter for conveyance of 25% of the property along with Rental Units which requires to be conveyed to the MMRDA, stamp duty should be waived.
6. MMRDA should take the possession of 2 or 3 buildings which are completed by the builder in all respects.
7. Location Approval & NOC for CC is valid for 6 months. Its revalidation should not be insisted.
8. In Raigad/Panvel where current schemes are already approved by Collector, till NAINA starts approving plans, amendments may be done by MMRDA as a Planning authority.
9. Help is required to clear the MOEF on priority basis.
10. The Tree Authority is taking more than six months to clear the file in Urban Local Body. Request ULB to give priority for expeditious clearance.
11. Permission to mortgage 75% of the property which is for sale, should be deemed NOC. It means it does not require any NOC from MMRDA.

Therefore, kindly take above points as an agenda of the meeting with MCHI CREDAI members which will be held on 31st July 2013 at 3:30 pm in your chamber. It is just for your information and necessary consideration at the time of the meeting.

Thanking you,

Warm, personal regards

Yours Sincerely,

[Signature]
S. S. Hussain, I.A.S. (Retd.)
C.E.O
MCHI-CREDAI

To,
Shri U.P.S. Madan (I.A.S.)
Metropolitan Commissioner,
Mumbai Metropolitan Region Development Authority,
Government of Maharashtra,
Mumbai 400 051.

S. S. Hussain I.A.S. (Ex)
Chief Executive Officer

Ref. No.: MCHI/CEO/13-14/045

July 31, 2013

To,
Shri U.P.S. Madan (I.A.S.)
Metropolitan Commissioner,
Mumbai Metropolitan Region Development Authority,
Government of Maharashtra,
Mumbai 400 051.

Dear *Shri Madan*,

Please refer to my yesterday's DO, with reference to that I would like to mention a small change in the point no.1. It is more specified now than a general request. Please see Para 2, below the table.

1. There is no clarity regarding the release of F.S.I. Hardship on release of FSI as of present norms discourage developer to participate in Rental Housing Scheme.

The prevailing policy for the issue of C.C. by MMRDA is as follows.

Table - A

Sr.No.	Stages of Release of FSI	Rental Component	Free Sale Component
1	On Grant of BP/CC upto plinth by ULB / planning	1.00	1.00
2	On Completion of 50% BUA of Rental Component	-	0.75
3	On Completion of 100% BUA of Rental Component	-	1.00
4	On handing over of "25% land & completed Rental component buildings" with occupancy certificate & completion certificate.	-	0.25
	Total	1.00	3.00

Our request is for Proportionate FSI release, as in any of the 33(10) and/or 33(9) Scheme. Secondly restrict Occupation of Sales Buildings and link with rental building's occupation i.e. Post Plinth CC, Sales FSI to be released in 1:3 proportionate OC to be given only after OC of rental portions.

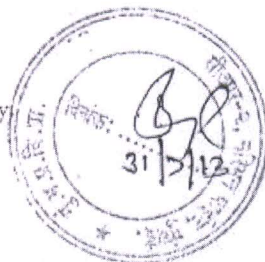
Submitted for your information and necessary consideration please.

Thanking you,

*With warm regards*Yours *Sincerely*

S. S. Hussain, I.A.S. (Retd.)
C.E.O
MCHI-CREDAI

To,
Shri U.P.S. Madan (I.A.S.)
Metropolitan Commissioner,
Mumbai Metropolitan Region Development Authority,
Government of Maharashtra,
Mumbai 400 051.



S. S. Hussain I.A.S. (Ex)
Chief Executive Officer

Ref. No. MCHI/TO/13-14/135

August 12, 2013

To,
Shri U.P.S. Madan (I.A.S.)
Metropolitan Commissioner,
Mumbai Metropolitan Region Development Authority,
Government of Maharashtra,
Mumbai - 400 051.

Sub: Issues concerning the implementation of Rental Housing Scheme in MMR Area.

Ref: Our letter MCHI/TO/13-14/010 dtd. August 8, 2013 & Meet with your goodself.

Dear *Shri Madan,*I thank you for giving time for meeting with our members on 31st July 2013.

In that meeting you had suggested us to send the revised table for release of FSI, which our Vice President, Mr. Deepak Goradia already submitted vide letter No. MCHI/TO/13-14/010 dtd. August 8, 2013.

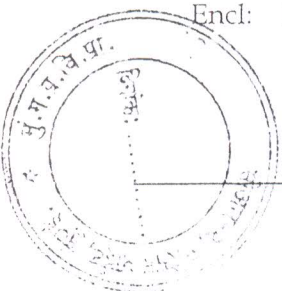
With reference to the above said letter, in the Point No. 7, our request was MMRDA should take the possession of 2-3 buildings, out of the total projects which will be in readiness in three months and agreement procedure could be made for taking over during the intervening period.

Therefore, with reference to our meeting I am sending Minutes of the said meeting for your ready reference.

*Best personal regards,*Yours *Sincerely*
S. S. Hussain

Shankar
12/8/13 To,
Shri U.P.S. Madan (I.A.S.)
Metropolitan Commissioner
MMRDA
Plot No. C 14 and 15,

Encl: Minutes of the Meeting prepared by MCHI-CREDAI



**MANAGING COMMITTEE
2013 - 2014**

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Vimal Shah

IMMEDIATE PAST PRESIDENT
Paras Gundecha

PRESIDENT-ELECT
Dharmesh Jain

VICE PRESIDENTS
Mayur Shah
Nayan Shah
Deepak Goradia
Boman Irani

HON. SECRETARY
Nainesh Shah

HON. TREASURER
Sukhraj Nahar

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

HON. JOINT SECRETARIES
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Ashok Mohanani
Sandeep Runwal
Bandish Ajmera

JOINT TREASURERS
Lakshman Bhagtani
Mukesh Patel

CO-ORDINATORS
Rasesh Kanakia
Jagdish Ahuja
Pujit Aggarwal
Parag Munot

COMMITTEE MEMBERS
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Rajan Bandelkar
Vikas Walawalkar
Jayesh Shah
Nayan Bheda
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Mohan Deshmukh
Mofatraj Munot
Niranjan Hiranandani
Rajni S. Ajmera
G. L. Raheja
Lalit Gandhi
Babubhai Majethia

MCHI-CREDAI UNITS

President, Thane
Shailesh Puranik

President, Kalyan-Dombivli
Johar Zojwala

President, Raigad
Rajesh Prajapati

President, Navi Mumbai
Arvind Goel

Hon. Secretary, Mira Virar City
Shailesh Sanghvi

MCHI - CREDAI

Ref. No. MCHI/TO/13-14/010

August 8, 2013

To,

Shri U.P.S. Madan (I.A.S.)
Metropolitan Commissioner,
Mumbai Metropolitan Region Development Authority,
Government of Maharashtra,
Mumbai 400 051.

लिपिक.
(महानगर वायुक्त कार्यालय).

Respected Sir,

Sub: Issues concerned with the implementation of Rental Housing Scheme in MMR Area

We thank you for your personal meeting on 31st July 2013 when you were kind enough for patience hearing.

We had explained to you the following difficulties faced by various developers, which you promised us to resolve at the earliest.

You had also suggested us to send the table for release of FSI, which we hereby submit the same. We hereby narrate the points which we had explained to you earlier.

Our problem that we are facing while constructing Rental Housing Scheme:

1. There is no clarity regarding the release of F.S.I. Hardship on release of FSI as of present norms discourages developer to participate in Rental Housing Scheme.

Please find the following tables suggested by us for release of FSI.

Table 1

Release of 4.00 FSI

Gross Plot area in Sq. Mtrs. Reservations (net plot)	M
Plot area for Rental Housing Component in Sq. Mtrs.	(min. 25% of M) = A
Balance Plot area in Sq. Mtrs.	(M-A) = B
Maximum permissible Built-up area on Rental Housing Component Plot for A Sq. Mtrs.	M
Maximum permissible Built-up area on Balance Plot for B sq. Mtrs.	3M
Maximum permissible Built-up area on Gross Plot of M Sq. Mtrs.	4M

MCHI-CREDAI (ISO 9001:2008)

Maker Bhavan II, 4th Floor, 18, V. Thackersey Marg, New Marine Lines, Mumbai - 400 020.
Tel.: 4212 1421, Fax : 4212 1411 / 407 • Email: secretariat@mchi.net
Website : www.mchi.net

Table 2

Sr. No.	Stages of Development	Release of FSI on Gross Plot Area			Payment of Infra. Charges to MMRDA
		Land FSI	Free Sale Component	MMRDA Component	
	Total FSI - 4.00	1.00	2.00	1.00	
1	On sanction of Locational Clearance For CC	1.00	NIL	NIL	NIL
2	On execution of agreement with MMRDA for development by owner under Rental Housing Scheme	--	NIL	NIL	NIL
3	On Issue of CC for Rental Housing component up to plinth level and obtaining commencement Certificate for Super Structure of Rental Housing component, linked issue of Commence Certificate for the sale Component.	--	20 sq.ft. of CC of Free sale Component to be released for every 10 sq.ft. of CC of Rental Housing Component	10 Sq. ft. CC of Rental Housing Component	25%
4	On issue of OCC for Rental Housing Component Building linked Issue of Occupation Certificate	--	20 sq.ft. of OCC for Free Sale Component to be released for	10 Sq. ft. OCC of Rental Housing Component	50%

	for Sale Component	every 10 sq.ft. of CC of Rental Housing Component	
5	On execution of Conveyance in favour of MMRDA and handing over of Plot area equivalent to A to MMRDA free of cost for Rental Housing Component with clear title in the name of MMRDA and with developed approach road as per approved layout.		25%

2. ULB is charging all over sudden heavy premium for staircase and podium, the same way they are charging on any regular proposal as if the proposal does not have any Rental Housing Scheme.

As per clause 35(2)(C) of Appendix XXI-B notification dated 21st June and 29th July 2008, Stated as "Premium shall not be charged for exclusion of staircase & lift-well etc. as covered under the provision of DCR 35(2)(C)." Kindly send clarification to all ULB.

3. (a) As per Gazette, all offsite infrastructure to be provided by MMRDA but still MMRDA is insisting the developers to pay for MJP for bulk supply of water to Rental Housing Schemes etc.. Secondly ULB also demands prorate charges from Developers for water, sewerage, power etc.

(b) Offsite Infrastructure charges to be paid proportionate to the development of projects & progress of such infrastructure work around site. If such off site infrastructures work is carried out by Developer, the same to be deducted from offsite infrastructure charges.

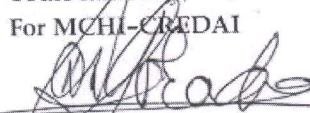
4. Permission to mortgage 75% of the property which is for sale should be deemed NOC. It means it does not require any NOC from MMRDA.
5. Agreement to sell for 25% of the property which is earmarked have Rental Housing Scheme should be signed as early as possible.

6. Stamp Duty matter for conveyance of 25% of the property along with Rental Units which requires to be conveyed to the MMRDA, stamp duty should be waived.
7. MMRDA should take the possession of 2 or 3 buildings which are completed by the builder in all respects.
8. Location Approval & NOC for CC is valid for 6 months. Its revalidation should not be insisted, after issue of sanction plan.
9. In Raigad/Panvel where current schemes are already approved by Collector, till NAINA starts approving plans, amendments may be done by MMRDA as a Planning authority.
10. Help is required to clear the MOEF on priority basis.
11. The Tree Authority is taking more than six months to clear the file in Urban Local Body. Request ULP to give priority for expeditious clearance.

We earnestly request you to resolve the above issue. We further request you to grant appointment to meet you at the earliest.

Thanking you,

Yours faithfully,
For MCHI - CREDAI


Deepak Goradia
Vice President