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IMMEDIATE PAST PRESIDENT
Mayur Shah

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Boman Irani
Harish Patel
Nainesh Shah
Domnic Romell

Addl. Vice President
Sukhraj Nahar

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Bandish Ajmera

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Mukesh Patel

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

SPECIAL PROJECTS
Parag Munot
Sandeep Raheja
Jayesh Shah
Sanjay Chhabria
Rasesh Kanakia

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Navin Makhija
Sandeep Runwal
Shailesh G. Puranik
Dhaval Ajmera
Pratik Patel

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Nayan Bheda
Munish Doshi

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Tejas Vyas
Shailesh Sanghvi
Pritam Chivukula

COMMITTEE MEMBERS
Jagdish Ahuja
Jitendra Jain
Deepak Gundecha

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Rajeev Jain
Shyamal Mody
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Dharmesh Jain
Vyomesh Shah
Paras Gundecha
Pravin Doshi
Mohan Deshmukh
Mofatraj Munot
Rajnikant Ajmera
Late G. L. Raheja
Late Lalit Gandhi
Late Babubhai Majethia

CREDAI-MCHI Unit
President, Thane Unit
Ajay Ashar

President, Kalyan Dombivli
Ravi Patil

President, Mira Virar City
Ashit Shah

President, Raigad
Ateeque Khot

President, Navi Mumbai Unit
Prakash Baviskar

Ref. No.: MCHI/PRES/18-19/017

September 10, 2018

To,
Dr. Nitin Kareer (I.A.S.)
Principal Secretary - I
Urban Development Department
Government of Maharashtra
Mantralaya, Mumbai - 400 032

[Handwritten signature]
11/9/18
Urban Development Dept.
Mantralaya, Mumbai - 400 032

Sub : Capping of Total premiums to a Max of 25% of Land ASR

Ref. : MCHI/PRES/17-18/198 dtd. 3rd April, 2018 &
MCHI/PRES/17-18/200 dtd. 3rd April 2018

Respected Sir,

With Respect to the various premium and development charge being levied, CREDAI-MCHI has been consistently representing to your kind office, that the overall impact was becoming untenable to the extend depth affordability in the hands of the consumers is getting impacted.

Please find attached our earlier communication as mentioned in above Reference nos.

With the new DPCR-2034 on the anvil, we do not foresee the situation easing out with the real estate business becoming more unviable and the homes in the hands of the consumers becoming more unaffordable. We as CREDAI-MCHI, humbly and sincerely request your immediate attention and intervention to cap the total impact of all premiums of development charges in a project to a maximum of 25% of the Land ASR Rate. To this affect, please find attached a table of current and proposed premiums and charges for your kind perusal and consideration.

We CREDAI-MCHI, earnestly look forward to your positive response and acceptance of our request in order to bring viability in real estate business and affordability in the hands of the consumers thereby helping achieve the dream of Housing for All by 2022.

Thanking you,

Sincerely yours,
For CREDAI-MCHI

[Handwritten signature]
Nayan A. Shah
President

[Handwritten signature]
Bandish Ajmera
Hon. Secretary

[Handwritten signature]
S. S. Hussain, I.A.S. (Retd.)
Chief Executive Officer

Encl.: As above.

Sr. No.	Premium for	% of ASR		Proposed/ Expected
		1991	2034	
1	Staircase Premium	25%	25%	As Proposed
2	50% additional Premium FSI	60%	60%	33%
3	Fungible FSI Residential	60%	60%	33%
4	Fungible FSI Commercial	100%	60%	50%
5	Open Space Deficiency Premium Plot Potential	25%	25%	12.5%
6	Open Space Deficiency Premium Govt. FSI	2.5%	2.5%	As Proposed
7	Open Space Deficiency Premium Reservation TDR	25%	25%	6.25%
8	Open Space Deficiency Premium - Slum TDR	2.5 %	2.5 %	As Proposed
9	Open Space Deficiency Premium Fungible	25%	6.25%	As Proposed
10	Parking Deficiency Premium	10%	10%	As Proposed
11	Development Charge - Land	2%	2%	As Proposed
12	Development Charge - Govt FSI + TDR + Fungible Development Cess - Govt FSI	4%	4%	2%
13	TDR	-	4%	0%
14	IT additional FSI	30%	80%	30% as per IT policy
15	Public Parking Lot	60%	60%	30%

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CREDAI-MCHI UNITS

PRESIDENT, THANE
Ajay Ashar

PRESIDENT, KALYAN-DOMBIVLI
Manoj Rai

PRESIDENT, MIRA VIRAR CITY
Ashit Shah

PRESIDENT, RAIGAD
Vilas Kothari

PRESIDENT, NAVI MUMBAI
Prakash Baviskar

Ref. No. MCHI/PRES/17-18/198

April 3, 2018

To,
Hon'ble Shri Devendra Fadnavis,
Chief Minister,
State of Maharashtra,
Mantralya,
Mumbai - 400 032

मुख्यमंत्री सचिवालय
महाराष्ट्र शासन
मंत्रालय, मुंबई - ४०० ०३२.
दिनांक ०३/०४/१८

Dear Sir,

Sub: Capping of Premiums to upto a maximum of 25% of Land ASR

We at CREDAI-MCHI take this opportunity to thank you and your government to have amended the Stamp Act to pave the way for future reduction of ASR rates. We also take this opportunity to extend our gratitude to your government for announcing the freezing of ASR rates for the year 2018-19.

Sir, while the freeze of the ASR shall provide immediate relief to the Real Estate Sector in the MMR, amongst the multi-lateral issues that plague the sector is also the biggest pain area of various premiums linked to Land ASR rates.

So far as the land rates are concerned, they are the most impacting component in a project's costing. Gone are the days when land rates in MMR were pegged at 70% of the project cost; they at best today are range bound from 20%~25% of sale values. Various analysis and reports have clearly brought out the fact that the current day premiums and charges payable to the government (all linked to land ASR) are around 20%~25% of the residential sale value. Another 30%~40% of the sale price goes towards the construction cost. Accounting for other administrative, marketing and finance costs which is another 15%~25%, the land rates cannot under any scenario, be more than 20%~25% of residential sale rates.

With all premiums and charges linked to Land ASR, land ASR only has a domino effect on the landed cost of the residential unit in the hands of the end buyer. It is this one single factor that has created unaffordability in the markets, making it highly difficult and beyond financial reach of the common man to seek housing within MMR limits. We wish to highlight this pain area and earnestly request your kind intervention to cap all FSI related premiums to 25% of land ASR and other premiums like staircase, open space deficiency etc. to be capped at 15% of land ASR. This amendment would go a long way in bringing relief to the thousands of families seeking a home in MMR.

We at CREDAI-MCHI therefore very strongly request you to kindly:

- Re-calibrate the land rates to upto 25% of Residential Sale Rates across MMR
- Cap all FSI related premiums to a maximum of 25% of Land ASR
- Cap all other premiums like staircase, open space etc. to a maximum of 15% of Land ASR

Thanking you,

Yours faithfully,
For CREDAI-MCHI

Mayur Shah
President

Domnic Romell
Hon. Secretary

S. S. Hussain, I.A.S. (Retd.)
Chief Executive Officer

CREDAI-MCHI

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PRESIDENT, NAVI MUMBAI
Prakash Baviskar

Ref. No. MCHI/PRES/17-18/200

April 3, 2018

To,
Hon'ble Shri Chandrakant Patil
Revenue Minister
Government of Maharashtra,
Mantralaya
Mumbai 400 032.

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Mayur Shah
President



Dominic Romell
Hon. Secretary



S. S. Hussain, I.A.S. (Retd.)
Chief Executive Officer

CREDAI-MCHI

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