

PRESIDENT

Nayan A. Shah

IMMEDIATE PAST PRESIDENT

Mayur Shah

PRESIDENT-ELECT

Deepak Goradia

VICE PRESIDENTS

Boman Irani
Harish Patel
Nainesh Shah
Domnic Romell

ADDL. VICE PRESIDENT

Sukhraj Nahar

HON. SECRETARY

Bandish Ajmera

TREASURER

Mukesh Patel

SPECIAL PROJECTS

Parag Munot
Sandeep Raheja
Jayesh Shah
Sanjay Chhabria
Rasesh Kanakia

HON. JT. SECRETARIES

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

JT. TREASURERS

Nayan Bheda
Munish Doshi

CO-ORDINATORS

Tejas Vyas
Shailesh Sanghvi
Pritam Chivukula

COMMITTEE MEMBERS

Jagdish Ahuja
Jitendra Jain
Deepak Gundecha

INVITEE MEMBERS

Pratul Shah
Raajesh Prajapati
Sachin Mirani
Nikunj Sanghavi
Rajeev Jain
Shyamal Mody
Digant Parekh
Rushank Shah
Samyag Shah
Jayesh C. Shah
Sunny Bijlani
Sahil Parikh
Naman Shah
Suhail Khandwani
Ricardo Romell
Harshul Savla

PAST PRESIDENTS

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 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/19-20/347

May 21, 2020

To,
Hon'ble Shri Uddhav Thackeray
Chief Minister
Government of Maharashtra

Sub: CREDAI-MCHI Suggestions for Revenue Department for relief for Real Estate Industry during the COVID -19

Ref: COVID-19, Natural Calamity and Lock Down

Respected Sir,

Firstly at the outset, we would like to thank you for all the measures taken by the Maharashtra Government to control this COVID-19 Pandemic. Its truly commendable the pro-activeness and thought put in for every step taken by the 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 Corporation and 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 that has already been reeling from the adverse impact of the prevailing liquidity crunch, huge unsold inventory and weak affordability and subdued demand conditions.

Entire supply chain and resources required for completion of a real estate project will take months to restore. The labours have migrated back to their villages and will return only after monsoon is over. Hence Real Estate sector will take minimum 9 months, to be in position to start generating funds to start repayment of instalment facility granted to us.

Sir, you are already aware that Real Estate was already passing through a difficult phase and the impact of Covid-19 is the last nail in the Coffin. If still government support is not received, then the entire Real Estate industry of MMR will collapse. Also more than 250 allied industry attached to real estate which will also be collapsing. This will lead to Loss of employment and also effect the overall development across Maharashtra and MMR. Real Estate. Our business of fulfilling the dream of common man is at the stake of survival.

If the State Government announce any measures, then only turnover happens and we will be able retain our staff and survive in business. Hence please consider our below key suggestions with respect to Revenue Department

We have divided our suggestions in 3 Stages:

1) IMMEDIATE Relief Sought during Lockdown

	Suggestion by CREDAI-MCHI	Government Decision
1.	Stamp Duty should be reduced to 1% on all Real Estate transactions for next 1 year	
2	The law allows for registration with 4 months of signing of agreement. Registrars should be instructed not to harass citizens when they come for registration post lockdown.	

2) Post COVID -19

	Suggestion by CREDAI-MCHI	Government Decision
1	Land Ready Reckoner rate should be equal to 33% of Residential RR for Mumbai in line with GST formula approved by Govt. of India. 90% of the transactions involve sale of Residential flats and hence there will be minimal effect to the quantum of revenue. Moreover, with increase in sale the reduction in stamp duty will make up for the potential loss of revenue. This will also reduce the outgo of the various Corporations, ULD's with regards to land acquisition. Overall there will be no loss to the Government.	
2	All agreements executed for projects involving rehabilitation, i.e Development agreement/Power of attorney with slum societies, individual consents, common consents, Agreement of allotment /Permanent alternate accommodation Agreement should require only stamping of token Rs 100. This is already ingrained in the Act but the Department is taking a different interpretation with a view to increase revenues.	
3	Amalgamation, Merger, Demerger or Reconstruction of Companies, NCLT Orders or Court Consent terms maximum Stamp Duty payable shall be Rs. 10 lakhs, to allow companies to have a stronger balance sheet and take up projects..	
4	Stamp duty on development agreement joint venture joint developments etc needs to be reduced to 1% for next one year this will encourage developers come together and develop the lands.	
5	Online process of NA for conversion of land. 1-year	

3. Suggestion for Long term

	Suggestion by CREDAI-MCHI	Government Decision
1	Ready Reckoner Land Rate Slum declared private land to be 25 % of land rate of open Land as done in Govt owned Slum lands. Currently valuation is on basis of 3-4 FSI and not reflective of actual market value.	
2	Stamp duty adjustments for same property as per provisions of ARTICLE 5(g-a)(ii) SCHEDULE-1 MSA be made applicable for term 3 years instead of 1 year .	
3	Sub Division of Paiki lands needs to be done if more than 50% land owners come together. Necessary direction needs to be given to TILR	
4	25% Variation from RR to be permitted, as adjudication takes 3 months which is very difficult.	
5	For Conversion of land of Class II to Class I occupants of Residential / Commercial / Industrial or any user should be allowed at 25%. Currently commercial industrial is 50% so all should be at par i.e 25%	

Sir, the industry is in one of the worst slowdown and requires your support and request that relief be given to the sector.

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 building Five Trillion Dollar Economy for India.

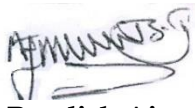
Look forward to your continuous help and support.

Thanking you,

Yours Sincerely,
For CREDAI-MCHI



Nayan A. Shah
President



Bandish Ajmera
Hon. Secretary