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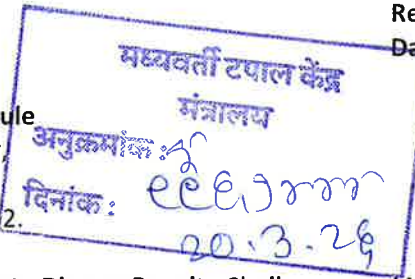
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Alka Doshi

Ref. No. MCHI/PRES/25-26/040
Date: 17/3/2026

To,
Shri Chandrashekhhar Bawankule
Honourable Revenue Minister,
Government of Maharashtra,
Mantralaya, Mumbai – 400 032.



Subject: Request for Meeting to Discuss Royalty Challenges and Implementation Issues regarding Government Resolution dated 10.02.2026

Respected Sir,

We are writing to bring to your attention the serious and recurring challenges faced by the development and construction industry regarding royalty permissions for excavation activities and Implementation Issues regarding Government Resolution dated 10.02.2026. The current system has become cumbersome and unpredictable, creating significant financial and operational stress.

In this context, we respectfully request the opportunity to meet with you to discuss these critical issues in detail and seek your valuable guidance and direction to resolve them.

A. Recurring Issues in Royalty Permissions for Excavation

The following practical difficulties are adversely impacting project execution across the region:

- 1. Impractical Advance Calculation:** It is practically impossible to calculate the exact quantity of soil (in brass) in advance of excavation, as volumes vary significantly depending on unforeseen soil conditions and site-specific requirements.
- 2. Levy on Intra-Project Shifting:** Royalty is currently levied even when soil is merely shifted from one part of the site to another during cut-and-fill operations within the same project premises. We submit that royalty should only apply when soil is transported outside the project boundary for commercial use.
- 3. Disruptive On-Site Monitoring:** Frequent visits and interventions by royalty checkers disrupt critical excavation and shoring work, leading to safety concerns and delays in project timelines.
- 4. Onerous Upfront Payment Burden:** The requirement for large upfront royalty payments severely strains project cash flows, particularly given Mumbai's unpredictable soil profiles and the extended monsoon season which halts work for months.
- 5. Outdated Documentation Processes:** The manual processes of recording, scanning, and uploading documents are archaic and contribute to significant delays.
- 6. Unrealistic Permission Timelines:** The stipulated 45-day period for completing royalty permissions is insufficient under prevailing conditions, leading to compliance failures.

MAHARASHTRA CHAMBER OF HOUSING INDUSTRY

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CREDAI-MCHI CHAPTERS

THANE | KALYAN-DOMBIVLI | MIRA BHAYANDAR | RAIGAD | NAVI MUMBAI | BHIWANDI | PALGHAR BOISAR | SHAHAPUR-MURBAD | URAN-DRONAGIRI | VASAI VIRAR | ALIBAG | KARJAT-KHALAPUR-KHOPOLI | YOUTH NMR

7. **Forfeiture of Payments:** When permissions lapse due to delays beyond the applicant's control, the payments made are unjustly forfeited without any scope for extension or refund.
8. **Disproportionate Royalty Rates:** The current rate of ₹600 per brass, plus applicable taxes, is excessively high and contributes significantly to escalating project costs.

Relevant Legal Precedent

We wish to respectfully draw your attention to the Hon'ble Supreme Court of India's judgment dated 3rd December 2014 in the case of *Promoters & Builders Association of Pune v. State of Maharashtra & Ors.* The Court clarified that:

- **Excavation of "ordinary earth"** qualifies as a minor mineral only when it is used for commercial filling or levelling purposes (as per the Central Government's Notification of 03.02.2000).
- **Excavation carried out for laying building foundations**, where the excavated earth is redeployed within the same project and not commercially exploited, cannot be treated as a mining activity attracting royalty.
- **Liability under Section 48(7) of the Maharashtra Land Revenue Code** cannot be imposed merely because soil is excavated; the end-use of such soil is decisive.

In light of these judicial principles, the current blanket levy and rigid procedures appear inconsistent with the Supreme Court's interpretation and cause undue hardship to the industry.

B. Implementation Challenges regarding G.R. dated 10th February 2026

We further invite your kind attention to the Government Resolution dated 10th February 2026 (No. NAP-2025/[Pr.Kr.177/Jamin-01A](#)), issued pursuant to the Maharashtra Land Revenue Code (Second Amendment) Act, 2025. While the intent of the amendment is progressive, the following practical difficulties are being faced at the field level:

1. Non-receipt of Internal Implementation Orders by ADTP:

We are informed by the concerned Assistant Director of Town Planning (ADTP) that internal operational orders for implementing the said Government Resolution have not yet been formally communicated to their office. Consequently, the processing of proposals involving the levy and recovery of conversion premium has come to a standstill.

2. Lack of Technical Mechanism for Title Examination and Premium Calculation:

Under the revised framework, the Planning Authority is required to recover the one-time premium before granting development permission. However:

- The ADTP office lacks the technical and legal expertise to examine land title, tenure classification (Class I / Class II / restricted tenure lands), or verify legacy NA conversion status.
- Determining the applicable market value as per the Annual Statement of Rates and calculating the premium under Section 47 requires revenue verification and scrutiny of historical land records.
- In the absence of a defined coordination mechanism, files are being informally routed through the Collector's office, leading to procedural ambiguity and duplication of effort.

This situation is causing significant delays and interpretational inconsistencies at the district level.

Request for Meeting:

We would be grateful for an opportunity to present these practical issues to you in person at your earliest convenience, preferably early next week. The objective of the meeting would be to:

- Seek your clarification on the procedural workflow between Planning Authorities and Revenue Authorities.
- Define clear responsibility for title verification and premium computation.
- Request the issuance of uniform implementation guidelines to avoid district-wise variations.
- Discuss solutions to ensure the seamless integration of these processes with BPMS/AutoDCR and revenue record updation.

We believe that your timely intervention and clarification will be instrumental in achieving the reform objectives of the amendment and preventing bottlenecks at the implementation stage.

We look forward to the opportunity to meet with you and thank you for your consideration.

Yours sincerely,
For CREDAI-MCHI

A handwritten signature in blue ink, appearing to read 'Sukhraj Nahar'.

Sukhraj Nahar
President

A handwritten signature in blue ink, appearing to read 'Rushi Mehta'.

Rushi Mehta
Hon. Secretary