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Harish Patel  
Nainesh Shah  
Domnic Romell

**ADDL. VICE PRESIDENT**  
Sukhraj Nahar

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Bandish Ajmera

**TREASURER**  
Mukesh Patel

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Sandeep Raheja  
Jayesh Shah  
Sanjay Chhabria  
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Dhaval Ajmera  
Pratik Patel

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Munish Doshi

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Jitendra Jain  
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Raajesh Prajapati  
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Nikunj Sanghavi  
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Samyag Shah  
Jayesh C. Shah  
Sunny Bijlani  
Sahil Parikh  
Naman Shah  
Suhail Khandwani  
Ricardo Romell  
Harshul Savla

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

**CREDAI-MCHI UNITS**  
**PRESIDENT, THANE UNIT**  
Ajay Ashar

**PRESIDENT, KALYAN DOMBIVLI**  
Deepak Mehta

**PRESIDENT, MIRA VIRAR CITY**  
Ashit Shah

**PRESIDENT, RAIGAD**  
Kiran Bagad

**PRESIDENT, NAVI MUMBAI UNIT**  
Vijay Lakhani

Ref. No. MCHI/PRES/19-20/351

May 25, 2020

To,  
**Shri Sharad Pawar ji**  
**President**  
**National Congress Party**

**Sub: CREDAI-MCHI suggestions to Revive the Real Estate Industry**

Respected Sir,

Firstly, at the outset, we would like to Congratulate you for the commendable, pro-activeness and thought put in for every step taken by the State Government to contain the spread of this virus. We are confident that together we can fight this Pandemic and we as an association and each of our member is available at all times at the disposal of the Government to fight this Natural Calamity gripping our city and state and Country.

This Pandemic COVID-19 is going to cause an unprecedented impact on business and liquidity. The outbreak of Coronavirus is expected to further weaken the real estate segment especially residential real estate sector that has already been reeling from the adverse impact of the prevailing liquidity crunch, huge unsold inventory and weak affordability and subdued demand conditions.

Last few years saw structural changes like Demonetisation, RERA and GST which slowed the Real Estate industry then, we experienced the NBFC liquidity crisis which closed the doors of finance for the real estate industry. This lockdown coupled with the mentioned past factors has literally tied a knot around the neck of the real estate industry.

**Our demands from the government are keeping in mind the following consideration:**

- **We don't want to burden the government with financial payout to us but only giving us some concession for 18 months so that we can get the boost which is so necessary to reenergizes and recharge our companies.**
- **We want to in fact support the government by generating more employment opportunity for daily wage earners and approximately help close to 250 ancillary industries which are directly or indirectly connect with real estate**

In view of the above the State Government ought to announce a Real estate incentive scheme which can be called as the **REAL ESTATE INCENTIVE SCHEME 2020**, under which the following incentive ought to be provided:

**I. DEMAND CREATION & PUTTING POWER IN THE HANDS OF THE CONSUMER**

- **1% Stamp Duty should be charged for a period of 18 months for all kind of Real Estate sold/purchased/leave and licenses/Conveyance /lease deed between until 31<sup>st</sup> December 2021.**

**II. SURVIVAL / GROWTH & THE COST OF DOING BUSINESS.**

<p>1. Reduce all premiums /charges / levies / cess / Premium for staircases, Lift well and Lobbies, etc. by 90% payable under the DCPR payable to the Municipal Corporation/State Government including Premium / fungible FSI etc. This shall be applicable to all new projects under taken during the 18 months window. Thereafter the premium shall stand reduced to 50% of the current premiums.</p> <p>These premiums/charges shall be paid at the time of grant of OC without any interest being levied.</p> <p>In respect of any on-going projects where part instalment of premium has been paid then in such cases if the premium so paid is more than 10% of the applicable premium then in such a case no further premium shall be levied.</p>
<p>2. LUC charges payable to the Corporation should be on basic FSI and not on plot potential. Further LUC charges should be 10% of current charges levied for a period of 18 months.</p>
<p>3. Open space Deficiency Premium to be levied only for basic FSI and not on additional FSI allowed by DCPR</p>
<p>4. No premium shall be levied for the second staircase and premium for lift well shall be charged only one time in accordance with the National Building Code and not on every floor as per current practice.</p>
<p>5. Land Rate in the Ready Reckoner should be equal to 25 % of the residential rate</p>
<p>6. RR rates of flat should be reduced by atleast 25-30% and developers should be allowed to sell below RR rates .</p>
<p>7. Stamp duty on development agreement joint venture joint developments etc needs to be reduced to 1%. Also, Stamp Duty in case of redevelopment project should be reduced to Rs.1000/-</p>
<p>8. In case of Amalgamation, Merger, Demerger or Reconstruction of Companies, NCLT Orders or Court Consent terms, maximum Stamp Duty payable shall be Rs. 10 lakhs, to allow for consolidation of projects under one balance sheet.</p>
<p>9. The premium payable for conversion from Class II to Class I should be charged at 10% (residential rate) of the RR rate irrespective of the user.</p>
<p>10. ULC – One-time settlement to be made realty</p> <ul style="list-style-type: none"> <li>➤ Charging the ULC premium @ 5% irrespective of the status or class of the land.</li> <li>➤ Allow partial development with Interest free deferment payment facility to be introduced for one time ULC premium payment spread over 3 to 5 years with No penalty for extension, or for progress report or for any other reason</li> </ul>

Additionally, there are few points / issues under DCPR 2034 and draft UDCPR which requires clarification from the UDD State Government. Hence, we request for a hearing from UDD department and Municipal Corporation of MMR with regard to our issues.

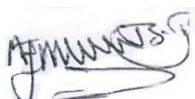
Even with COVID-19, we are hopeful that with the support of the Government, we will be one of the major sector to contribute towards re-building State of Maharashtra

Thanking you,

Yours Sincerely,  
**For CREDAI-MCHI**



**Nayan A. Shah**  
President



**Bandish Ajmera**  
Hon. Secretary