The Talmakiwadi Co-operative Housing Society Ltd.

(Regd. No. B 227 dt.5-4-41)
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Minutes of the Special General Body Meeting of The Talmakiwadi Co-operative Housing Society Limited (TCHS) held on Sunday, 29th October, 2023 in Shrimat Anandashram Hall, K.S.A. Building, Talmakiwadi, Mumbai- 400 007 at 10:30 a.m. when 120 members were present.

At the outset Shri Mahesh D. Kalyanpur Chairman invoked blessings of Guru Parampara for the meeting and extended a warm welcome to all members.

Shri Shivdutt Halady, Hon. Secretary informed the members that he had been out of station and could not sign the Notice of the Meeting, hence in his absence Mr. Parag Nagarkatti, Joint Hon. Secretary had signed on his behalf. Shri Shivdutt Halady informed the members that the Society had sought permission from the Deputy Registrar of Co-operative Societies, D-Ward, to conduct an on line meeting (Hybrid) as per the resolution passed by the members in the SGM meeting held on 22 January 2023 to facilitate attendance by members who could not attend in person. However, the Registrar informed us that such permission cannot be given as the facility of on line / hybrid meeting was permitted during the COVID-19 pandemic lockdown and had since been revoked.

He then read out the Notice of the Meeting.

Shri Mahesh Kalyanpur mentioned that a Note had been circulated detailing the developments that had taken place since the Special General Body Meeting (SGM) held on 22 January 2023. In that meeting out of the 5 shortlisted PMCs who made a presentation before the General Body Mullerpatan Prasad & Nikhil Vaidya Architects (MPNV) was shortlisted and the members had opted for Self Redevelopment as a model. In the absence of MPNV, the second shortlisted PMC would come into play. Minutes of that SGM had been circulated to the members as well as sent to the Registrar of Co-operative Societies as required under Section 79(A) of the MCS Act.

Shri Kalyanpur mentioned that the Managing Committee had a series of meetings with the MPNV and at times, even met them every week. The subject of redevelopment being a new one, there was a lot of learning for the Managing Committee and as legal and tax expertise was warranted, the Managing Committee would approach the General Body for budget approvals of such costs. He also mentioned that he had attended a seminar on redevelopment organized by the Maharashtra State Cooperative Housing Federation which was insightful. Shri Kalyanpur also mentioned that there was an uncertainty of the set back on account of the revised road line where the Government of Maharashtra has approved the reduction of width of main road from earlier sanctioned 42.6 meters to 27.45 metres however this has yet to be approved by the Municipal Corporation of Greater Mumbai. Unless this had been clarified, the set-back area that the Society would have to give up could not be determined.

Shri Kalyanpur also mentioned that he had, along with another Managing Committee member, visited the office of MPNV at Thane and the visit had been disappointing. After the visit, there were apprehensions as to whether MPNV would be able to manage a self-redevelopment project of this size as a PMC because they did not appear to have the infrastructure or resources to do so. This had been discussed with them and MPNV has advised that they had approached several firms who had expertise in specific areas to partner them.

Shri Kalyanpur also mentioned that MPNV’s proposal contained a clause that would provide existing members with an additional area of 150 square feet at a cost of Rupees Twenty lakhs, which worked out to Rs. 13,333/- per square foot which was much below the Ready Reckoner value. There could be a tax implication of this both on the members as well as on the Society, as buyer and seller respectively.

Shri Kalyanpur also mentioned that MPNVs proposal involved partial evacuation of members for redevelopment but in light of the soil erosion and resultant damage caused by the excavation work in the adjacent site (Manaji Blocks) in TCHS Office, Datta Mandir and Building Nos. 4/6 and 8 in the form of cracks, the Managing Committee was of the opinion that we should completely evacuate the premises though this may result in higher rental pay outs. Moreover, noise and dust pollution would become challenging for those staying back if the partial evacuation option were selected.

Shri Kalyanpur also mentioned that the Society had received a representation signed by some members requesting the Society to examine a Developer led model involving execution of a Development Agreement with a Top Class Builder/Developer as the Managing Committee would be absolved of responsibilities in this model. The Managing Committee had also been approached formally by a couple of Builders for discussions but had not entered into this arena because the mandate from the General Body was for self-redevelopment.

Shri Kalyanpur explained that whereas initially the minimum areas of flats in the redeveloped building under Cluster Redevelopment was considered by MPNV in their working as 435 square feet, it was pointed out to them that as per the DCPR 2034 guidelines, minimum area of a flat under Cluster Redevelopment would be 35 square metres (376.74 square feet) plus 15% additional as incentive FSI plus fungible FSI of 35% which would result in a minimum flat area of 585 square feet. These changes were made by MPNV in their subsequent presentations.

Shri Kalyanpur also mentioned that whereas the builders may at times offer higher area (he mentioned that Tardeo Court had apparently been offered 81%), this was because in such cases the existing FSI utilization may be lower. He gave the example of MIG Colony in Bandra East where existing FSI utilization being 0.6, the existing members were offered 100% extra area whereas in our case the existing FSIutilization was more than 1. He also cautioned that though builders may give more area they give a lower corpus which is paid on existing area - Tardeo Court was apparently offered Rs.3,600 per square foot whereas our model offers Rs. 21,334/- per square foot as corpus/hardship allowance. The maintenance cost in the new society would be between Rs. 15/- to Rs. 20/- per square foot and apparently many of the existing members in MIG Colony have sold out their redeveloped homes due to lack of affordability of maintenance charges, which we do not want in Talmakiwadi. Hence it was important that the members get sufficient hardship allowance to take care of the future maintenance charges.

Thereafter Shri Kalyanpur suggested to the members that since MPNV team had arrived, we could request them to present their Feasibility Report followed by Q&A after which MPNV would leave. Thereafter, the representation from members to consider a builder led redevelopment could be discussed and the next steps/way forward could be agreed. Shri Kalyanpur mentioned that post the MPNV presentation, members could come forward and speak, but they should be brief and not repeat points made by an earlier speaker.

Thereafter MPNV Architects were requested to present their Feasibility Report.

Shri Prasad Mullerpatan introduced his team as below:

- Lead Architect: Shri Mullerpatan Prasad - B. Arch.
- Project-in-charge: Shri Nikhil Vaidya - B.Arch.
- Project Coordinator: Smt. Kamakshi Vaidya – M. Arch (Env), Dip. Cons. Management.
- PMC Coordination: Mahimtura Consultants Private Limited (MCPL) represented by Shri Shailesh Mahimtura.
- Structural Design: Shri Hiten Mahimtura & Shri Dhruv Mahimtura.
- MEP & HVAC: MCPL
- Landscape Designers: Kum. Kanchan Bhagwat & Shri Dinesh Yadav (KDBY)
- Municipal Coordinator: Shri Sameer Patil (Liaison Architect).
- Environmental/LEED Consultant: Shri Rajesh Aundhe and Mr. Joglekar (Aditya Enviro).
- Office Team: Shri. Prashant Surve, Architect, Shri Uday Mungekar, Draftsman.
- Realtor & Strategist: Shri Vinayak Shah (Director – Soham Group).

Mr. Prasad Mullerpatan & Mr. Nikhil Vaidya representing MPNV Architects presented their Feasibility Report (circulated to the members prior to the SGM via a PowerPoint Presentation (which will also be circulated separately).

Salient features of the redevelopment plan:

- A self-redevelopment model was approved in the first SGM held in January 2023.
- The model underwent changes as the Managing Committee during discussions with the PMC had stated that they did not wish to raise money by mortgaging the land to finance the approvals and self-redevelopment.
- MPNV had committed an incremental carpet area of 150 square feet (one room with an attached bathroom) to members of TCHS who wished to buy this area at a cost of Rs. Twenty Lakhs. This subsidized cost represented the difference between the ratable value of the land (since land was owned by the members collectively) and ratable value of the flat. MPNV had also suggested that the Society use a Google form to scope interest of members to purchase this additional area.

- Another suggestion was setting up of development fund where members can deposit Rs. Twenty lakhs which shall have a maturity value of say Rs. Forty Lakhs after four years which can be considered as a loan from the member, to possibly offset any tax liability from purchase of the extra area at a subsidized rate.
- A hybrid model was then proposed where a builder/constructor would be given the road facing piece of land on long term lease by the Society, where he would construct a tower (sale tower) and sell the flats to buyers. In turn, the builder/constructor would construct the society building (rehab tower) and also plough in amounts to the extent of Rupees Fifteen to Fifty Crores towards pre-approval of the proposal, for which in the earlier model, Society would have to raise the funds/seed capital.
- The land would remain in the control of the Society as it would not be mortgaged.
- It was clarified that for the calculations the existing areas were taken from the BMC records for Property tax. When the application is submitted the actual current areas would be measured by MHADA basis which the revised areas admissible to the members would be worked out.
- In addition to the fixed corpus @ Rs. 21,334/- per square foot on existing area offered to members, the proposal also comprises of Rs. 50 crores to 100 crores of additional corpus which will be paid to the Society and which should be able to comfortably cover the annual recurrent maintenance and taxes estimated at Rs. 80 lakhs per year. Even assuming a corpus of Rs. 50 crores with interest at 5% per annum, it should yield an income of Rs. 2.5 crores per annum which should be able to comfortably address the maintenance costs. The balance could compound to the fund for any long term repairs and maintenance.

Nikhil Vaidya mentioned that in the last SGM held on 22 January 2023, PMNV were appointed as PMC with their scope of work being restricted to preparing of a Feasibility Report. Unless they were appointed as a Development Manager (DM) they would not be in a position to bring their proposed plans into to fruition. Even so they had gone beyond their scope and spoken to some developers/financers who were willing to come on board for this redevelopment project some names mentioned were Spenta Group, Oberoi Group, Sheth Group, Aditya Birla Group who had been engaged with the entire proposal including what was to be offered to the members of the Society and in-principle, these houses had accepted MPNVs proposal and they were ready to invest the initial amount of Rs. 15 to 50 crores. The contracts can be executed within

15 days, post the Managing Committee meeting these developers/financers and agreeing to a name post requisite due diligence. Some of the developers had seen the premises as well and had met the Managing Committee members who were available during the visit. A tender was not required for self- development but a tender would be required for constructors – open tender, but benefits could not be guaranteed. Based on this commitment, MPNV were expecting their appointment to be finalized.

Post completion of the presentation by MPNV, Mr. Shivdutt Halady, the Hon. Secretary opened the floor to members for the Question & Answer (Q&A) session with MPNV.

Mr. Rajaram Pandit (3/5-22) enquired regarding collateral and seed capital and stated that this was no longer required and would be substituted with some arrangement by MPNV. He enquired as to the interest charged on the seed capital and who would be charged this interest. Mr. Nikhil Vaidya answered that work details with developer were under way and would depend on input/output costs of the project. In any case, this interest would not have any bearing on the corpus/hardship allowance being paid to the Society. Mr. Pandit also inquired on Stamp Duty of Rs. 1,000/- to be paid under self-redevelopment, Mr. Nikhil Vaidya stated that this concession would be applicable only to the rehab tower and for any stamp duty to be paid by a member for existing agreements or any additional area provided this was in the name of the member himself. This was part of the self-redevelopment circular released by the Government of Maharashtra. Mr. Pandit also mentioned that for self-redevelopment GST applicable would be 5%, but whether GST on services would be 18%, which MPNV confirmed was correct.

Mr. Pandit also apprised the members that there was a major benefit in terms of reduction of approval costs (approx. Rs, 107 crores against Rs. 193 crores) and 10% additional FSI under self-redevelopment, which were very major benefits.

Mr., Pandit then inquired about “closed tender” process as against “open tender” process for Constructor and whether it was possible under self-redevelopment. Mr. Nikhil Vaidya mentioned that tendering was not mandated when the Society was acting as a developer under self-redevelopment. In a barter model, we would have to work this out and the developer would take care of these aspects. The point pertaining to tendering was also reconfirmed by Mr. Sameer Patil, Municipal Coordinator working with MPNV. Mr. Nikhil Vaidya also stated that a developer/constructor after putting in significant funding (estimated at between Rs. 15 to 50 crores) to finance the pre-approval, would not be willing to submit to a tendering process.

Mr. Pandit asked that when MPNV claimed to have several big names who were interested in the project, what stopped them from bringing these players forward in the last 7 to 8 months. Mr. Vaidya replied that whilst they were speaking to these developers, there was a divided opinion within the Managing Committee itself as to whether to go for this hybrid mode or a Developer Model by bringing in a builder. Also Prasad Mullerpatan was out of the country, and after circulating the Feasibility Report, the time of 1 to 1.5 months that was available was what they had used to engage with developers.

Mr. Pandit inquired as to why the Society was not unanimous. Mr. Shivdutt Halady, Hon. Secretary mentioned that he would answer this question on behalf of the Managing Committee. He alluded to the SGM held in January 2023 when the decision was arrived at to go for elf-redevelopment, and we had appointed the PMC to move ahead. In the interim, a few developments had taken place (which Mr. Mahesh Kalyanpur had already called out), Firstly the divergence of views was because some members of the Managing Committee felt that self-redevelopment was not feasible owing to significant involvement being required on the part of the Managing Committee members in day to day activities associated with self-redevelopment and we may not have the competence or time to do so. In contrast, if we were to hand over to a Builder Developer and execute a Development Agreement, the Managing Committee would not have to get involved in day to day activities. Thereafter, the Managing Committee received emails / letters from various members to consider a builder model, resulting in some dissonance in terms of how the Managing Committee goes forward. This request had been put on the agenda for discussion to arrive at the way forward. Mr. Vaidya also clarified that they had lined up top developers and had to be absolutely sure about what the Society wanted before engaging them in discussions, which was also a constraint.

Mrs. Kamakshi Vaidya appreciated the effort put in by the Managing Committee to conduct a qualitative and quantitative analysis of every aspect of the redevelopment proposal and their ability to be answerable to the General Body which also took a lot of time. The time taken should therefore be looked at through the lens of the size of the project and the various nuances involved.

Mr. Pandit mentioned that under this mode the risk perspective would stay with the Managing Committee, he appealed to every member to think that they are members of the Managing Committee when considering this redevelopment project.

Lastly, Mr. Pandit reconfirmed that there would be no requirement for the Society to raise “speed money”, which Mr. Nikhil Vaidya reaffirmed.

Mr. Nikhil Vaidya stated that there were two most important parameters on which a developer would have to deliver – firstly quality and secondly the brand which would enable them to sell commercially in the sale tower at a high enough price to cover the cost of the sale and rehab tower and make a profit.

Mr. Devdutt Chandavarkar (2/4) inquired as to whether the change in model to hybrid would alter the sequence of constructions as proposed at the last SGM, i.e., that the rehab tower would be constructed prior to the sale tower. Mr. Nikhil Vaidya clarified that initially, their proposal was that about 32 members of the Society shift out and the construction of the rehab tower can begin. However, the Managing Committee had conveyed their preference for all the residents to vacate simultaneously. In this situation, it could be expected that the sale and rehab tower may be constructed at the same time. What can be done is that the Area available for sale (since development will be in the name of the Society) will be linked to their delivering the Society’s Area in the rehab tower to the Society. Nikhil also mentioned that there will be a liability of GST concessions as well as LUC tax that will get passed on to the developer if the construction this is not completed within 36 months.

Mr. Chandavarkar then queried as to the concept of LUC Tax. Mr. Sameer Patil mentioned that LUC Tax means Land under Construction Tax. Mr. Chandavarkar clarified that in the event of delay in construction of the rehab tower beyond 36 months, the LUC tax liability shall be on the developer and not on the Society. This was affirmed by MPNV. Mr. Vaidya reiterated that the planning had been conceived in such a way that even if only 32 families shift out, the rehab tower can be constructed with a composite construction and the podium is constructed later and connects to the sale tower.

Mr. Chandavarkar then asked if the 10% additional FSI for self- redevelopment will be admissible to all the members or that it would not accrue to members who had smaller houses (because they were entitled to a significant incremental area as per rules) and only go to those with larger houses. Mr. Vaidya mentioned that the 10% additional FSI was an incentive to encourage self-redevelopment and would be admissible as per rules.

Mr., Chandavarkar then asked taking into account RERA provisions, whether the two areas (plots) of the sale tower and the rehab tower would be independently earmarked and whether post construction these would comprise two independent societies. Mr. Vaidya mentioned that the two plots would be separately demarcated and that there would be two separate societies formed with an apex society at the helm, Liabilities will rest with the respective societies but there will be an element of composite land tax which may have to be shared.

Lastly, Mr. Chandavarkar asked if it would be a MIVAN construction as the plan had changed from a 33 storied tower to two 65 stories towers. Mr. Vaidya affirmed so and Mr. Chandavarkar explained the concept stating that all walls shall be concrete structures and there shall be no alterations possible post construction. He also asked how quality of the construction in terms of materials specified would be ensured. It was responded by MCPL's representative that all details would be incorporated in the tender document and material approval will be done pre-construction and pre-approval. There would be a quality control team plus approved laboratories who will sample and there would be third party independent inspection as per schedule agreed.

Mr. Chandavarkar also asked what would be the clear height from floor to ceiling after the construction is completed. It was pointed out that it would be 3.2 metres (approx. 10.6 feet).

Mr. Mahesh Kalyanpur referred to waterproofing guarantee (we had insisted on 12 to 15 years), external paint (polymer based paint) and plinth. It was clarified by representative of MCPL that as per RERA norms, guarantees for construction and waterproofing would be 10 years and for finishing it would be 5 years. However, we can go for more stringent norms.

Mr. V P Pai 17(4) inquired as to whether the project would be completed within 2 years. He also asked who would bring in such substantially high cash flows of Rs. 500 crores to Rs. 1,000 crores. He mentioned that the Development Manager (DM) model is a failure in Mumbai and would not work. Mr. Vaidya responded that self-redevelopment was a new concept and it had come into being largely in small societies. He said that the requirement was for a very reliable and trustworthy developer and in his opinion only Tatas, L&T, Shapoorji, Godrej and Mahindras could be trusted and not the other ones mentioned by MPNV. He added that during excavation for the foundation, if we hit a water table at a depth of 40 feet, how would we solve for it? Also, there were many engineering, financial and tax related issues that were open. Mr. Pai suggested that we have one more PMC who could take up all these engineering challenges and any unforeseen situations. Mr. Mullerpatan mentioned that monitoring would happen through our PMC (MPNV), the builder and MCPL.

Mr. Shailesh Mahimtura representing MPCL explained that the entire Hiranandani complex in Powai has been managed by them for over 30 years. The entire Tata Consultancy Services in Thane has been handled by them for the Tatas. MCPL was in a position to handle all issues relating to GST, Taxation etc., but the project had not reached that stage as yet. The first step was a Detailed Project Report (DPR) and until the DPR was created, no entities could be invited to propose to us for the project. Water tables came under geotechnical investigations. MCPL were in the business for 74 years and had designed 70% of Nariman Point and Cuffe Parade area, which was only water, which was all backfilled area and those buildings were existing for the last 50 years. They had done buildings on Marine Drive like Keval Mahal & Kapur Mahal during his father's time. They had the experience of working in water. The Nhava Sheva International Container Terminal across the harbour was done by MCPL for P&O Ports, Australia and the Mahindra's building at Tardeo (Mahindra Heights) was also done by them. These were all engineering solutions which would have to be incorporated in the Request for Proposal (RfP) document for developers to address. Mr. Mahimtura also mentioned that today 90 to 95% of projects in Mumbai were being done by non-corporate developers. If corporates were so good, then 100% of the development of Mumbai should have been done by corporate developers. The requirement was for versatile developers who would be able to finish the project within an agreed timespan. Some people may want to exit the project, so there would have to be an exit price for those who want to do so. All this would be discussed with the Managing Committee and any Redevelopment Committee before the RfP document would be floated. Financial Analysis of Developers would be undertaken by MPCL with a marking system and come back to the General Body followed by interviews and selection. Most redevelopment project stalled in his view due to financial issues. They had 74 years of experience with 9 offices in India and over 400 staff and were also doing 10 buildings in the BDD Chawl at Worli for the Government of Maharashtra, where the Government itself is the developer.

Mr. Pai then stated that all the redevelopment projects in Mumbai that had got stuck were managed by non-corporates. A robust but non-conclusive discussion ensued when a few members requested the Chairman to intervene in the interest of time/ Mr. Pai was then requested to close his queries.

Mr. Gautam Padukone (1A/17) enquired about contractual conditions to be imposed on the developer like engineering, plumbing etc., and who would have the responsibility of ensuring that whatever was in the contract was actually constructed. Mr. Mahimtura mentioned that this would be the responsibility of MCPL.

Mr. Prakash Basrur (1A/16) enquired as to why we were giving up a section of the plot to a builder. Mr. Shailesh Mahimtura and Mrs. Kamakshi Vaidya explained that since the Society did not want to raise funds on its own or borrow from a bank or financial institution, the Society would have to create interest in a developer to come in and construct the rehab tower and this would be done through long lease of a part of the land for the builder to construct the sale tower to garner a profit.

Mr. Shyam Balsekar (8/11 & 12) referred to 87 page Feasibility Report but stated that whereas file sizes and configurations were given, front elevation and floor plans were not shared. He wanted to know details. He also queried about the option of members paying Rs. Twenty Lakhs to buy 150 square feet, and whether if all 281 members wanted this option, it could be accommodated. He suggested that instead of one bedroom flats, all flats could be made two bedroom ones. Mr. Balsekar mentioned that many members had remodeled their existing houses to optimize the space by enclosing common areas and passages. He also asked how long it would take to complete the project and members at that stage may be asked to pay more, say if the project took ten years to complete. Mr. Nikhil Vaidya explained that this offer of 150 square feet at a cost of Rs. Twenty Lakhs was mooted primarily to raise funds for the Society to take the Project to the approval stage. Mr. Vaidya also mentioned that before the plan went for approval, it was unlikely that anyone would invest into the Project. Mr. Balsekar then queried about the value of the plot. Mr. Vaidya mentioned that the plot would not be mortgaged for raising finance as per the proposal circulated by them. He also mentioned that approximately 30% of the members could avail this offer of 150 square feet of extra area on a “first come, first served” basis. It was important to scope the demand for this proposal by taking a survey from amongst the members. On the plans, Mr. Vaidya mentioned that they had done a 3D walkthrough and five to six iterations of the floor plans as per inputs received from the Managing Committee. These were tentative until the MHADA measurements were taken, the road line was fixed and the soil testing was completed. Mr. Vaidya also explained that the plot was narrow (42 metres width) with a 12 and 9 metres road required on either side respectively which was a challenge. Initially, only 4 categories of flats had been proposed with differences in areas being either paid to (for reductions) or paid by (for increments) by the members. The Committee voted against the proposal due to tax implications. Thereafter MPNV came up with a plan with 6 to 7 categories of flats where the difference in existing & new areas had been narrowed down to maximum of 3%. Mr. Vaidya said that they would endeavor to give the best plans possible once demand for the extra areas had been firmed up. Mr. Balsekar then asked if these plans had been referred to a Municipal Architect and if the Plan was approvable. Mr. Sameer Patil Liaison Architect confirmed that these plans were approvable. Mr. Balsekar mentioned that he had worked with Mr. Sameer Patil earlier and was satisfied with the reply. Mr. Vaidya reiterated that they had their whole team with them and the Plan was definitely one that would be approved. On the front elevation, whilst agreeing to show a 3D walkthrough, Mr. Mullerpatan said that since the Areas were not finalized, this could change. Then Mr. Balsekar inquired about vehicle parking and he was informed that minimum of one vehicle per flat would be provided as parking space.

Mr. Vaidya mentioned that MPNV had been appointed only for providing a Feasibility Report but that had gone way beyond that and provided various options/configurations by investing significant amount of time.

Mr. Balsekar then pointed out that the tenanted Building No. 16 was a cessed building as per MHADA norms. He wanted to know how much area was required to be given to MHADA as a result, Mr. Sameer Patil, Municipal Consultant responded that as per Notification dated 08 July 2021, the eligibility for redevelopment was that the age of the building should be at least 30 years and there was no distinction between cessed and non-cessed criteria. Also, by the same Notification, the Government has increased the criteria for incentive FSI. In the current project, there was no surplus available to MHADA after considering the area for rehabilitation plus incentive FSI, which was more than FSI 4 in the Plot Area.

Mr. Balsekar asked why the names of the Team were not shown to which Mr. Mullerpatan stated that the first slide contained that information. He also requested Mr.

Kalyanpur (Chairman) and Mr. Halady (Hon. Secretary) to provide the soft copy of the presentation to Mr. Balsekar on a pen drive.

Mr. Mahesh Kalyanpur in response to Mr. Balsekar's query of accommodating the 150 square feet additional area for all members, mentioned that it should be possible because the Society had 240 members (rest were tenants). As per discussions with MPNV, they had reserved 50,000 square feet of area. Of this, 20,000 square feet was earmarked for sale of additional area to existing members of 150 square feet to existing members, 25,000 square feet was for sale of flats to NRI amchis and 5,000 square feet of commercial area which the Society could lease out and earn a regular monthly income.

Mr. Kalyanpur requested MPNV to show the walkthrough with the elevation which was done.

Dr. D D Chowdhury (4/6-28) inquired as to whether post redevelopment, resale would be permitted in the rehab tower in line with the sale tower, i.e., whether flats could be sold to outsiders. He also mentioned that currently members were living with situations wherein they had to share toilets etc., which after 75 years of independence, was not good. He therefore expressed happiness that these matters would be addressed post redevelopment. Mr. Shailesh Mahimtura mentioned that post redevelopment there would be no common toilets and members would witness a complete change in their lifestyle due to the amenities envisaged. Mr. Mahesh Kalyanpur when commenting about resale, mentioned that when one became a member of the Society one had agreed to abide by the Bye Laws of the Society which mentioned that resale would be permitted only to members belonging to the Chitrapur Saraswat Community. This restriction would continue until the General Body amended the Bye Laws and we could continue with the existing Bye Laws at present.

Mr. Vinay Balse (17/15), enquired about the role of the Apex society as opposed to TCHS which was currently in operation and had control of the buildings. Mr. Nikhil Vaidya mentioned that this question would have to be answered from a legal standpoint. Mr. Shailesh Mahimtura clarified that the apex society would have representatives from both the rehab structure and the sale structure. This would be addressed by MCPLs legal team with the Managing Committee of the Society and agreed at the appropriate time. Mr. Balse inquired if there have been any such precedents, to which Mr. Mahimtura replied affirmatively giving examples of Surya Apartments and Poonam Apartments.

Mr. Balse enquired as to whether the land on which the sale tower would come up would be sold by the Society. Also, he inquired whether the developers who have been spoken to have agreed to sale of flats in the sale tower only to Chitrapur Saraswats. It was responded that it would be an open sale and restriction would only apply to saleable area in the rehab tower. Mr. Mahimtura also explained that for the developer, raising bank finance by placing leased land even if on a 999 years long lease, would have different connotations and rates of interest as opposed to freehold land. Hence any developer coming in and investing funds would prefer a free hold land. However, he would not get the free hold until he constructs the building and the society is formed. The conveyance for the portion of land on which the sale tower sits would go from TCHS to the new Society. Mr. Balse mentioned that if this involved transfer of land to the new society, tax implications required to be understood. Mr. Mahimtura mentioned that there would be no tax implications because in lieu of the transfer of the land, TCHS members would be getting their flats back. However, on the additional room acquired by paying Rs. Twenty Lakhs, there would be Capital Gains tax, as that would be classified as new construction. Mr. Balse reemphasized that this would require proper tax and legal expertise.

Mr. Rajaram Pandit (3/5-22) mentioned that if TCHS wanted to retain its present character of restricted membership, the plot would require to be sub-divided. He also added that division of the plot was a costly exercise. He also mentioned that the apex society may be more for the purpose of coordination. Mr. Mahimtura mentioned that the apex society concept normally comes in where there are large properties and common amenities (gardens, roads, sewerage treatment plants etc.) have to be shared. This was followed in the Hiranandani Gardens complex in Powai. The apex society would look after such aspects. The apex society as well as the existing society require to be registered with the Registrar of Cooperative Societies. Mr. Balse added that the cost involved in transferring the land should also be factored into the agreement TCHS has with the developer.

Mr. Dutt Sharma (9/3) mentioned that when the redevelopment takes place, the new tower may also be available for other communities if it was so decided by TCHS. Persons wanting to sell in the open market were free to shift to the sale tower. He also added that the question of common toilets simply does not exist, as each bedroom would have an attached toilet and bathroom.

Mr. Mahesh Kalyanpur, Chairman, requested all to take their seats so that proceedings of the meeting could be continued. Mr. Mahesh Kalyanpur informed members that while the PMC had mentioned that it was not required to float a tender, the Managing Committee would prefer to do so. Also, when he had met the Deputy Registrar to seek permission for an on-line meeting, the Deputy Registrar had advised that the Managing Committee requires to prepare the tender document and get it approved by the General Body before it is floated. Also, when the tenders are opened, a General Body meeting requires to be convened and all these meeting would be attended by a representative of the Deputy Registrar. The tenders will be opened in the presence of the General Body and the Deputy Registrar's representative will sign on those documents, post which the PMC shall make a comparison. The Deputy Registrar had also cautioned that while filing bids under the tender, some developers/constructors may make tall claims and promises of extra areas and other amenities. Hence he urged members not to go purely by such promises. It was important to consider the financial position of the constructor/builder/developer as well as whether that financial position can be sustained over the next 4 to 5 years until the project is completed. It was also difficult to assess financial standing based on rating agency parameters because at times they downgrade the ratings suddenly even within periods of only 6 months.

Mr. Kalyanpur also apprised the members that the PMC had committed to retain the corpus of Rs. Two Hundred Crores committed in the partial shifting scenario even if the entire society was to shift out prior to the construction work commencing. The additional FSI of 10% being generated from self-redevelopment would address these additional costs. He also mentioned that the Managing Committee had been urging the PMC to increase this amount beyond the committed amount.

The Chairman than requested the members to join for lunch.

MPNV team left post lunch and the balance portion of the agenda for the meeting was taken up for discussion.

Mr. Kalyanpur then placed before the General Body the representation to consider redevelopment through a developer.

Mr. Satyendra Kumble (A/10) mentioned that whist the Deputy Registrar had mentioned that the tender has to be run past the General Body, these was no such stipulation in Section 79(A), and this had not been provided to TCHS in writing by the Registrar, which we should formally seek, or go by the provisions of Section 79(A), which mentioned that the tender document can be circulated to all members and their feedback sought which should be incorporated in the final document, and a mandate of 67% of the members was not required.

Ms. Gaurita Udiyavar (5/22 & 8/3) mentioned that she did not intend to speak about one concept against the other, especially given that the General Body had already decided in favour of self-redevelopment, and in a certain sense, all our interest were aligned. She also thanked the Managing Committee for the efforts that were put in towards the redevelopment project. She inquired as to whether a final plan/proposal would be presented to the General Body for go-ahead since some members had apprehensions about this after the presentation by MPNV, Two things that stood out was the "first come, first served" concept for purchase of additional 150 square feet of area by existing members, and the decision to shift maximum members out of the plot before commencing redevelopment. She emphasized that as a resident of Building No 8, as well as speaking for residents of Building No. 4/6, what happened to them when the construction work at the adjacent Manaji Blocks started was like a nightmare. Tiles and pillars were broken, and whilst the Managing Committee was most cooperative, she had to deploy her own civil engineer to assess and reach out to the Management of Shreepati Builders. Luckily, we could reach a solution but there were several instances in Mumbai where such solutions could not be reached and Societies were left at the whims and fancies of the builders. Her request was that when the self-redevelopment commences, everyone should be relocated.

Mr. Udiyavar mentioned that some of the reasons which led some of our members to look a builder led redevelopment was that we live in an era of specialization and there are phobias associated with builders having stalled projects for several years and the like. However, we should have the option of going to the best real estate developers and considering them and thrown open a process to see what offers are available in the market. We had a prime land parcel and not considering the builder model in the fear that they will drag it to the ground was not reasonable. We should not be left in a position where we did not consider this option at all, thought initially this had been put to vote, because in her opinion the vote in favour of self-redevelopment may have come from a position of fear. Her only regret was that we should have considered some of the offers that could have come from the market from other builders and what they had on the table, though economically and commercially, they may not match up to self-redevelopment. This was not a request to reconsider, but just a personal thought. Also, with the points that MPNV had put across in their presentation, she asked if we could have a back and forth with them and have it formally documented in writing, where we get to hear out their response to queries and the like.

Mr. Shivdutt Halady thanked Ms. Udiyavar for her help to manage the issues with Man Infrastructure in the wake of incidents that took place during their construction work. He mentioned that due to these events, the Managing Committee also became apprehensive about the concept of partial evacuation initially proposed by MPNV and all members and tenants would be suitably relocated. The Managing Committee would be completely transparent with the members regarding redevelopment, and as Mr. Kalyanpur had called out in his Chairman's address, this was uncrated territory for the Managing Committee as well. On the builder model, while the Managing Committee had representation on the Redevelopment Sub Committee, the Managing Committee did not impose themselves on the Sub Committee, nor were they influenced in any way. While the Sub Committee had put in a lot of hard work, the members would have worn their thinking hats when they came into the SGM held on 22 January 2023 and voted. The Managing Committee had a very democratic process, hence this item requesting to consider builder led redevelopment was placed on the Agenda so members who were in favour could come forward and articulate their point of view. However, if we have to completely change the model from self-redevelopment to a builder led redevelopment, the entire process that had been conducted in the SGM held in January would have to be re-done, as we did not have the quorum of 141 members required to reverse the earlier decision. He mentioned that the hybrid model presented gives us the best of both worlds as it does not require us to raise finance, as against a pure redevelopment model where we have to start from scratch, raise the funding and then move forward. The hybrid model yielded benefits of self-redevelopment concessions as well as eased out a lot of constraints in the pure self-redevelopment model.

Mr. Rajaram Pandit (3/5-22) mentioned that initially during the SGM held in January 2023, he was in favour of the builder model and was surprised that it was overwhelmingly defeated. Lower approval cost of almost 50% in the hybrid model and 10% additional FSI were big benefits. Mr. Pandit recommended that TCHS should appoint a Chartered Accountant and Lawyer who have expertise in construction activity, for which say an amount of Rs. 2,400/- per annum could be recovered from each member to raise Rs, 6 lakhs for this purpose. The issue of seed capital requires to be addressed, Even if we bring in someone to give money, would it be a loan and would it be interest free and whether permission from the Registrar was required. Mr. Kalyanpur mentioned that no loan would be interest free, but this had not been discussed with the potential financers, as this concept was mooted by MPNV only a couple of days prior to the SGM. This financing and its terms would initially have to be agreed by the General Body. Currently, what had been presented was preliminary. The official cost of getting MHADA to certify the areas would be Rs. 15 crores. On taxation and legal matters, it had been mentioned in the Report that the Managing Committee had met many law firms to understand their charges. Khaitan and Company had quoted Rs. 35 lakhs as their charges for the project and they charge a sitting fee of Rs. 30,000 per hour for preliminary discussions. Wadia Ghandy's charges may be around 1% of the total project cost. Hence Rs. 6 lakhs would be very low. The Managing Committee would obtain quotations from various law firms. Members should be ready to have many General Body meetings going forward on the redevelopment theme.

Vinay Balse (17/15) mentioned that conceptually, he agreed that the hybrid model gives us the best of both worlds. However, there were certain matters that required clarity, like the Rs. 20 lakhs to be paid by members desiring to purchase 150 square feet of additional area. We do not require a person to lend money to the Society, and that model is not workable as no lender will advance a loan without security. In the presentation made in the SGM in January 2023, MPNV had mentioned bringing in an "investor", but it was unclear as to what the term "investor" meant. What is required is an investor and not a lender and this should be structured in such a manner that TCHS does not assume any financial liability. In the investor scenario, the Rs. 20 lakh proposal becomes redundant. Mr. Mahesh Kalyanpur mentioned that the applications for various approvals have to be made by the Society on its letterhead, the fees would have to be paid through the Society account. This required due diligence from both a legal and tax perspective. This could come in the form of an investment or a bond. The bond option was ruled out as such investment can come only from Society members. As per Maharashtra Cooperative Society Rules, 30 times the share capital of the Society plus the building fund can be raised. The investor should also route this amount through the Society and if this was a tried and tested model, it would require to be understood. To avail a loan we will require General Body approval. Mr. Dutt Sharma (9/3) would help the Managing Committee in this regard.

Dr. Uday Andar, (2/6) opined that the hybrid model may be the best way forward post the presentation by MPNV. The hybrid model was a slight deviation from the self-redevelopment model initially proposed. The speed money will be managed by the contractor and the TCHS does not come into direct contact with various agents. We should go with confidence and conviction that we will do it and not find excuses. We may have to hire professionals for expertise but we should stick to what is proposed and not deviate.

Devdutt Chandavarkar (2/5) mentioned that prior to the SGM held in January, there was sufficient information dissemination amongst the members, and Parag Nagarkatti had put in a lot of efforts through a WhatsApp Group to mobilize members. Also, the Sub Committee on Redevelopment had done an elaborate study post which information had been disseminated to all, which made the General Body arrive at a decision. Hence, the decision taken at that meeting was deliberated and conscious rather than extempore and off the cuff. We may have learnt some lessons owing to construction work that had taken place in the neighbouring plot which caused damage to our buildings. This does not mean that we should give up all that we had discussed and agreed – we had not reached a dead end which necessitates us to give up this agreed path and take a new one, which may also be fraught with some uncertainties. He mentioned that w\hen TCHS was initially conceived and constructed, those who were involved may have also faced obstacles and difficulties. We should back ourselves to execute the self-redevelopment model in hybrid form as discussed. To cover the risks, we should explore means of indemnifying our Managing Committee and not give this whole project to a builder. In any redevelopment, we have to vacate the premises. Many redevelopment projects had failed because members have been scattered/dissipated and monitoring becomes difficult. In this scenario, if we were to hand over to a builder, it would be even more difficult and be tantamount to an “out of sight, out of mind” situation. He suggested forming a larger committee to manage the redevelopment project and to help the Managing Committee and regular meetings should be had so that there are updates being provided to all, and members should attend these meetings which will indicate monitoring at a wider level.

Mr. Satyendra Kumble (1A/10) clarified that no one was against the self-redevelopment concept or the hybrid model, which will yield the best results in terms of areas and corpus. However, the builder option should not be given up even before checking it out. We should explore what we will get through a tendering process using the builder model to see what we can get rather than assuming that it may not be as good as the hybrid model. One of the main reasons is that in the hybrid model too, if something were to go wrong, the Society and all the members would be responsible. This model also required the members to have full faith in the Managing Committee throughout the lifetime of the Project. If there is a cost overrun, it will impact the corpus of Rs. 300 crores which is to come at the end of the project. Pros and cons of both the models have been circulated, which perhaps some have not gone through. Cost overrun could occur due to delays in decision making and if the corpus goes into negative, can the senior citizens of the Society start pumping in funds? These are aspects which the General Body has perhaps not considered. Managing Committee and Sub Committee also have their personal priorities and professional commitments. Today also, in the Managing Committee comprising of 12 members, hardly 2 were active. Do we have the commitment to devote time to this project for the next 7 to 10 years? We should consider this point as well. He urged the members to try out the other model by exploring the tendering process. He quoted that Tardeo Apartments and Tardeo Court have been offered 81% extra area. While Mr. Kalyanpur had mentioned that they will get a corpus of Rs. 3,600/'- or even less, it is up to us to negotiate these parameters with the builder. We can opt for lesser area and more corpus. If the builder model is brushed aside, we were missing out on that opportunity. Lawyers had suggested that whether self-redevelopment or hybrid model, the Managing Committee is responsible. Also, many lawyers have discouraged taking the Special Purpose Vehicle (SPV) route and advised to go for builder led development. Also, there was an active builder lobby who could potentially jeopardize our redevelopment in this model. Ambre's firm (whom Sameer Patil had represented) had verbally also advised to go for a builder model. Of the 5 shortlisted PMCs, 2 had recommended going for a builder model.

Mr. Shivdutt Halady (9/1) mentioned that he was now speaking as a Member of the Society. He stated that we have had these debates and discussions and we have a divergence of views. Points called out by Mr. Satyendra Kumble of corpus becoming zero or negative can occur in a builder model as well and there was no assurance that if a builder went into the Red, he would pay out the committed corpus. In this model we have our land with us and the proposal provided seems to stack up for some of us in the Managing Committee. The PMC has experienced collaborators like Mr. Shailesh Mahimtura to assist and support them. Whichever route we take, there will be roadblocks and tough roads to traverse. Some of us believe in a very utopian scenario that in the builder model, we execute the Development Agreement (DA), vacate the land and three years later, the builder welcomes us with a box of sweets and a key to our new apartment. Nothing is further from the truth because the builder is not doing any charity or philanthropy – he will look at his own interest first and then take care of us. If he does not make money, we will not get anything. The hybrid model appeared practical because the Society members did not have to raise money nor did we have to mortgage our land to raise borrowings for the project as under pure self-redevelopment. The Sub Committee which worked on this theme would have applied their minds and they had done so for a number of years. Also, if we invite top rung builders to tender under the DA model, we may not be able to go back to them to tender for a hybrid model, as for them the DA model would be more lucrative. Also, builders offer extra area and lower corpus as corpus will go out as cash whereas extra area will go out as construction. With a lower corpus and a senior citizen profile, defraying higher taxes and maintenance in the redeveloped structure would become challenging and this may allow the builder to negotiate exits with existing members. Would we want to break the fiber of the Society that our ancestors built by potentially allowing such a scenario to play out?

Paritosh Divgi (7/5), referred to risks of the cost overrun factor being on part in both scenarios, but a fundamental and valid point made by Mr. Satyendra Kumble was involvement of the Managing Committee in the current hybrid model, as Managing Committee and members would be responsible if anything were to go wrong. He requested that members of the General Body who had requisite experience should come forward to support the Managing Committee on this Project. The General Body can also approve some compensation to those experts who were dedicating their time and efforts towards this Project. Also, payment would make these persons answerable and accountable.

Mr. Satyendra Kumble (1A/10) agreed to the points made by Mr. Shivdutt Halady and Mr. Paritosh Divgi. He also mentioned that just as builders who had tendered for the DA model may not come in for a self-redevelopment scenario, should the self-redevelopment via hybrid model fail, the builders would not want to come into such a stalled project midstream. Hence our bargaining power at that stage would be very poor and we may have to accept a sub part settlement. Tendering should not take more than 3 months and by March 2024 we should be in a position to take a call on which model is preferred.

Mr. Devdutt Chandavarkar (2/05) stated that a Tender Document would be very elaborate and would need to provide all specifications. Such a document cannot be prepared in 3 months and we may have to engage certain experts and pay them for this service as well. Tendering and calling for bids would take at least next one to two years and like the hybrid model, the SGM will have to approve those tender specifications. Hence this whole project of redevelopment will be pushed at least 2 years beyond.

Mr. Dattu Sharma (9/3) mentioned that he was shocked as to the way the current debate was progressing. All of the Sub Committee members had seriously deliberated on the matter of redevelopment for 3 long years. All authorities who were well versed with the nuances of redevelopment were contacted. Initially 15 PMCS were interviewed and at the last stage, only 5 who passed through the qualitative filters were called in to present to the General Body. AT the time, there were a lot of requests from the Sub Committee members to mention whether we should go for the builder model or self-redevelopment. He had refused this outright and all the analysis and work done was shared with the General Body and queries answered before the SGM held in January 2023. At the SGM, of the 5 PMCs listed, only MPNV and Verite had suggested the self-redevelopment model. Then other 3 had suggested the developer model or the Development Manager model. He requested the members to go back to the reports and prove him wrong, A developer may promise you much extra space but we as predominately senior citizens who depend on their savings for sustenance need to decide the kind of lives we would like to live going forward. The 150 square feet of extra area would attract maintenance cost of at least Rs. 1,500/- per month @ Rs. 10/- per square foot. How many would be ready to pay out this maintenance for a room, which was far more than the maintenance they were paying today for their entire house with possibly a two wheeler and four wheeler parking charges as well. Majority would prefer to sell and go away with such high maintenance costs, so the question to be asked was whether we want to keep the homogenous nature of Talmakiwadi intact, or hand over this gold mine (property) which our ancestors had left for us to a builder. Secondly, if we float tenders for the builder model and do not call them subsequently, they would not allow us to have an easy life.

Mr. Gautam Padukone (1A/17) mentioned that quite a few detailed questions had come up, and we had not got answers to some of those – like how much area we would get, how much maintenance we would have to pay. These questions cannot be answered at this juncture. If we decide to make up our minds basis the answers we will get, we will have to wait for 4 years before anything can take place. In order to take a call on whether we go for self or builder led redevelopment, we must understand that we are giving up our land in the latter scenario. If we do this, we are losing control over our flat, which we will retain in the self-redevelopment model and we hold the steering wheel. What we need to give to the Managing Committee and the Sub-Committee is our attention and our trust. The Committee members are also residents so whatever they do will be in the best interest of all of us. We should take informed decisions as were taken in the SGM in January 2023. A lot of effort was taken by Mr. Parag Nagarkatti and his team to mobilize interest in the topic. To revisit that decision is not the best option and we should move ahead. We have an intention and the control in our hands in self-redevelopment. He also narrated that he has worked for a large builder (L&T, whose name had been suggested) for 17 years. His experience showed that the success of any project is dependent on the Project Manager. He had also seen many L&T projects failing so going to a large house like L&T does not prove anything. One can do due diligence on parameters like financial solvency and the like, but nothing matters except that the management is committed to that Project. In the hybrid model, we are assuring the builder of a certain profit and that will hold his interest in the project. We are also stating that you will not get paid unless you complete our building in a stated time frame, which is the incentive for him to construct our building. It is therefore a win-win – we hold some power as we have control of the land with us. Speaking of partial relocation, Mr. Padukone mentioned that we could look at giving our members the option to stay or relocate. Perhaps members in Building Nos.8 and 4/6 could be relocated. Others could stay on voluntarily, only if they were willing to do so. We could even pay such members an incentive. This would reduce our project costs. We also need to start thinking of this project as an entity by itself – it should yield the best results for the Society and individual members and any cost reduced would translate into an incremental benefit. He also stated that a lot of people felt that we did not have the expertise but he disagreed and alluded to Mr. Dutt Sharma and Mr. Devdutt Chandavarkar who were experts in their own right. He too had worked in a Project Company. There were legal experts, financial experts and Chartered Accountants amidst us. Mr. Padukone suggested that the Managing Committee consider the formation of a Sub Committee to tap this expertise.

Mr. Uday Nagarkatti (9/8) mentioned that there had been very constructive discussions through the day but we still had some doubts and fears about the proposed plan. We should learn from the good experience of others like Societies who have implemented this hybrid model. The Sub Committee could be entrusted with this task. He mentioned that after looking at the presentation, the hybrid model was a feasible alternative.

Mr. Mahesh Kalyanpur mentioned that the self-redevelopment circular was issued only in 2019, and between 2020 and 2022 we had several lockdown periods owing to COVID-19. Also, any project would take a few years to complete and so there were very few societies who had actually completed a self-redevelopment project and these were smaller single building societies. Though this was uncharted territory, we had taken the decision to move ahead and he hoped that a few years down the road, other Societies should come and seek guidance from TCHS as to how to go about with such a project.

Mr. Sharad Nadkarni (1A/3) mentioned that we need to move forward now. He was part of the Sub Committee and lauded the efforts put in by that team. They had met many builders and experts in the field, including the Law Firm Mulla & Mulla. One of the concerns expressed was as regards Managing Committee members devoting time and accepting responsibility for this project if something goes wrong. This was a complex exercise and it was critical to ask MPNV to give us a Project Report to cover all facets – relocation, finance, construction, and designing – every aspect needed to be documented and shared with our members. The Managing Committee would require approvals and budgetary sanctions from the General Body to appoint experts such as law firms. The Managing Committee in one of its meetings had also discussed getting people on board to assist the project and paying them remuneration for their services – these experts who were in our midst could be part of a Committee. We need to move on was his message.

Dr. Uday Andar supported the formation of the Sub Committee and volunteered to be a part of it. He also suggested names such as Devdutt Chandavarkar, Gautam Padukone and Dutt Sharma who could contribute. We should move forward with the agreed model and the PMC too was on our side. Even if we were to appoint a CEO for the Project and pay Rs. 2 lakhs a month for 3 to 4 years it would be a small amount keeping in perspective the size of the Project as we would have to spend money to onboard good people. We need to move ahead.

Mr. Kiran Manjeshwar (4/6-1) stated that the General Body had taken an informed decision to go for a self-redevelopment option and he was in favour of it as well. However, he was curious to know whether we could still look at the builder model to compare and see what was on offer as then we would have explored both the options to understand what we would be negating in going for self-redevelopment.

Dr. Uday Andar (2/6) stated that we would lose 2 to 3 years if we went the route suggested by Mr. Manjeshwar as this would require detailed evaluation.

Mr. Satyendra Kumble (1A/10) mentioned that Man Infrastructure had already approached TCHS. Mr. Dutt Sharma (9/03) mentioned that none of these things take place out of ignorance. He narrated that their Senior Engineer, Mr. Sunil Sohoni had approached him at the time when issues relating to Building No. 4/6 and 8 had cropped up and Mr. Sharma had clearly told him that we had passed a resolution opting for self-redevelopment. If after this an approach had been made a second time, the answers were quite obvious.

Mr. Devdutt Chandavarkar (2//06) volunteered to support the redevelopment activity, whether on Sub Committee or not.

Mr. Prakash Basrur (1/A16) drew attention to Mr. Kiran Manjeshwar's suggestion to understand what we were missing under the builder model and mentioned that contractors under the hybrid mode would also be able to throw light on these aspects so there was no requirement to conduct a separate exercise.

Mr. Anand Hoskote (2/14), cited an example of Chand Society in Juhu where his father had a flat and which had contemplated redevelopment 25 years ago. The builder had reneged on his commitments and there was no progress. The younger generation had sold their rights to another builder. The second example was of Yashodhan Society (Bank of India Quarters) in Andheri. Redevelopment was taken up by Kalpataru, a reputed builder, who had committed completion in four years and that they would pay rent etc. Due to some members of the Society pursuing litigation, 2 years were lost until the litigation was settled. However, when possession was given, the members were not given the committed area and the builder stated that he could not afford to do so because of the losses sustained owing to the delay of two years. The committed corpus was also reduced.

Mr. Hoskote mentioned that Santacruz Colony was going in for redevelopment and were in the process of tendering. They felt that they did not have the initial finances to go in for the approvals required. They also could not find anyone interested in forming a Committee, Finally, they identified persons between the ages of 30 & 45 who had the expertise and promptly formed 10 sub-committees and forwarded the notification to those identified who finally agreed to work on these sub-committees.

Satyendra Kumble (1A/10) cited the example of Vamanashram Society which had only 16 members and went for self-redevelopment which has got delayed by 2 years resulting in the senior citizen members having to contribute to self-fund the project. In their case, extra flats were purchased by the members themselves and there were 7 flats remaining to be sold from which they hope to generate profit but they had not even broken even and as of now, the foundation work was in progress. Mr. Kumble therefore mentioned that delays can occur not only in builder led models, but also in self-redevelopment. He ended by stating that if a robust sub-committee can be formed for our project, we would be good to go, but the most important factor is that they have to give time to the project. Speaking for himself, he mentioned that he had opted for early retirement and did not want to be a part of this redevelopment and would be tendering his resignation soon.

Mr. Paritosh Divgi (7/5) mentioned that some of those who had volunteered to be on the sub-committee were remotely located hence it was important for someone who was closer to be involved who can work under the guidance of those experts appealed to the members to consider that compensation be paid to experts for their acumen and skill, which would be part of the project costs.

Dr. Uday Andar (2/6) mentioned that whilst the appointed CEO requires to be paid a monthly compensation, the others would be like a Board of Directors, who get paid whenever they attend a meeting, so similar “sitting fees” may be considered. TCHS would also have to hire paid experts to manage various critical aspects of the project, though a PMC was also appointed.

Mr. Dutt Sharma (9/3) stated that during his earlier submission, he had touched upon the incremental maintenance cost of the optional 150 square feet of space offered to members by MPNV would be approx. Rs. 1,500/- per month, he had missed out one point. He mentioned that irrespective of the model that was followed, constant monitoring and regular inspection was the need of the hour. This would obviously need a larger number of active members than just the core Managing Committee of TCHS, who would take serious interest in the project. He also mentioned that on the topic of complete shifting out of all members, it would rather help if some people stayed on. He also commented on the hardship allowance of Rs. 21,000/- odd that was proposed by MPNV and if you calculate based on even a small house of 200 square feet of current area, the member would receive Rs. 52 lakhs, which could give them an option to move out if they so choose to do. If this sum was invested at a yield of 10% per annum, it would generate a monthly income of Rs. 43,000/- . The extra space given to the member free of cost plus the hardship allowance could work out as a pension amount. Hence it helps to have that kind of a corpus rather than a larger area. Hence, if you have a larger area, you have an expense, but if you have a larger corpus, you have a pension – the choice rests with the members.

Mr. Prakash Basrur (1A/16) suggested the appointment of a CEO for the project and recommended Mr. Mahesh Kalyanpur for the post, because of the efforts that he had put in. Dr. Uday Andar (2/6) seconded this choice and stated that Mr. Kalyanpur was the best person for this post but we would have to check whether the Society rules permitted this appointment.

Mr. Vinayak Yadery (15/13) mentioned that we have the requisite expertise with the blessings of our Guru Parampara and we should utilize our talent for our wadi.

Mr. Mahesh Kalyanpur in summarizing the discussions mentioned that we had discussed the pros and cons of both the models. He emphasized that in a developer model we would require to enter into a Development Agreement (DA) and under the new Finance Bill 2023, if you get possession after more than 3 years post giving away your premises there is a capital gains implication that would come into force from 01 April 2024. In this regard, the old area (which would be subject to indexation depending on the date of purchase) and the cost of the new area would also be accounted for this purpose. The difference in cost would be added to the member's income and would attract capital gains tax, This capital gains tax was applicable only in case of a developer model. Mitigation has been suggested by way of adding clauses in the DA to state that in case of a delay in giving possession, the developer will pay this tax component. If the developer refuses, the member may have to go in for litigation. Also, as per Income Tax rules, one has to first pay any penalty and only then can one appeal. Secondly, based on the experience on speaking to many societies, he cited MIG colony in Bandra East as an example, where one Mrs. Uchil had given a lecture in Saraswat Colony Santacruz. They had engaged one of the top builders. The builders would come with a battery of lawyers for discussions and whenever there was a litigation, the senior citizens opted to compromise and negotiate rather than fight with the builder. In our case also, we would have to enter into agreement and there may be situations where we have to fight out, which we should be ready to face. Also, he mentioned that TCHS need not follow what Saraswat Colony Santacruz was doing.

They had taken a decision on redevelopment as far back as 2014. They lost a lot of time in deliberation on the model and then they had an SGM and selected 3 PMCs, all of whom could not deliver. Eventually, they opted for the developer model and the General Body only in May 2023 decided to float tenders. They appointed Sumedha Gore to manage the tendering process but even as on date, the tender had not seen the light of day. Some members had mentioned a time frame of 2 to 3 months to finalize a tender document, which appeared to be unrealistic.

On MPNV, he commented that as mentioned by him earlier, he had strong reservations about them when he had visited their office and he did not have the confidence to continue with them. A good thing was that our earlier appointment letter had only mandated them to prepare and submit a Feasibility Report to the Society. We had not given them the mandate to discuss with any builders/agencies for redevelopment in the appointment letter then issued. We had asked them to demonstrate to us the actual team that they have. They brought a lot of experts in the field including a DM from Tardeo to whom we posed a lot of questions and we were not satisfied. Now they had come up with MCPL which was communicated only on Friday (two days prior to the SGM). We do require to take a few decisions, i.e. whether we require to continue with MPNV for the balance project and issue them an appointment letter. After the presentation made, we had developed some confidence, but we would like to visit the office of MCPL and all the collaborators of MPNV to understand if they were agreeable to partner with MPNV and the binding that they will have in the project and whether they would stay with MPNV till the end of the project. Legal documentation was required to be executed to bind these collaborators to this Project. We would also be required to understand whether the developers that MPNV named were actually interested in this project on our terms, as we have not met any of them, which the Managing Committee would do after the General Body provides its go-ahead.

Mr. Kalyanpur mentioned that Man Infrastructure Projects Limited had sent a letter to TCHS requesting for papers so that they could give us their proposal. They had been informed that we required to seek General Body approval as our mandate was for self-redevelopment. Also, General Body go ahead would be required to speak to legal and tax firms to obtain commercial quotes, post which General Body approval would be sought. The last point was whether to go in for a part or a complete demolition, where not only the cost angle but the health of residents was required to be considered. The modalities for this would be worked out. A solution oriented mind set was required for this project.

Lastly he mentioned that there is a misconception amongst few members that once the project is handed over to a Developer the members & MC members need not bother about monitoring the progress of the project and take their possession when the Developer hands over the keys. He mentioned that even when a person owning a land decides to construct a small cottage or bungalow through a contractor, he will continue to visit the site and get satisfied that things are going on as per plans within the decided budget. In our case also each member is a land owner hence his personal involvement during the construction phase is important. He appealed to the members to look at the project as their own construction of constructing a house and contribute with their inputs for the overall benefit of the project.

Mr. Mahesh Kalyanpur then requested for volunteers who would be willing to join the Redevelopment Sub-Committee and the following members volunteered:

- Mr. Vinay Balse
- Mr. Devdutt Chandavarkar
- Ms. Maithili Padukone
- Mr. Vinayak Yadery
- Mr. Gautam Padukone
- Mr. Samiir Halady
- Ms. Sneha Shah
- Ms. Shruti Gokarn
- Ms. Gaurita Udiyavar (subsequently withdrew)
- Dr. Uday Andar
- Mr. Kiran Manjeshwar
- Mr. Nitin Kaikini
- Ms. Aparnaa Kalbag
- Mr. Anand Hoskote
- Mr. Nilesh Kalyanpur (replaced Ms. Gaurita Udiyavar).

It was decided by the General Body that we would issue an appointment letter to MPNV post completion of due diligence of their collaborators.

Mr. Kalyanpur mentioned that the appointment of the CEO for the redevelopment project would be taken up at a subsequent meeting. However, he mentioned that part from MPNV, we could consider appointing another PMC company and in this regard, he would speak to a Tata Group company (Eco First) which is also into redevelopment after checking with them their willingness to come on board as TCHS representative to oversee and monitor the Project on an ongoing basis and to validate the PMC and their collaborators and understand the commercials for their doing so.

Mr. V P Pai (17/4) mentioned that he was glad that a second PMC was being considered and they should be one which has financial, legal and technical expertise under a single roof. He also mentioned that there were specialized firms which he could refer to the Managing Committee. Mr. Mahesh Kalyanpur mentioned that the extant rules did not permit PMCs to employ in-house legal and tax experts on their payroll and this work was required to be outsourced. Mr. Pai expressed reservations about MPNV as well as the self-redevelopment model, but stated that a decision had already been taken on it. Mr. Kalyanpur also mentioned that this was now beyond the scope of further deliberations.

Since the agenda for the meeting was discussed and deliberated the Chairman requested for permission of the members to declare the meeting as closed.

The members agreed for the same and the members joined in thanking the Managing committee members for their efforts and the Chairman for conducting the meeting.

Mr. Mahesh Kalyanpur then declared the meeting as closed.

Sd.
Shivdutt Halady
Hon. Secretary
31.12.2023