

18 May 2025

Dear Member of Talmakiwadi,

Further to our emails dated 17 March 2025 and 28 April 2025, we now provide the third update on our Redevelopment Project.

Project Management Consultants (PMCs):

The Redevelopment Sub-Committee (RSC) advised us that of the 7 PMCs shortlisted by them, 2 were no longer in contention. Ramnani & Associates did not share their preliminary Feasibility Report (FR) with the RSC. The RSC also mentioned that Samarth Enterprises, who had only provided a FR for the Self-Redevelopment Model, had declined to provide a revised FR.

Feasibility Reports from PMCs:

In our last update, we mentioned that the RSC had shared only 2 preliminary FRs with the Managing Committee (MC). After some follow-up emails, the RSC shared the remaining FRs with us on 08 May 2025 via email. However, the file attachments could not be viewed by the MC due to access restrictions. After much follow up, the RSC eventually sent us 6 FRs on 11 May 2025 via email, which we were able to access. These FRs appeared to have been shared with the RSC by the PMCs between 09 April 2025 and 19 April 2025.

The MC conducted a preliminary review of 5 FRs (excluding the FR of Samarth Enterprises) and provided our feedback to the RSC in 5 separate emails between 14 May 2025 and 15 May 2025.

MCs initial summarized observations on the FRs:

1. The wording of the newspaper advertisement and the subsequent General Body decision of 26 January 2025 required the FRs of the shortlisted PMCs to cover the Self-Redevelopment Model, the Hybrid/DM Model and the Builder/Developer Model along with Risks and Mitigates of each Model. These aspects were either missing or had not been adequately covered in the FRs shared with us.
2. None of the FRs included information on the redevelopment related work done by the PMCs, including the Model (Self Redevelopment, Builder Model, DM/Hybrid Model) the Built-Up Area of each Project, the role played by them (whether as Architect or PMC) and the current status of each Project (under discussion, work commenced, work in progress, completed. etc.). It was therefore not possible to ascertain from the FRs if the shortlisted PMCs had met the General Body stipulated eligibility criteria for shortlisting.
3. The financial number crunching submitted by various PMCs and the formats used were different, posing challenges to make comparisons across PMCs.
4. Only some PMCs had provided Pros and Cons of various Models, but Risk Mitigation was not included.
5. One of the PMCs had mentioned that the Society may have to mortgage its land for raising finance. The other PMCs had not commented on this aspect.
6. Apart from Samarth Enterprises (please see above), one more PMC (Anil Nagrath & Associates) had provided a Feasibility Report only for the Self-Redevelopment Model.

7. Another PMC (Toughcons Nirman Pvt. Ltd.) had submitted a revised FR. However, the anomaly of the Plot Area had not been rectified in their revised submission.

The RSC advised that:

- They agreed with our observation that the numbers mentioned by various PMCs in their FRs were different.
- They had not documented any observations with the PMCs on the FRs shared with the MC and would forward our initial observations to the PMCs for their responses.
- They intended to bring all the PMCs to the same datum line and send us their presentations for forwarding to the General Body members.
- Due Diligence was proposed to be conducted only after the PMCs were brought to the same datum via face-to-face meetings wherein the MC members would also be requested to participate as previously agreed.

We provided the following feedback to the RSC, on which their responses are awaited:

1. We had expected the RSC to bring all the PMCs to a common datum line before the PMCs had started work on the FRs.
2. We sought clarity as to whether the RSC had provided a Dossier or Information Memorandum to the PMCs and if so, requested the RSC to share it with us.
3. We requested the RSC to set up face-to-face joint meetings with the PMCs for the RSC and MC, wherein the PMCs should also present the FRs to us, so we understand their thought process and can ask questions. This was to ensure that what we would subsequently circulate to the General Body members has passed through our qualitative filters.
4. As previously agreed, the MC would collaborate on the Due Diligence exercise. We mentioned that this process would require to mandatorily include visits to some of the Societies with whom the PMCs have associated, so we obtain firsthand feedback about the PMCs from their Office Bearers. If the PMCs had not furnished these details and contact points, we requested the RSC to ask the PMCs to send this information to them copying us.

Anomaly on Bhunakasha:

As advised earlier, with reference to the KSA Plot No. 1A/312 not being shown separately on the official website of Bhunaksha, we (the Office Bearers of TCHS and KSA) visited the Office of the Collector of Bombay on 08 April 2025 and submitted written applications to have this anomaly rectified. We followed up through a personal visit on 05 May 2025 and were informed that the matter was under process. This will not, however, have an impact on the overall Plot Area available to the Project.

Latest Developments:

1. The MC had submitted a recommendation to the Government of Maharashtra (GoM) on behalf of members of the Society to:

- a. Allow holding of online General Body Meetings including Special General Body Meetings (SGMs) for redevelopment to facilitate participation of members living overseas in the redevelopment process.
- b. Increase the limit currently available to co-operative housing societies to borrow from their members to raise finance for the purpose of redevelopment through bonds or other similar instruments.

We are pleased to inform our members that the GoM has incorporated both these suggestions in the Draft Maharashtra Co-operative Societies (MCS) Rules issued on 15 April 2025. The GoM had invited suggestions/objections to the Draft MCS Rules by 16 May 2025, post which the Rules will be finalized, and a Government Resolution (GR) will be issued for implementation. We therefore expect this to take place shortly. **The Draft MCS Rules 2025 have been attached for reference.**

Apart from the above-mentioned points, several major changes have been proposed in the MCS Rules 2025, which include increasing the ceiling of amounts available to the MC for conducting repairs, clarity on transmission of shares, etc. Once the GR is issued, we may have to amend our By-Laws to remain compliant with the MCS Act and the Rules.

2. The GoM has formed a Study Group headed by Shri Pravin Darekar, Chairman of Mumbai District Co-operative Bank (MDCB), to make recommendations to promote self-redevelopment of registered co-operative housing societies. The Study Group will review pending recommendations from the GR of 04 July 2019 that allowed self-redevelopment and advise on necessary actions. This measure aims to strengthen implementation of approved policy measures and suggest solutions to ensure financial and technical support for self-redevelopment projects. The Study Group will also recommend to the GoM standard procedures and guidelines to ensure successful self-redevelopment, explore extension of self-redevelopment schemes to slum areas, Government and Municipal Land Projects and recommend remedies for stalled or legally entangled redevelopment projects. The Study Group is required to submit its Report to the GoM within 3 months.

In this context, the GoM has invited suggestions from co-operative housing societies by 31 May 2025 highlighting pain points envisaged by them in undertaking self-redevelopment so as to enable the Study Group to take them into account in their recommendations.

We have requested the RSC to collate a list of problems/hindrances that they foresee should we opt for self-redevelopment as well as to suggest changes to the current framework of rules/laws governing redevelopment and share them with us. The MC will thereafter review and submit them to the Study Group. If our suggestions are considered, it may help to remove some stumbling blocks and smoothen the self-redevelopment process.

The GR dated 24 April 2025 advising formation of the Study Group and the advertisement released by the GoM are attached for reference.

Way forward on Redevelopment:

1. As mentioned above, the MC will meet the shortlisted PMCs along with the RSC to interactively understand their submissions as well as to bring all the PMCs to a common datum line, without which it would not be possible for the General Body members to meaningfully compare the submissions of various PMCs and select the best one.

2. A Due Diligence of the shortlisted PMCs will be conducted by the RSC and MC before we ask the PMCs to present to the General Body members at the SGM scheduled on 27 July 2025.

Should you have any observations or questions, please do write to us at talmakiwadi@hotmail.com

Best Regards,

For The Talmakiwadi Co-operative Housing Society Limited

Shivdutt Halady

Hon. Secretary