

**PRESIDENT**  
Domnic Romell

**IMMEDIATE PAST PRESIDENT**  
Boman Iranl

**PRESIDENT-ELECT**  
Ajay Ashar

**STRATEGIC ADVISOR**  
Abhishek Lodha

**SENIOR VICE PRESIDENTS**  
Parag Shah  
Jayesh Shah  
Sukhraj Nahar  
Sandeep Raheja  
Rasesh Kanakia

**VICE PRESIDENTS**  
Bandish Ajmera  
Shailesh Puranik  
Pritam Chivukula  
Amit Thacker  
Jackbastian Nazareth

**SECRETARY**  
Dhaval Ajmera

**TREASURER**  
Nikunj Sanghavi

**JOINT SECRETARIES**  
Tejas Vyas  
Pratik Patel  
Sunny Bijlani  
Rushi Mehta

**JOINT TREASURER**  
Gurminder Singh Seera

**COMMITTEE MEMBERS**  
Shahid Balwa  
Subodh Runwal  
Parag Munot  
Nainesh Shah  
Mukesh Patel  
Munish Doshi  
Raajesh Prajapati  
Shailesh Sanghvi  
Parth Mehta  
Harmohan Sahni  
Jayvardhan Goenka  
Umang Kuwadia  
Prashant Khandelwal  
Binitha Dalal  
Ayushi Ashar  
Samyag Shah  
Ricardo Romell

**SPECIAL ADVISORS**  
Ar. Hafeez Contractor  
Adv. Parimal Shroff  
Anuj Puri

**STATISTICS AND RESEARCH**  
Dr. Adv. Harshul Savla

**INVITEE MEMBERS**  
Rahul Sagar  
Ramkrishna Raheja  
Nishant Agarwal  
Harsh Hiranandani  
Ajay Nahar  
Azim F. Tapia  
Cherag Ramakrishnan  
Vijay Lakhani  
Jayesh Chaulian  
Aditya Shah  
Shraddha Goradia  
Sudhanshu Agarwal  
Hussain Lalani  
Sahil Parikh  
Aditya Mirchandani  
Rushi Ajmera

**YOUTHWING CONVENOR**  
Naman Shah

**PROCUREMENT CONVENOR**  
Nimish Ajmera

**WOMEN'S WING CHAIRPERSON**  
Sejal Goradia

To,  
Shri Aseem Kumar Gupta (I.A.S.)  
Principal Secretary (I)  
Urban Development Department  
Government of Maharashtra

Sub: **Methodology of calculating the Construction Cost for Inclusive Housing under UDCPR and Social Housing under the Integrated Township Policy of UDCPR for the tenements to be allotted to the allottees as per the MHADA lottery system**

Respected Sir,

Regarding the subject matter mentioned above, Regulation 3.8 of UDCPR states that Inclusive Housing (IH) needs to be provided in the case of plots having an area of 4000 sqm. In the case of the provision of IH for group housing schemes, the EWS/LIG Housing in the form of tenements of size between 30 and 50 sqm carpet area needs to be constructed to the extent of 20% of the basic FSI and these can be disposed of by the owner/developer to the list of allottees as provided by MHADA at the construction cost as mentioned in the ASR applicable for the year of disposal plus 25% additional cost. Out of this 25% additional cost, 1% shall be paid to MHADA towards administration charges.

Likewise, under Chapter 14.1 for Integrated Township policy, vide Regulation 14.1.1.9 of UDCPR 2020 states that a built-up area to the tune of 15% of the Residential Basic FSI of the area available for Residential Development in the Master Layout of an IIP needs to be provided for providing housing for the persons from EWS and LIG Categories, this area is referred to as the Social Housing Component (SH). Out of the total tenements to be provided as a social housing component, 1/3<sup>rd</sup> number of tenements shall be kept for Rental Housing tenements which need to be disposed of on rent only by the Project Proponent. The remaining 2/3<sup>rd</sup> of the tenements shall be constructed for EWS and LIG categories as per the specifications given by MHADA. These units can be sold by the project proponent to the list of allottees as given by MHADA at the construction cost as mentioned in ASR applicable for the year of disposal plus 25% additional cost, out of this additional cost 1% shall be paid to MHADA for administration charges.

Further for any building/ development to be carried out in the layout or plot needs to also cater for other statutory requirements such as Amenity open space, LOS, handing over of D.P. roads and Reservations, provision of internal Roads, provision of various infrastructure services such as pump rooms, fire tanks, STP, SWM plants, Electric substation, Receiving station, ESR, etc. as per various other requirements of UDCPR. One of the major components is the provision of parking spaces as per Chapter 8. Considering the paucity of land in the MMR, the parking requirements have to be met by providing for Multilevel Basements and/or Podiums or Multi Level Car Parking Towers or providing mechanical parking systems.

Further considering the demand for development in MMR and consumption of FSI as permitted in UDCPR, the development proposed is vertical with high-tech construction technology. Given the aforesaid facts and circumstances, the cost of construction per sq. m. for the building having the configuration of Basement + Grd + 40 upper floors in Thane City works out to about Rs. \_\_\_\_\_ per sq m.. However, the rate for computing the cost of

**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)

CREDAI-MCHI CHAPTERS : THANE | KALYAN-DOMBIVLI | MIRA BHAYANDAR | RAIGAD | NAVI MUMBAI

BHIWANDI | PALGHAR BOISAR | SHAHAPUR-MURBAD | URAN-DRONAGIRI |  
VASARI-VIPAR | ALIBAG | KAPAT KHAL ABIR KHOROLI | YOUTH MMR

construction of an RCC building as per ASR 2024 – 2025 for the area of Thane City is Rs. 26,620 per sq.m. Thus, there is a grave difference between the actual cost of construction per sq. m. and the cost of construction per sq. m. as per ASR. It is to bring to your notice that the Cost of construction for a Standard Residential building having aforesaid configuration as per DSR issued by PWD, GoM for the year 2024–2025 works out to about Rs. \_\_\_\_\_ per sq. m. The detailed working for the Cost of Construction as per actual market rates & as per DSR issued by PWD, GoM is annexed herewith as **Annexure – A** for your ready perusal.

The comparative table showing the difference in the rates of cost of construction per sq.m. as per Actual Market Conditions, ASR, and DSR is shown below,

| Sr. No. | Description              | Rate of cost of construction per sq. m. |
|---------|--------------------------|-----------------------------------------|
| 1       | Actual Market Conditions |                                         |
| 2       | ASR                      | Rs. 26620/-                             |
| 3       | DSR                      |                                         |

It can be seen that there is a huge difference between the rate of cost of construction per sqm as per ASR and DSR. This difference in costs has affected the viability of such proposals and the project proponents are not able to recover the costs incurred by them during the construction of such IH and SH Component. Thus, to fairly compensate the project proponents for the construction of the SH Component the cost of construction needs to be considered at least as per the DSR issued by PWD, GoM rather than ASR.

**A similar principle for calculating the Cost of construction as per DSR issued by PWD, GoM rather than ASR was considered by GOM while proposing the modifications to the Regulation 11.2.5 of UDCPR for Transferable Development Rights against Construction of any buildable Amenity vide UDD notification bearing no. TPS – 1824/225/CR – 28/2024/UD – 13 dated 05.03.2024.**

Further as mentioned above, considering that for development of the Affordable Housing Tenements and the Social Housing Component by the Owner/Developer, it is the responsibility of the Owner/Developer to provide all the required offsite infrastructure services such as STP, OWC, SWD, RWH, Drainage Line, Parking's, UG Tanks, etc., Hence MHADA should consider all such areas for computation of Built-up area while calculating the Cost of Construction.

Given the above facts and the hardships faced by the Developer/ Project proponent and to increase the viability of the projects, GOM needs to issue Notification/ Directives for change in the methodology of computation of cost of construction as per DSR published by GOM from time to time and to include areas under all infrastructure services being provided for the same development while calculating the Cost of reimbursement by MHADA Authority.

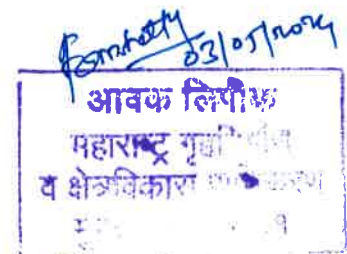
Thanking you,

Yours sincerely,  
For CREDAI-MCHI

Domnic Romell  
President

Dhaval Ajmera  
Hon. Secretary

PS: Contact Person Mr. Sanjay Phope - +91 9619345193



CC

- 1) The Hon'ble Vice President & CEO, MHADA, Grihanirman Bhavan, Kala Nagar, Bandra (E), Mumbai.
- 2) The Principal Secretary, Housing Department, Government of Maharashtra.