

**PRESIDENT**  
Boman Irani

**IMMEDIATE PAST PRESIDENT**  
Deepak Goradia

**PRESIDENT-ELECT**  
Ajay Ashar

**VICE PRESIDENTS**  
Domnic Romell  
Shrikant Joshi  
Jayesh Shah  
Shailesh Puranik  
Parag Shah  
Sukhraj Nahar

**HON. SECRETARY**  
Dhaval Ajmera

**TREASURER**  
Pritam Chivukula

**SPECIAL PROJECTS**  
Shahid Balwa  
Parag Munot  
Rajendra Chaturvedi  
Raajesh Prajapati  
Harshul Savla  
Parth Mehta

**HON. JT. SECRETARIES**  
Pratik Patel  
Tejas Vyas

**JT. TREASURERS**  
Mukesh Patel

**COMMITTEE MEMBERS**  
Harish Patel  
Nainesh Shah  
Bandish Ajmera  
Sandeep Raheja  
Subodh Runwal  
Rasesh Kanakia  
Gautam Ahuja  
Deepak Gundecha

**SPECIAL ADVISORS**  
Abhishek Lodha  
Gautam Chatterjee  
Ar. Hafeez Contractor  
Anuj Puri  
Ankur Gupta  
Adv. Parimal Shroff

**INVITEE MEMBERS**  
Mohit Malhotra  
Jackbastian Nazareth  
Venkat K. Narayan  
Abhishek Kapoor  
Amit Thacker  
Gurminder Singh Seera  
Munish Doshi  
Nishant Agarwal  
Cherag Ramakrishnan  
Azim F. Tapia  
Jayesh C. Shah  
Shailesh Sanghvi  
Sunny Bijlani  
Binitha Dalal  
Sahil Parikh  
Nikunj Sanghavi  
Rushank Shah  
Ricardo Romell  
Samyag Shah  
Rushi Mehta  
Rajeev Jain

**YOUTHWING CONVENOR**  
Naman Shah

**PROCUREMENT CONVENOR**  
Nimish Ajmera

**WOMEN'S WING CHAIRPERSON**  
Mona Ajmera

**CREDAI-MCHI UNITS**  
THANE  
KALYAN-DOMBIVLI  
MIRA VIRAR  
RAIGAD  
NAVI MUMBAI  
PALGHAR BOISAR  
BHIWANDI  
SHAHAPUR-MURBAD  
URAN-DRONAGIRI  
ALIBAG  
KARJAT-KHALAPUR-KHOPOLI

To,  
**Mr. Nitin Gupta (IRS)**  
Chairman  
Central Board of Direct Taxes  
North Block, Vijay Chowk  
New Delhi – 110001.

**Sub: CREDAI-MCHI's Suggestions to amend income tax rule in order to get relaxation to the real estate sector from application of Rule 37BA(3)(i) of the Income Tax Rules 1962.**

**Ref: Credit for TDS deducted for the purpose of section 199 read with rule 37BA in case of real estate builders and developers.**

Respected Sir,

CREDAI-MCHI would like to submit our humble suggestion with regard to CBDT department for duly consideration.

**Issue :**

As per section 199 read with rule 37BA(3)(i) of the Income tax act and rules, a person can avail credit of TDS in the year in which the corresponding income is offered to tax. Thus, it is clear from the mandate of Rule 37BA(3)(i) of the Income Tax Rules that benefit of TDS credit should be given to the taxpayer in the year in which the corresponding income is assessable in the hands of the taxpayer and not in the year of deposit of TDS.

In case of real estate developers and builders who are following project completion method, their revenue is recognised in the books of accounts only when the project gets completed and Occupancy certificate is received i.e say after 3 or 4 years from the date of commencement of construction. On other hand, TDS get deducted as and when the payment is made by the customers as per section 194IA.

Indian real estate sector has been long grappling with multiple issues / challenges and COVID-19 pandemic has led to massive slow down in the sector. Further, real estate builders who are following project completion method may face inconvenience and genuine hardship in getting TDS credit in the year in which TDS is deducted and deposited by the customers. This will result into huge blockage of funds and shall impact its cash flow / working capital which will adversely impact the real estate sector.


**Suggestion :**

It is suggested that the Income tax rules should be suitably amended to provide relaxation to the real estate sector from application of Rule 37BA(3)(i) of the Income Tax Rules 1962 in the cases where they have adopted project completion method. The Claim of TDS credit should be allowed in the year in which TDS is deducted and deposited by the customer. This amendment will boost real estate sector which in turn will help in growth of Indian economy and generation of employment.

Thanking you,

Yours faithfully,  
**For CREDAI-MCHI**

  
**Boman Irani**  
President

  
**Dhaval Ajmera**  
Hon. Secretary

**Maharashtra Chamber of Housing Industry**

Maker Bhavan II, 4<sup>th</sup> Floor, 18, V. Thackersey Marg, New Marine Lines, Mumbai - 400 020.  
Tel: 42121421, Fax: 4212 1411/407 Email: secretariat@mchi.net Website: [www.mchi.net](http://www.mchi.net)