

To,

Dr. Iqbal Singh Chahal (I.A.S.),
Municipal Commissioner,
Brihanmumbai Municipal Corporation
Fort, Mumbai 400 001



Sub: Demand Notices being the subject matter of various Writ Petitions filed by the Developers/ Builders in respect of Development Charges.

Ref: (1) Letter of Chief Engineer-II/Authority MHADA, Building Permission Cell addressed to CREDAI-MCHI dated 20 Feb 2023 bearing O.NO.CE/BPS/GM/MHADA/ ET-337/2023

(2) Our letter dt. 16.01.2023 addressed to VP & CEO MHADA, bearing No. MCHI/PRES/22-23/380

Dear Sir,

This has reference to the above referred letter, dated 20/02/2023, issued by the Chief Engineer-II, MHADA, regarding the subject matter. As directed by the Chief Engineer – II, MHADA, we would like to put forth our request for your kind consideration and necessary action for its logical conclusion.

You are aware that more than 100 Writ Petitions were filed by the members of MCHI challenging the levy of Development Charges on the projects which were / are on the land of State Government, Central Government or Local Authorities. As the levy of Development Charges in such category is exempted under Section 124F of the Maharashtra Regional Town Planning Act 1966 (“**MRTP Act**”). The Hon’ble High Court was pleased to grant interim reliefs in favour of the Developers / Builders / Societies against the planning authorities / special planning authorities that not to insist on the payment of Development Charges for processing their applications for the permissions on the terms and conditions in a specific orders of the respective Writ Petitions respectively.

You are aware that the said Writ Petitions were finally heard by the Hon’ble High Court, Bombay and thereafter the High Court was pleased to dismiss all the Writ Petitions on 20th October 2022, however, continued the interim orders in the respective Writ Petitions for a period of four weeks to enable the respective Petitioner to avail the remedy of challenging the said Order before the Hon’ble Supreme Court. It is pertinent to note that the Hon’ble Court was pleased to record that there is no order as to costs.

Accordingly, the few of the Developers / Builders / Societies / Petitioners challenged the Order dated 20th October 2022 by filing Special Leave Petition before the Hon’ble Supreme Court. The Hon’ble Supreme Court on 21st November 2022 was pleased to grant leave in the SLPs filed. However, did not grant stay.

You will appreciate that the various projects are in the process of completion and therefore the additional costs of demand of Development Charges will affect the financial outflow in the project. Hence, it is requested that the Development Charges may be collected / recovered only before the grant of Occupation Certificate. It shall not be out of place to mention here that no interest / penalty possibly be levied while recovering / collecting the Development Charges as there is no default on the part of the Developer / Builder / Society / Petitioner in payment of Development Charges. The Development Charges were not

Maharashtra Chamber of Housing Industry

Marker Bhavan II, 4th 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

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Dhaval Ajmera

TREASURER
Pritam Chivukula

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

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Pratik Patel
Tejas Vyas

JT. TREASURERS
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COMMITTEE MEMBERS
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insisted by the Planning Authority / Special Planning Authority under the orders of the Hon'ble Court. You will appreciate that there is no provision either under the MRTP Act or applicable Development Control Regulations or under any other relevant statute to levy any interest / penalty unless the default is committed by the Developer / Builder / Society / Petitioner. You will further appreciate that the court was pleased to refuse the grant of any cost while disposing of the Writ Petitions challenging the levy of Development Charges.

Furthermore, we humbly represent that MHADA already charges premium to avail of pro-rata FSI within its layout and the same usually goes towards development of reservations and amenities within the layout.

CREDAI-MCHI's Prayers:

- 1. Development charges may be collected/recovered only before the grant of Occupation Certificate.**
- 2. No interest/penalty be levied while recovering /collecting the Development Charges as there is no default on the part of the Developer/Builder/Society/Petitioner in payment of Development Charges.**

In the circumstances, we, as an established Chamber of the Developers, would be grateful for considering the representation and acceding to our request which is not only on behalf of the Developers but also on behalf of the citizens of lower income group and middle income group housing whose projects are nearing completion. We would be obliged if we get an appointment with yourself for a joint meeting with MHADA officials to discuss the said matter in detail.

Thanking you in advance in anticipation of positive outcome of our representation.

Yours faithfully,
For CREDAI-MCHI

Boman Irani
President

D. R. A.
Dhaval Ajmera
Hon. Secretary

CC:

- 1. Shri Bhushan Gagrani (I.A.S.), Principal Secretary (1), Urban Development Department, Government of Maharashtra, Mantralaya, Mumbai – 400 032
- 2. Chief Engineer-II, Building Permission Cell, Greater Mumbai - MHADA, S/o 2, 5th Floor, महाराष्ट्र शासन, मंत्रालय मुंबई – 400 082.
- 3. Chief Engineer/Development Plan, MCGM
- 4. Dy. Chief Engineer/Building Permission Cell/GM/A, Ground Floor, Room No. 21.

B
03/02/2023

लिपिक

प्रधान सचिव (नवि-१)

नगर विकास विभाग

महाराष्ट्र शासन, मंत्रालय

मुंबई – 400 082.

लिपिक,
कार्यकारी अभियांत्र / इलाका परवानगी कक्ष / प्रा
महाराष्ट्र गृहनिधि व विकास
प्राधिकरण, वांद्रे (पु), मुंबई - ५१.
लाई नं. २३, तळमजला



D. R. A.
24/12/23

Clerk to Chief Engineer
MHADA

Building Permission Cell, Greater Mumbai / MHADA

(A designated Planning Authority for MHADA layouts constituted as per government regulation
No. TPB4315/167/CR-51/2015/UD-11 dt.23 May, 2018.)

O.No.CE/BPS/GM/MHADA/ET- 337/2023

Date: 20 FEB 2023

To,
✓ President / Hon'ble Secretary.
CREDAI MCHI,
Maker Bhavan II, 4th floor, 18,
V. Thackersey Marg, New Marine Lines,
Mumbai- 400 020

Subject: Demand Notices being the subject matter of various Writ Petitions filed by the Developers/ Builders in respect of Development Charges.

Reference: Your letter No. 380 dated 16.01.2023

Respected Sir,

Adverting to your above referred letter, it is to inform you that Development Charges collected by MHADA under provision of MRTP Act while granting development permissions are entirely handed over to MCGM.

You are aware that on the matter of Development Charges, Hon'ble High Court has dismissed all the writ Petitions and Hon'ble Supreme Court has also not granted any stay in the respected matter. In light of this, it is mandatory to pay Development Charges prior to grant of construction permission as per the provision of MRTP Act.

You have requested vide your letter under reference for not to levy any interest, penalty on the Development Charges amount. As it is already pointed out, this amount is being transferred to MCGM. You may approach MCGM & UDD-1, Government of Maharashtra for granting relief requested by you.

It is also to inform you that MHADA will abide by the legal opinions, MCGM's opinions and UDD's directions and will act accordingly.

Thanking You

Yours Faithfully,



Chief Engineer-II/Authority
MHADA

Copy to: Chief Engineer/Development Plan, MCGM for information along with CREDAI MCHI letter & requested to give opinion to MHADA
Copy to Dy. Chief/BP Cell/GM/A

PRESIDENT
Boman Irani

IMMEDIATE PAST PRESIDENT
Deepak Guradia

PRESIDENT-ELECT
Ajay Ashar

VICE PRESIDENTS
Dominic Romell
Shrikant Joshi
Jayesh Shah
Shallesh Puranik
Parag Shah
Sukhraj Nehler

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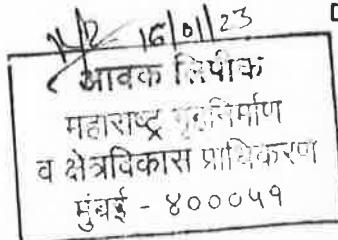
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Ref: MCHI/PRES/22-23/380

Date: 16.01.2023



To
Shri. Anil Diggikar (I.A.S.),
Vice President and Chief Executive Officer,
MHADA.
Bandra East – Mumbai

Subject: Demand Notices being the subject matter of various Writ Petitions filed by the Developers / Builders in respect of Development Charges.

Respected Sir,

We are addressing this representation on behalf of the Maharashtra Chambers of Housing Industry ("MCHI") which is a body established to promote the housing and real estate industry, which aims to satisfy the most basic necessity of housing supply in Mumbai, Kalyan-Dombivali, Mira-Bhayander, Thane, Navi-Mumbai, Vasai-Virar, Raigad, and Palghar Boisar.

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For CREDAI-MCHI


Boman Irani
President


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Hon. Secretary