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Anuj Puri

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Dr. Adv. Harshul Savla

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Vijay Lakhani
Jayesh Chauhan
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Naman Shah

PROCUREMENT CONVENOR

Nimish Ajmera

WOMEN'S WING CHAIRPERSON

Sejal Goradia

To,

Shri. H.S. Sonawane (I.A.S.),

Inspector General of Registration & Controller of Stamps,
Ground Floor, Opp. Vidhan Bhavan (Council Hall),
New Administrative Building,
Pune – 411001, Maharashtra.

Subject: Applicability of Stamp Duty Benefit under Section 4(1) of Maharashtra Stamp Act 1958 for Permanent Alternate Accommodation Agreements ("PAAA") under applicable Regulations of the Development Control and Promotion Regulations for Greater Mumbai, 2034 ("DCPR 2034").

Respected Sir,

We are writing to seek clarification and request for broader application of the stamp duty benefit under Section 4(1) of the Maharashtra Stamp Act, 1958 ("MSA 1958"), to Permanent Alternate Accommodation Agreements ("PAAA") entered prior to redevelopment not only for co-operative housing societies but also for tenements in cessed/deceased/non-cessed properties for their qualified areas as per applicable provisions of the Development Control and Promotion Regulations for Greater Mumbai, 2034 ("DCPR 2034").

Grounds for Broader Applicability:

1. Expanding Scope beyond re-development of Cooperative Housing Societies:

We urge and request your Honourable office to extend the benefit of section 4(1) of the MSA 1958 applicable to PAAA essentially applicable and executed for rehab components not just for co-operative housing society but also for tenement buildings in various ownership conditions including cessed, deceased, and non-cessed properties. Excluding tenements cessed, deceased, and non-cessed properties from the stamp duty benefit (as detailed below) would contradict the regulation's aim of facilitating equitable and inclusive redevelopment across diverse housing structures.

2. Further, Guideline No. 2.2 of the Ready Reckoner and Market Value of Properties in Mumbai – 2023-24:

This guideline explicitly states that subsequent documents related to redevelopment agreements when the Co-operative Housing Society (original owner) and Developer have entered into development agreements, the Co-operative Housing Society (original owner) and developer shall receive all the benefits/premises that accrues due to development agreement such as further documents like PAAAs, are chargeable under Section 4 (1) of the MSA 1958. This section allows for a principal instrument to bear the primary duty, while other related instruments have a reduced duty of INR 100.

3. Full Rehab Entitlement including Common Areas and Fungible Areas :

This above guideline should be interpreted to be extended to encompass the full rehab entitlement to tenements in cessed/non-cessed and deceased properties as defined by applicable DCPR 2034 regulations, including common areas, balconies, and fungible areas allocated to the rebuilt portion. Excluding these areas would create financial burden and incentivize purchase of additional space, contradicting the spirit of affordable redevelopment.

Maharashtra Chamber of Housing Industry

Maker 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

4. **Further, to support the above, we place reliance on the Circular dated 26/7/2023 (क्र.का. ५ / मुद्रांक-२३/ प्र. क्र. १०/ ३५४२/२०२३) issued by the Inspector General of Registration and Controller of Stamp, Maharashtra State (IGR):** This circular clarifies that (a) A Development Agreement between a cooperative housing society and a developer for development of the society's property (land, building, apartments, flats, garages, godowns, galas) requires to be stamped.
(b) The Development Agreement need not be signed by individual members of the society. That is optional. Even if individual members do not sign, the DA controls the re-development and the rights of society members.
(c) Once the Development Agreement is stamped, the PAAA cannot be separately assessed to stamp beyond the Rs.100 requirement of Section 4(1) if it relates to and only to rebuilt or reconstructed premises in lieu of the old premises used/occupied by the member, and even if the PAAA includes additional area available free to the member because it is not a purchase or a transfer but is in lieu of the member's old premises. The stamp on the Development Agreement includes the reconstruction of every unit in the society building. Stamp duty cannot be levied twice.
(d) To the extent that the PAAA is limited to the rebuilt premises without the actual purchase for consideration of any additional area, the PAAA is an incidental document within the meaning of Section 4(1) of the Stamp Act.
5. **Supporting Orders:**
Enclosed Exhibit A: Government Order No. STP. 1096/4565/CR-915/M-1 of 19th December 1997 reduces the stamp duty chargeable under Article 5 (g-a), 25 and 36- in Schedule I appended to the MSA 1958, on the instruments executed for the purpose of rehabilitation of slum dwellers as per the Slum Rehabilitation Scheme under the Maharashtra Slum Areas (Improvement, Clearance and Redevelopment) Act, 1971 (Maharashtra XXVIII of 1971) in respect of properties situated within the city of Mumbai District and Mumbai Suburban District to Rs. 100 (Rupees One Hundred only). This demonstrates the government's intent to promote affordable housing and redevelopment projects.
Enclosed Exhibit B: Government Order No. Mudrank. 2002/941/C.R. 217/M-1 of 4th March 2008 further reinforces the reduced duty provision for slum rehabilitation agreements and provides for reduction in stamp duty chargeability under Articles 5(g-a), 25 and 36 in Schedule I appended to the MSA 1958, on the instruments executed for the purpose of rehabilitation of slum-dweller, as per the Slum Rehabilitation Scheme under the Maharashtra Slum Areas (Improvement, Clearance and Redevelopment) Act, 1971 (Maharashtra XXVII of 1971), in respect of the properties situated in the areas mentioned in column (2) of the Schedule appended thereto, to INR. 100.
6. **Analogy with Applicable Regulations under the DCPR 2034 relating to redevelopment of co-operative housing societies / tenements in cessed / de-cessed/ non cessed properties for their qualified areas:** Redevelopment projects undertaken under Regulation 33(7) share similarities with slum rehabilitation initiatives aimed at improving living conditions for residents of older structures. In both scenarios, a key document is the development agreement between the entity (cooperative society or slum dwellers) and the developer. When full stamp duty is paid on this primary agreement, subsequent instruments - like PAAAs under the applicable provisions under DCPR - can potentially benefit from the reduced rate under Section 4(1) of the Maharashtra Stamp Act, 1958.
7. This benefit, as outlined in the aforementioned Circular and supporting orders, allows for PAAAs related to rebuilt premises (without additional area purchase) to be treated as incidental documents under Section 4(1) of the MSA 1958. Consequently, if the area conditions are met, the stamp duty is reduced to INR. 100, eliminating the possibility of double taxation.

We respectfully request that you consider these points and apply the stamp duty benefit under Section 4(1) of the Maharashtra Stamp Act to PAAAs entered into and developed under Regulation 33 of DCPR 2034 across the Maharashtra Housing and Area Development and Full Rehab Entitlement including Common Areas and Fungible Areas boards for

- i. For tenements in cessed/deceased/non-cessed properties.
- ii. The full rehab entitlement including common areas, balconies, and fungible areas allocated under DCPR 2034 regulations.
- iii. This broader application would:
 - a. Reduce the financial burden on residents and encourage wider participation in redevelopment projects.
 - b. Promote equitable and inclusive redevelopment across diverse housing structures.
 - c. Align with the government's objectives of affordable housing and urban renewal.
 - d. We believe this clarification is crucial for the smooth implementation of redevelopment projects under DCPR 33(7) and would significantly benefit residents across various housing categories. We are confident in the merits of our request and are available to *provide* any further information or clarification you may require.
 - e. We request that the stamp duty in slum projects to be made at par with the government rates.

Sir, we would like to bring to your attention that during our recent meeting with the Vice President and CEO of MHADA, the issue was thoroughly discussed. He expressed positive support on the matter and endorsed the view that the stamp duty for all PAAA rehabilitation should be Rs.100/-, in accordance with MHADA norms and the provided area. We have learned that these suggestions have been forwarded as part of the required changes under Regulation 33(7) of DCPR 2034 to the Hon'able Deputy Chief Minister for his consideration and necessary approvals.

We look forward to your positive response in the form of a circular or clarification and are available to provide any further information or clarification you may require.

Thanking you,

Yours sincerely,
For **CREDAI-MCHI**



Domnic Romell
President



Dhaval Ajmera
Hon. Secretary

Encl.: As above

10/11/1997

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महाराष्ट्र शासन राजपत्र, मे २१, १९९८/वेगळा २९, मसं १९९८

३६२

गुन्वार, डिसेंबर १९, १९९७/प्रहायग २८, मसं १९९९

महसूल व वन विभाग

मंत्रालय, मुंबई ४०० ०३२, दिनांक १२ डिसेंबर १९९७

आवेग

मुंबई मुद्रांक अधिनियम, १९५८.

571

क्रमांक मुद्रांक. १०९६/४५९५/प्र.क. ११५/म-१. — मुंबई मुद्रांक अधिनियम, १९५८ (१९५८ चा ६०) (त्यानंतर व्याख्या उल्लेख "उक्त अधिनियम" मधील करण्यात येईल) च्या कलम ९ च्या पोट-कलम (अ) अन्वये प्रदान करण्यात आलेल्या अधिकाराचा वापर करून सार्वजनिक क्षेत्राच्या हितार्थ तसे करणे आवश्यक आहे, अशी बाबी घाल्याने, महाराष्ट्र शासन या आदेशान्वये महाराष्ट्र मलिन्य वस्ती (सुधारणा, निर्मूलन व पुनर्विकास) अधिनियम, १९७१ (१९७१ चा ३८) खालील "मोपडपट्टी पुनर्वसन योजनेअंतर्गत" मोपडी-बारकाच्या पुनर्वसनाकरिता करण्यात यावयाच्या मुंबई शहर जिल्हा व मुंबई उपनगर जिल्हा मालमधील त्यावर मलिन्यवस्तीच्या वस्तुंवर उक्त अधिनियमाच्या अनुसूची एक मधील अनुच्छेद क्रमांक ५ (ग-क) २५ व ३१ अनुसार देय असलेले मुद्रांक शुल्क रु. १०० वर्षात काढी करील आहे.

महाराष्ट्राचे राज्यपाल यांच्या आदेशानुसार व दावाने,

से. के. बिरसोय,

शासनाचे उप सचिव.

REVENUE AND FOREST DEPARTMENT

Mantralaya, Mumbai 400 032, dated the 19th December 1997

Order

BOMBAY STAMP ACT, 1958.

No. STP. 1096/4565/CR-915/M-1. — In exercise of the powers conferred by clause (a) of section 9 of the Bombay Stamp Act, 1958 (Bom LX of 1958), the Government of Maharashtra, having satisfied that it is necessary to do so in public interest, hereby reduces the stamp duty chargeable under Articles 3 (g-a), 25 and 36 in Schedule I appended to the said Act, on the instruments executed for the purpose of rehabilitation of slum dwellers as per the Slum Rehabilitation Scheme under the Maharashtra Slum Areas (Improvement, Clearance and Redevelopment) Act, 1971 (Mah XXIII of 1971) in respect of properties situated within the city of Mumbai District and Marine Suburban District, to Rs. 100 (Rupees One Hundred only).

By order and in the name of the Governor of Maharashtra

K. K. VIDSAI

Deputy Secretary to Government

मसं १९९८-१९९९

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EXHIBIT A

REVENUE AND FOREST DEPARTMENT

MANTRALAYA MUMBAI 400 032, DATED 19TH DECEMBER 1997

ORDER

BOMBAY STAMP ACT 1958

No. STP. 1096/4565/CR-915/M-1

In exercise of the powers conferred by clause (a) of section 9 of the Bombay Stamp Act, 1958, (Bombay LX of 1958), the Government of Maharashtra having satisfied that it is necessary to do so in public interest, hereby reduces the stamp duty chargeable under Article 5 (g-a), 25 and 36- in Schedule I appended to the said Act, on the instruments executed for the purpose of rehabilitation of slum dwellers as per the Slum Rehabilitation Scheme under the Maharashtra Slum Areas (Improvement, Clearance and Redevelopment) Act, 1971 (Maharashtra XXVIII of 1971) in respect of properties situated within the city of Mumbai District and Mumbai Suburban District to Rs. 100 (Rupees One Hundred only).

**BY ORDER AND IN THE NAME OF THE GOVERNOR OF
MAHARASHTRA**

आम का ७/ वित्तिय मंत्रालय, म.प्र., दि. २, १९८१/२०११/११, दि. १९९९

REVENUE AND FORESTS DEPARTMENT
Mumbai, Mumbai 400 031, dated the 4th March 2008

Order

BOMBAY STAMP ACT, 1958

No. Mudrank. 200294/C.R. 217/M-1.—In exercise of the powers conferred by clause (a) of section 9 of the Bombay Stamp Act, 1958 (Bom. LX of 1958), and in supersession of the Government Order, Revenue and Forests, Department No. STP. 1098/4563/C.R. 915/M-1, dated the 19th December, 1997, the Government of Maharashtra, being satisfied that it is necessary so to do in the public interest, hereby reduces the stamp duty chargeable under Articles 5 (g-a), 25 and 36 in Schedule I appended to the said Act, on the instruments executed for the purpose of rehabilitation of slum dwellers, as per the Slum Rehabilitation Scheme under the Maharashtra Slum Areas (Improvement, Clearance and Redevelopment) Act, 1971 (Mah. XXVIII of 1971), in respect of the properties situated in the areas mentioned in column (2) of the Schedule appended hereto, to rupees one hundred.

Explanation.—The reduction of stamp duty shall be permissible only in respect of instruments relating to the tenements allotted to the slum dwellers for residential purpose as per the Slum Rehabilitation Scheme and shall not be permissible to the instruments relating to the transfer of tenements to the persons other than slum dwellers or tenements used for commercial purpose or any other instrument of the developer.

Schedule

Serial Number	Area as per the Slum Rehabilitation Scheme under the Maharashtra Slum Areas (Improvement, Clearance and Redevelopment) Act, 1971 (Mah. XXVIII of 1971) in respect of the city of
(1)	(2)
1	Mumbai Municipal Corporation area
2	Pune Municipal Corporation area
3	Thane Municipal Corporation area
4	Nashik Municipal Corporation area

REVENUE AND FOREST DEPARTMENT

MANTRALAYA MUMBAI 400 032, DATED 4TH MARCH 2008

ORDER

BOMBAY STAMP ACT 1958

No. Mudrank. 2002/941/C.R. 217/M-1

In exercise of the powers conferred by clause (a) of section 9 of the Bombay Stamp Act, 1958 (Bombay LX of 1958), and in supersession of the Government Order, Revenue and Forests, Department No. STP. 1096/4565/C.C. 915/M-1, dated the 19th December, 1997, the Government of Maharashtra, being satisfied that it is necessary so to do in the public interest, hereby reduces the stamp duty chargeable under Articles 5(g-a), 25 and 36 in Schedule I appended to the said Act, on the instruments executed for the purpose of rehabilitation of slum-dweller, as per the Slum Rehabilitation Scheme under the Maharashtra Slum Areas (Improvement, Clearance and Redevelopment) Act, 1971 (Maharashtra XXVII of 1971), in respect of the properties situated in the areas mentioned in column (2) of the Schedule appended hereto, to rupees one hundred.

Explanation. - The reduction of stamp duty shall be permissible only in respect of instruments relating to the tenements allotted to the slum-dwellers for residential purpose as per the Slum Rehabilitation Scheme and shall not be permissible to the instruments relating to the transfer of tenements to the persons other than slum-dwellers or tenements used for commercial purpose of any other instrument of the developer.

Schedule

Areas as per the Slum Rehabilitation Scheme under the Maharashtra Slum Areas (Improvement, Clearance and Redevelopment) Act, 1971 (Maharashtra XXVIII of 1971) in respect of the city of

(1)

(2)

- | | |
|-----|--|
| 1. | Mumbai Municipal Corporation area |
| 2. | Pune Municipal Corporation area |
| 3. | Thane Municipal Corporation area |
| 4. | Nashik Municipal Corporation area |
| 5. | Kalyan Municipal Corporation area |
| 6. | Solapur Municipal Corporation area |
| 7. | Nagpur Municipal Corporation area |
| 8. | Kolhapur Municipal Corporation area |
| 9. | Aurangabad Municipal Corporation area |
| 10. | Amravati Municipal Corporation area |
| 11. | Pimpri-Chinchwad Municipal Corporation area |
| 12. | Sangli-Miraj and Kupwad Municipal Corporation area |
| 13. | Navi Mumbai Municipal Corporation area |
| 14. | Nanded-Waghala Municipal Corporation area |
| 15. | Ulhasnagar Municipal Corporation area |
| 17. | Malegaon Municipal Corporation area |
| 18. | Dhule Municipal Corporation area |
| 19. | Mira-Bhayandar Municipal Corporation area |
| 20. | Akola Municipal Corporation area |
| 21. | Jalgaon Municipal Corporation area |
| 22. | Ahmednagar Municipal Corporation area |

EXHIBIT B

23. Khamgaon Municipal Council area
24. Yavatmal Municipal Council area
25. Akot Municipal Council area
26. Achalpur Municipal Council area
27. Kamthi Municipal Council area
28. Gondia Municipal Council area
29. Chandrapur Municipal Council area
30. Ballarpur Municipal Council area
31. Wardha Municipal Council area
32. Hinganghat Municipal Council area
33. Bhandara Municipal Council area
34. Nandurbar Municipal Council area
35. Bhusawal Municipal Council area
36. Amalner Municipal Council area
37. Chalisgaon Municipal Council area
38. Shrirampur Municipal Council area
39. Satara Municipal Council area
40. Karad Municipal Council area
41. Ichalkaranji Municipal Council area
42. Barshi Municipal Council area
43. Pandharpur Municipal Council area
44. Jalna Municipal Council area
45. Latur Municipal Council area
46. Udgir Municipal Council area
47. Manmad Municipal Council area
48. Parbhani Municipal Council area
49. Beed Municipal Council area
50. Parli-Baijnath Municipal Council area

EXHIBIT B

51. Osmanabad Municipal Council area
52. Nalasopara Municipal Council area
53. Ambejogai Municipal Council area
54. Ratnagiri Municipal Council area
55. Pusad Municipal Council area
56. Hingoli Municipal Council area
57. Malkapur Municipal Council area
58. Buldhana Municipal Council area
59. Kulgaon-Badlapur Municipal Council area
60. Panvel Municipal Council area
61. Virar Municipal Council area
62. Khopoli Municipal Council area
63. Palghar Municipal Council area
64. Navaghar-Manikpur Municipal Council area
65. Lonawala Municipal Council area
66. Baramati Municipal Council area
67. Islampur Municipal Council area
68. Phaltan Municipal Council area
69. Kopergaon Municipal Council area
70. Sangamner Municipal Council area
71. Shirpur Warwade Municipal Council area
72. Chopada Municipal Council area
73. Basmat Municipal Council area
74. Anjangaon Surji Municipal Council area
75. Shegaon Municipal Council area
76. Karanja Municipal Council area
77. Vani Municipal Council area
78. Bhadrawati Municipal Council area

EXHIBIT B

- 79. Washim Municipal Council area
- 80. Ambarnath Municipal Council area