

Minutes of the Meeting of the Managing Committee (MC) and Redevelopment Sub-Committee (RSC) with Blossom Co-operative Housing Society (Blossom CHS), Marol on Wednesday, 02 July 2025 at 11:30 a.m.

Attendees:

1. Mr. Anil Tawde (Hon. Secretary, Blossom CHS)
 2. Mr. Mahesh Kalyanpur (Chairman, TCHS)
 3. Mr. Shivdutt Halady (Hon. Secretary, TCHS)
 4. Mr. Satyendra Kumble (Hon. Treasurer, TCHS)
 5. Mr. Anand Hoskote (Member RSC, TCHS)
 6. Ms. Shruti Gokarn (Member RSC, TCHS)
- Mr. Tawde gave us a background of the Blossom CHS. The Society had been constructed by employees of Pfizer Limited. Construction commenced in 1965 and the members took possession in 1969. Blossom CHS has 284 members and a Plot Area of over 25,000 square metres. He brought out that their seniors, one of whom is still living had constructed Blossoms with their money with no outside help and they want to maintain that spirit.
 - The Society members had initially opted for Builder Led Redevelopment and the process commenced in 2014. They received offers from some prominent builders like Godrej, Raymond Realty, etc. However, they chose a Goel Ganga in 2018, a Pune based builder given that their offer was the best. However, Covid stalled their project and nothing much happened till 2022.
 - In that period of time, the MC members decided to explore self-redevelopment owing to a change in the DCPR framework They did their calculations and also took assistance from Tata Eco First to give them a feasibility report. They found that self-redevelopment is going to them more benefits and the builder is not giving them a good deal at all. And in fact cheating them. For e.g. the builder was giving them a corpus of Rs 2500 while as self was generating a profit of Rs 20,000/- which led them to believe that the benefits under self-redevelopment would be significantly better. They were fortunately able to achieve an amicable separation from the chosen builder.
 - Based on their conviction and Tata Eco's feasibility, their GB supported a mandate for self-redevelopment, though there were sections of the GB and the MC who were in favour of a builder. However, their process did not build up steam initially, owing to internal strife. However, the MC took a pragmatic approach and accepted criticism from the opposite faction constructively. In fact, Mr. Tawde credited the pro-builder faction and stated that they learnt a lot from their feedback and it helped them to approach self-redevelopment more pragmatically. While the MC members do face opposition from some GB members, most of the GB members have favoured self-development, more so because of the failure of the Builder Model that had been attempted earlier.

- Though Blossom CHS is eligible for Cluster Redevelopment under 33(9), they have opted for redevelopment under 33(7)(b) because they want to retain more open spaces in line with their current state.
- After GBs approval they tendered out for PMCs and have appointed SMC/ Progov as their PMC and IM Kadri as their architects / liaison architects, When queried whether there is a conflict of interest between the two, they said that there are issues which are resolved by discussions and it also benefits the society as there is a cross check.
- Blossom had obtained Feasibility Reports from 4 entities, including TATA-Eco first. Eventually, they appointed I M Kadri Architects (IMK) as Architect for planning and Designing the Project, Municipal Liaison, and some other activities. They also appointed Progov Solutions Pvt Ltd (Progov) as a PMC. Effectively, they have split the PMC function across 2 distinct entities to achieve checks and balances. Mr. Tawde appreciated the role of IMK and also mentioned that having IMK on board has enabled them to establish credibility given the reputation of that firm. Whereas IMK were not paid initially, they continued to support the Society for almost 2 years recognizing that they had not raised funds. Further he said that IMK are not very expensive but very professional.
- Blossom CHS have also appointed a legal consultant / solicitor and a firm who will manage their Society's website for a total period of 4 years, the latter at a cost of Rs. 10 lakhs. They are also in the process of hiring Cushman & Weikfield as their construction consultants and Knight & Frank as their marketing consultants for sale of flats.
- Their total Project cost is estimated at Rs. 900 crores and Blossoms expects a bottom line of Rs. 450 crores. They have assured their GB of a hardship allowance of Rs. 9,000/- per square foot at this stage though they expect this amount to increase to 20,000/-. Members will receive 50% extra area post redevelopment. They are constructing around 780 flats out of which 300 are for rehab and balance 480 for sale.
- They had also sought guidance from Mr. Chandrashekhar Prabhu (CP) in 2021, and he suggested them that they should sell extra area as well as flats to their own members at a discounted rate to raise the initial requirement for funding, and also to sell flats to relatives and friends of members by offering discounts. CP had assured them that he would help them to raise finance, but that did not work out even after waiting for quite some time. Hence they decided to explore financing options on their own.
- When asked about how they are now managing their initial funding / finance. He replied that they have chosen 2 ways, one is selling extra space to the members at 25% discount to the market rate and the other is selling flats to member's families and friends, He said the second way has been shown to them by their PMCs and solicitor and it can be done. Mr. Madhav Bhagwat of Progov Solutions can help in this area of finance as he has recommended the second way.
- Blossom has offered extra area and new flats to their members/ families/ friends at a 25% discount, i.e., at Rs.22,500/- per square foot. They initiated an Expression of Interest and took it forward to raise contributions from members. They have collected

20% of the sale value from some members and have raised Rs. 14 +17 crores so far. This includes a demand of 17 new flats. Blossom CHS has commitments for internal sale of 8,000 square feet. The amounts so collected have been placed in a separate current account (interest free) dedicated for redevelopment. Blossom CHS expects to incur a cost of approx. Rs. 7 crores for IOD which includes 5 crores for IOD and approx. Rs. 2 crores for various other approvals such as high rise, MOEF etc. They suggested the same strategy to us because raising finance externally at the preliminary stage is extremely difficult.

- We mentioned that we were keen to sell the inventory within our community. Mr. Tawde suggested that we should promote it as a community cause and approach the HNIs within the community to buy flats.
- Blossom CHS has pegged their open market sale rate for the Project at Rs. 30,000/- per square foot, whereas Builder led projects in the vicinity (like Vasant Oasis) are currently selling at Rs. 36,000/- to Rs. 38,000/- per square foot and they have sold approx. 1,500 flats and have launched a second phase too. This is a deliberate strategy to be conservative in terms of estimating profitability for the Project so that they sell their flats easily.
- They have not yet submitted their proposal for approval and expect to do so by July end. For the IOD they already have the finance of 5 crores,
- Post IOD, Blossom CHS expects to incur an incremental cost of approx. Rs. 27 crores to take the Project to CC/ RERA approval which has to be construction up to plinth level. They have planned to raise this amount from sale of flats to members/ families / friends Post this step, they will register with RERA at which point they will commence sales in the open market. Once this happens they expect funds from sale of flats to further their progress in the project.
- Mumbai District Central Cooperative Bank (Mumbai Bank) has offered Blossom CHS an in-principle approval for a loan of Rs. 200 crores post RERA registration. This may however involve mortgage of land and/or lien on the saleable component of flats. This is a stand-by arrangement and at this stage Blossom CHS does not intend to avail the sanction as they are confident of raising funds through sale of 480 flats. They are also in discussions with MAHAPREIT . who are willing to give them a loan of upto 400 crores with out land mortgage after IOD, He said that financing is not a big issue as once IOD is obtained finance can easily be got, He further said that barter construction or DM model can be also be an alternative if funds are not available where the construction companies offer to fund the entire project in lieu of sale areas/flats for which they have received offers from construction companies. However they plan to do their project without taking any loans as they are confident that once they get CC/ RERA approval they will be able to sell their flats easily.
- Mr. Tawde stated that the Society is extremely confident to sell approx. 480 flats in the open market given the prevailing market sentiment in the surrounding area and given that Blossom CHS will offer a premium and high quality Project.

- Progov suggested that Blossom CHS should have a cut-off date or the first phase of internal sale (@ Rs. 22,500/- per square foot) and then enhance the rate to RS. 25,000/- per square foot.
- He mentioned that there were a couple of self-redevelopment projects (albeit small) in progress in their vicinity.
- Blossom CHS has an MC comprising of 12 members and a RSC of 23 members. Of these, 5 MC and 12 RSC members are completely involved in the Project, virtually full time. Their Chairman, Mr. S D Bargir (aged 75) is a Company Secretary by Qualification, and Mr. Anil Tawde (aged 54) is a Mechanical Engineer. Both are extremely active. Also, their members have a diverse mix of Chartered Accountants and Civil Engineers. He also said that 5 to 7 persons are actually required to work for the project. The Chairman and Tawde are the key personnel who attend every meeting with the consultants and the balance members have complete trust and implicit faith in their decisions.
- Mr. Tawde emphasized that their ethos has been to work with total transparency between the 2 Committees as well as with their GB members. He urged us to follow this practice as it would help build trust amongst all involved and help the project. The MC and RSC members have regular in-person meetings and at times even more than one meeting a day. These meetings are attended by most of the MC and the RSC members, include some of whom do not reside in the Society.
- The MC expends amounts of up to Rs. 1 lakh (as per current MCS Rules) and keeps the GB informed about the expenses so incurred. The MC always seeks GB approval for expenses exceeding this amount by calling SGMs.
- Their MC and RSC put in significant efforts in terms of visiting exhibitions and societies who have pursued Self-Redevelopment. They visited societies to gauge feedback about PMCs and other contractors to obtain first hand feedback as part of their shortlisting and selection process. They have been systematically maintaining a record of minutes of MC and RSC meetings, meetings with all consultants as well as above visits conducted. These minutes are promptly circulated to their GB members.
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- Mr. Tawde exuded confidence and was very positive and thus encouraged us to explore self-redevelopment as it will enable us to generate maximum value from the project, though it will require significant and sustained effort from those involved. He said the most important thing is that MC and RSC should function as one unit and they should have complete trust within themselves and have implicit faith in all important

decisions taken and then only the project will move smoothly and swiftly. He wished all the success.

- They sought guidance from Mr. Chandrashekhar Prabhu (CP) in 2021, and he suggested them that they should sell extra area as well as flats to their own members at a discounted rate to raise the initial requirement for funding, and also to sell flats to relatives and friends of members by offering discounts. CP had assured them that he would help them to raise finance, but that did not work out even after waiting for quite some time. Hence they decided to explore financing options on their own.
- Blossom CHS has pegged their open market sale rate for the Project at Rs. 30,000/- per square foot, which was based on a market survey conducted by CBRE. Builder led projects in the vicinity (like Vasant Oasis) are currently selling at Rs. 36,000/- to Rs. 38,000/- per square foot and they have sold approx. 1,500 flats and have launched a second phase too. This is a deliberate strategy to be conservative in terms of estimating profitability for the Project.
- Blossom has offered extra area and new flats to their members at a 25% discount, i.e., at Rs.22,500/- per square foot. They initiated an Expression of Interest and took it forward to raise contributions from members. They have collected 20% of the sale value from members and raised Rs. 14 crores so far. This includes a demand of 17 new flats. Blossom CHS has commitments for internal sale of 8,000 square feet. The amounts so collected have been placed in a separate current account (interest free). Blossom CHS expects to incur a cost of approx. Rs. 7 crores for IOD which includes approx. Rs. 2 crores for various approvals such as high rise, MOEF etc. They suggested the same strategy to us because raising finance externally at the preliminary stage is extremely difficult.
- Their Project will achieve break even when they sell 300 flats at the current rate. They are confident of doing so on account of the success of projects like 'Vasant Oasis' in the vicinity.
- They have not yet submitted their proposal for approval and expect to do so by July end.
- Post IOD, Blossom CHS expects to incur an incremental cost of approx. Rs. 27 crores to take the Project to CC and plinth level. Post this step, they will register with RERA at which point they will commence sales in the open market.
- Mumbai District Central Cooperative Bank (Mumbai Bank) has offered Blossom CHS an in-principle approval for a loan of Rs. 200 crores post RERA registration. This may however involve mortgage of land and/or lien on the saleable component of flats. This is a stand-by arrangement and at this stage Blossom CHS does not intend to avail the sanction as they are confident of raising funds through sale of 480 flats.
- Mr. Tawde stated that the Society is extremely confident to sell approx. 480 flats in the open market given the prevailing market sentiment in the surrounding area and given that Blossom CHS will offer a premium and high quality Project.
- He mentioned that there were a couple of self-redevelopment projects (albeit small) in progress in their vicinity.

- Self-redevelopment necessitates frequent GB meetings, sometimes even at fortnightly intervals. They conduct all GB meetings physically and their member attend these meetings in good numbers – more than 125 members on average.
- Blossom had obtained Feasibility Reports from 4 entities, including TATA-Ecofirst. Eventually, they appointed I M Kadri Architects (IMK) as Architect for planning and Designing the Project, Municipal Liaison, and some other activities. They also appointed Progov Solutions Pvt Ltd (Progov) as a PMC though they have used the term 'Stakeholder Management Company' (SMC) for Progov. Effectively, they have split the PMC function across 2 distinct entities to achieve checks and balances. Plans prepared by IMK are vetted by the SMC. Mr. Tawde appreciated the role of IMK and also mentioned that having IMK on board has enabled them to establish credibility given the reputation of that firm. Whereas IMK were not paid initially, they continued to support the Society for almost 2 years recognizing that they had not raised funds.
- Blossom CHS have agreed fixed flat sizes decided in consultation with IMK and the SMC which have been approved by their GB. All members will receive 60% additional area. In case the new flat area allotted by adding the additional area of 60% to the existing area is lower than the next available flat size, the differential area will have to be purchased by the member at Rs. 22,500/- per square foot if paid before the last date approved by the General Body. If not, the member will have to pay Rs. 30,000/- per square foot at the time of possession. Alternately, the member has the option of adjusting the amount payable for the additional area from the hardship allowance that would be paid out. In sum, their members can select a higher size flat and buy additional area at the reduced price. However they are not allowed to choose a smaller size flat.
- Blossom CHS have also appointed a legal consultant and a firm who will manage their Society's website for a total period of 4 years, the latter at a cost of Rs. 10 lakhs.
- The Construction Contract may be allotted to L&T but their work will be supervised and certified by Cushman & Wakefield. They believe that a reputed name like L&T will help them to achieve open market sales. The construction cost has been estimated as Rs. 4,500/- per square foot.
- The option for members to select "Jodi Flats" has been incorporated in the plan.
- The Total Project cost is estimated at Rs. 900 crores and Blossom expects a bottom line of Rs. 450 crores. They have assured their GB of a hardship allowance of Rs. 9,000/- per square foot at this stage though they expect this amount to increase.
- We mentioned that we were keen to sell the inventory within our community. Mr. Tawde suggested that we should promote it as a community cause and approach the HNIs within the community to buy flats.
- Progov suggested that Blossom CHS should have a cut-off date for the first phase of internal sale (@ Rs. 22,500/- per square foot) and then enhance the rate to RS. 25,000/- per square foot.

- Mr. Tawde encouraged us to explore self-redevelopment as it will enable us to generate maximum value from the project, though it will require significant and sustained effort from those involved.