

## Valuation Report of the Immovable Property (For Capital Gain Purpose)



### Details of the property under consideration:

Name of Client : **Mr. Milind Bhaskar Borude**

Residential Flat No. 5189, 8<sup>th</sup> Floor, A Wing, Building No. 154, "Kurla Kajrolkar Co-Op. Hsg. Soc. Ltd.", Nehru Nagar, Village - Kurla, Kurla (East), Mumbai – 400 024, State – Maharashtra, Country – India

Latitude Longitude: 19°03'35.6"N 72°52'51.5"E

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## 1. VALUATION OPINION REPORT

This is to certify that the property bearing Residential Flat No. 5189, 8<sup>th</sup> Floor, A Wing, Building No. 154, “**Kurla Kajrolkar Co-Op. Hsg. Soc. Ltd.**”, Nehru Nagar, Village - Kurla, Kurla (East), Mumbai – 400 024, State – Maharashtra, Country – India was belongs to **Mr. Milind Bhaskar Borude legal heir of Mrs. Kusum Bhaskar Borude**. Said new flat sold to Mrs. Varsha Viresh Prabhu as per Sale agreement dated 29.09.2022

Boundaries of the property.

North	:	Kedarnath Temple
South	:	Open Plot No. 153
East	:	Kedarnath Temple Road
West	:	Kedra Heights

1. The purpose of this report is to ascertain the Indexed Cost of Acquisition ( F. Y. 2022 - 23) of the property as detailed above.
2. The property premises can be assessed and valued for calculation of Capital Gain Tax purpose as on 01.11.2010 at ₹ **26,80,132.00 (Rupees Twenty Six Lakh Eighty Thousand One Hundred Thirty Two Only)**
3. The Indexed Cost of Acquisition of Property under consideration as on 2022 – 23 is ₹ **53,12,118.00 (Rupees Fifty Three Lakh Twelve Thousand One Hundred Eighteen Only)** without any major Renovation & improvement after 2010.
4. The following documents were perused :

- A. Copy of Agreement of Sale dated 29.09.202 between Mr. Milind Bhaskar Borude (Vendor) & Mrs. Varsha Viresh Prabhu (Vendee).
- B. Copy of Society Allotment Letter dated 01.11.2010 in the name on Mrs. Kusum Bhaskar Borude issued by Kurla Kajrolkar Co-Op. Hsg. Soc. Ltd.

This assignment is undertaken based on the request from our client **Mr. Milind Bhaskar Borude**.

The valuation of the property is based on the documents produced by the concern. Legal aspects have not been taken into considerations while preparing this valuation report.

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Valuation Report of Residential Flat No. 5189, 8<sup>th</sup> Floor, A Wing, Building No. 154, "Kurla Kajrolkar Co-Op. Hsg. Soc. Ltd.", Nehru Nagar, Village - Kurla, Kurla (East), Mumbai – 400 024, State – Maharashtra, Country – India

## 2. Part-1 Form 0-1

(See Rule 8 D)

REPORT OF VALUATION OF IMMOVABLE PROPERTY (OTHER THAN AGRICULTURAL LANDS, PLANTATIONS, FORESTS, MINES AND QUARRIES)

### 2.1. GENERAL:

1	Purpose for which the valuation is made	To assess the Fair Market Value as on 01.11.2010 for computation of <b>Capital Gains Tax</b> .
2	Date of Report	12.09.2023
3	Name of the Owner	<b>Mr. Milind Bhaskar Borude legal heir of</b> Mrs. Kusum Bhaskar Borude. Said new flat sold to Mrs. Varsha Viresh Prabhu as per Sale agreement dated 29.09.2022
4	If the property is under joint ownership, Ownership / co-ownership, share of each such owner. Are the shares undivided?	Sole Ownership
5	Brief description of the property	Residential Flat No. 5189, 8 <sup>th</sup> Floor, A Wing, Building No. 154, " <b>Kurla Kajrolkar Co-Op. Hsg. Soc. Ltd.</b> ", Nehru Nagar, Village - Kurla, Kurla (East), Mumbai – 400 024, State – Maharashtra, Country – India
6	Location, street, ward no	Kedarnath Temple Road
7	Survey/ Plot no. of land	CTS No. 12(part) and S. No. 229 & 267 Village Kurla – 3, Taluka Kurla
8	Is the property situated in Residential / commercial/ mixed area/ industrial area?	Residential
9	Classification of locality-high class/ middle class/poor class	Middle Class
10	Proximity to civic amenities like schools, Hospitals, Offices, market, cinemas etc.	All the amenities are available in the vicinity.
11	Means and proximity to surface communication by which the locality is served	Served by BEST Buses, Auto, Taxies, Private Vehicles

### 2.2. LAND

12	Area of land supported by documentary proof. Shape, dimension and physical features	<b>For 2001 – 2010</b> Carpet Area = 321.25 Sq. Ft. (Area as per Agreement dated 29.09.2011)
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		<p><b>Built up area = 386.00 Sq. Ft.</b>  <b>(Carpet Area + 20%)</b>  <b><u>For 2010 - 2022</u></b>  Carpet Area = 525.00 Sq. Ft.  (Area as per Sale agreement dated 29.09.2022)  <b>Built up area = 630.00 Sq. Ft.</b>  <b>(Carpet Area + 20%)</b></p>
13	Roads, Streets or lanes on which the land is abutting	Kedarnath Temple Road
14	If freehold or leasehold land	Freehold
15	If leasehold, the name of Lessor/lessee, nature of lease, date of commencement and termination of lease and terms of renewal of lease. (i) Initial premium (ii) Ground rent payable per annum (iii) Unearned increase payable to the Lessor in the event of sale or transfer	-
16	Is there any restriction covenant in regard to use of land? If so attach a copy of the covenant.	As per documents
17	Are there any agreements of easements? If so attach a copy of the covenant	Information not available
18	Does the land fall in an area included in any Town Planning Scheme or any Development Plan of Government or any statutory body? If so give Particulars.	Municipal Corporation of Greater Mumbai
19	Has any contribution been made towards development or is any demand for such contribution still outstanding.	Information not available
20	Has the whole or part of the land been notified for acquisition by government or any statutory body? Give date of the notification.	No
21	Attach a dimensioned site plan	Attached

### 2.3. IMPROVEMENTS

22	Attach plans and elevations of all structures standing on the land and a lay-out plan.	N.A.
23	Furnish technical details of the building on a separate sheet (The Annexure to this form may be used)	Attached
24	Is the building owner occupied/ tenanted/ both?	Occupied by Mrs. Varsha Viresh Prabhu
	If the property owner occupied, specify portion and extent of area under owner-occupation	N.A.

25	What is the Floor Space Index permissible and Percentage actually utilized?	<ul style="list-style-type: none"> <li>• Floor Space Index Permissible – As per Development Control of Regulation of Municipal Corporation of Greater Mumbai</li> <li>• FSI percentage actually utilized - Information not available</li> </ul>
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## 2.4. RENTS

26	(i)	Names of tenants/ lessees/ licensees, etc	N.A.
	(ii)	Portions in their occupation	N.A.
	(iii)	Monthly or annual rent /compensation/license fee, etc. paid by each	N.A.
	(iv)	Gross amount received for the whole property	N.A.
27		Are any of the occupants related to, or close to business associates of the owner?	N.A.
28		Is separate amount being recovered for the use of fixtures, like fans, geysers, refrigerators, cooking ranges, built-in wardrobes, etc. or for services charges? If so, give details	N.A.
29		Give details of the water and electricity charges, If any, to be borne by the owner	Information not available
30		Has the tenant to bear the whole or part of the cost repairs and maintenance? Give particulars	N.A.
31		If a lift is installed, who is to bear the cost of maintenance and operation- owner or tenant?	N.A.
32		If a pump is installed, who is to bear the cost of maintenance and operation- owner or tenant?	N.A.
33		Who has to bear the cost of electricity charges for lighting of common space like entrance hall, stairs, passage, compound, etc. owner or tenant?	N.A.
34		What is the amount of property tax? Who is to bear it? Give details with documentary proof	Information not available
35		Is the building insured? If so, give the policy no., amount for which it is insured and the annual premium	Information not available
36		Is any dispute between landlord and tenant regarding rent pending in a court of rent?	N. A.
37		Has any standard rent been fixed for the premises under any law relating to the control of rent?	N. A.

## 2.5. SALES

38	Give instances of sales of immovable property in the locality on a separate sheet, indicating the Name and address of the property, registration No., sale price and area of land sold.	As per sub registrar assurance records
39	Land rate adopted in this valuation	N. A. as the property is valued by composite rate method
40	If sale instances are not available or not relied upon, the basis of arriving at the land rate	Copy of Stamp Duty Ready Reckoner for the year 2001 & 2010 attached

## 2.6. COST OF CONSTRUCTION

41	Year of commencement of construction and year of completion	Year of Completion Old Building – 1980 (As per society Letter) and New Building – 2010 (As per Sale Agreement)
42	What was the method of construction, by contract/By employing Labour directly/ both?	Information not available
43	For items of work done on contract, produce copies of agreements	N. A.
44	For items of work done by engaging Labour directly, give basic rates of materials and Labour supported by documentary proof.	N. A.

## 3. PART II- VALUATION

### 3.1. General:

Under the instructions of **Mrs. Varsha Viresh Prabhu**, we have valued the Residential Flat No. 5189, 8<sup>th</sup> Floor, A Wing, Building No. 154, “**Kurla Kajrolkar Co-Op. Hsg. Soc. Ltd.**”, Nehru Nagar, Village - Kurla, Kurla (East), Mumbai – 400 024, State – Maharashtra, Country – India to ascertain the market value of said property, as on 01.11.2010 for computation of Capital Gains Tax.



We are in receipt of the following documents:

- A. Copy of Agreement of Sale dated 29.09.2022 between Mr. Milind Bhaskar Borude (Vendor) & Mrs. Varsha Viresh Prabhu (Vendee).
- B. Copy of Society Allotment Letter dated 01.11.2010 in the name on Mrs. Kusum Bhaskar Borude issued by Kurla Kajrolkar Co-Op. Hsg. Soc. Ltd.

### 3.2. Location:

The said building is located at CTS No. 12(part) and S. No. 229 & 267 Village Kurla in Municipal Corporation of Greater Mumbai. The property falls in Residential Zone. It is at 4.2 Km travel distance from Kurla railway station.

### 3.3. History:

Original property was Flat No. 5192, 2<sup>nd</sup> Floor, Wing – B, Building No. 154, “**Kurla Kajrolkar Co-Op. Hsg. Soc. Ltd.**”, Nehru Nagar, Kurla (East), Mumbai – 400 024, State – Maharashtra, Country – India of 321.25 Sq. Ft. Carpet. (**Built Up Area with 20% loading – 386.00 Sq. Ft. i.e. 35.86 Sq. M.**)

The building gone for redevelopment and Development Agreement made as on 07.03.2006. New Flat No. 5189, 8<sup>th</sup> Floor, Wing – A, Building No. 154, “**Kurla Kajrolkar Co-Op. Hsg. Soc. Ltd.**”, Nehru Nagar, Kurla (East), Mumbai – 400 024, State – Maharashtra, Country – India of 525.00 Sq. Ft. Carpet (**Built Up Area with 20% loading – 630.00 Sq. Ft. 58.53 Sq. M.**) allotted as on 01.11.2010 to Mrs. Kusum Bhaskar Borude

Mrs. Kusum Bhaskar Borude died on 05.11.2010. After her death her surviving legal heirs were Mrs. Meena Shahikant Bagle, Mr. Hemant Sudhakar Shinde, Mrs. Varsha Viresh Prabhu, Mr. Milind Bhaskar Borude and Mr. Devendra Uttam Ingle.

**Mr. Milind Bhaskar Borude legal heir of Mrs. Kusum Bhaskar Borude.** Sold new flat to Mrs. Varsha Viresh Prabhu as per Sale agreement dated 29.09.2022

### 3.4. Flat:

The Flat under valuation is the new flat in redeveloped building situated on the 8<sup>th</sup> Floor. The composition of property is Living Room + 2 Bedrooms + Kitchen + 1 WC + 1 Bath + 1 Toilet. It is finished with Vitrified flooring, Teak wood door frames with solid flush doors with Aluminum Sliding windows, Concealed plumbing & Concealed electrification is provided.

**3.5. Valuation as on 01<sup>st</sup> April 2001 to 01.11.2010 of the Residential Flat:**

The Built up area of the Property in Sq. Ft.	:	386.00
<b>The Built up area of the Property in Sq. M.</b>	:	35.86
<b>Depreciation Calculation:</b>		
Year of Construction of the building	:	1980 (As per site information)
Expected total life of building	:	60 years
Age of the building as on 01.04.2001	:	21 years
Cost of Construction	:	35.86 Sq. M. x ₹ 5,500.00 = ₹ 1,97,230.00
Depreciation	:	31.50%
Amount of depreciation	:	₹ 62,127.00
<b>Rate as on 01.04.2001 for Residential Property Premises (As per Ready Reckoner 2001)</b>	:	<b>₹ 14,000.00 per Sq. M.</b>
<b>Rate considered for valuation Value of Property as on 2001. (A)</b>	:	<b>35.86 Sq. M. x ₹ 14,000.00 = ₹ 5,02,040.00</b>
<b>Depreciated Fair Value of the property as on 01-04-2001</b>	:	<b>₹ 5,02,040.00 (-) ₹ 62,127.00 = ₹ 4,39,913.00</b>
Add for Stamp Duty charges (B)	:	₹ 6,950.00
Add for Registration charges (C)	:	₹ 4,399.00
<b>Total Cost of Acquisition (A + B + C)</b>	:	<b>₹ 4,51,262.00</b>

**As Old flat underwent redevelopment in the year 2006 & Possession for the New flat was given in the year 2010 hence for the purpose of capital gain we have considered area of new flat & year of construction as 2010 only.**

**3.6. Valuation as on 01<sup>st</sup> November 2010 of the Residential Flat:**

The Built up area of the Property in Sq. Ft.	:	630.00
<b>The Built up area of the Property in Sq. M.</b>	:	58.53
<b>Depreciation Calculation:</b>		
Year of Construction of the building	:	2010 (As per Allotment Letter)
Expected total life of building	:	60 years
Age of the building as on 01.11.2010	:	New Construction
Cost of Construction	:	58.53 Sq. M x ₹ 11,000.00 = ₹ 6,43,830.00
Depreciation	:	Nil
Amount of depreciation	:	Nil
<b>Rate as on 01-11-2010 for Residential Property Premises (As per Ready Reckoner 2010)</b>	:	<b>₹ 40,700.00 per Sq. M.</b>
<b>Add: 5% as flat located on 8<sup>th</sup> floor</b>	:	<b>₹ 2,035.00 per Sq. M.</b>
<b>Rate considered as on 01-11-2010</b>	:	<b>₹ 42,735.00 per Sq. M.</b>
<b>Rate considered for valuation Value of Property as on 2010 (A)</b>	:	<b>58.53 Sq. M. x ₹ 42,735.00 = ₹ 25,01,280.00</b>
Add for Stamp Duty charges (B)	:	₹ 1,58,852.00
Add for Registration charges (C)	:	₹ 20,000.00
<b>Total Cost of Acquisition (A + B + C)</b>	:	<b>₹ 26,80,132.00</b>

**3.6.1. Indexed Cost of Acquisition**

- |  |   |                       |
|--|---|-----------------------|
| 1. Cost Inflation Index for 01.11.2010                       | : | 167                   |
| (Considering the transaction shall be made after 01.04.2017) |   |                       |
| 2. Cost Inflation Index for 2022 - 23                        | : | 331                   |
| 3. <b>Indexed Cost of Acquisition</b>                        | : | <b>₹ 53,12,118.00</b> |
| <b>(₹ 26,80,132.00 * 331/167)</b>                            |   |                       |

Taking into consideration above said facts, we can evaluate the value of Residential Flat No. 5189, 8<sup>th</sup> Floor, A Wing, Building No. 154, “Kurla Kajrolkar Co-Op. Hsg. Soc. Ltd.”, Nehru Nagar, Village - Kurla, Kurla (East), Mumbai – 400 024, State – Maharashtra, Country – India for this particular purpose at ₹ **26,80,132.00 (Rupees Twenty-Six Lakh Eighty Thousand One Hundred Thirty-Two Only)** as on **01.11.2010**.

### 3.7. NOTES

1. I, Sharadkumar B. Chalikwar with my experience and ability to judgment I am of the considered opinion that the fair market value of the property as on **01.11.2010 is ₹ 26,80,132.00 (Rupees Twenty Six Lakh Eighty Thousand One Hundred Thirty Two Only)** Value varies with time and purpose and hence this value should not be referred for any purpose other than mentioned in this report.
2. This valuation is done on the basis of information, which the valuer has obtained by information provided by the client about the premises and location of the surrounding area and also prevailing rates in the surrounding area, and further subject to document as mentioned in valuation report.
3. This valuer should not be held responsible for authentication of documents, clear title and other such related matters. For that purpose Latest Legal Opinion should be sought.

### 4. ANNEXURE TO FORM 0-1

1.	No. of floors and height of each floor	Stilt + 10 <sup>th</sup> upper floor
2.	Plinth area floor wise as per IS 3361-1966	Information not available
3.	Year of construction	Year of Completion – 2010 (As per Society Allotment Letter)
4.	Estimated future life as on year 2010	60 years
5.	Type of construction- load bearing walls/RCC frame/ steel frame	R.C.C. Framed structure
6.	Type of foundations	R.C.C
7.	Walls	All external walls are 9” thick and partition walls are 6” thick.
8.	Partitions	6” thick brick wall
9.	Doors and Windows	Teak wood door frames with solid flush doors with Aluminium Sliding windows
10.	Flooring	Vitrified tiles flooring

11	Finishing	Internal walls are finished with POP + Cement Plaster. External walls are finished with sand faced plaster								
12	Roofing and terracing	RCC slab								
13	Special architectural or decorative features, if any	No								
14	<table border="1"> <tr> <td>(i)</td> <td>Internal wiring – surface or conduit</td> </tr> <tr> <td>(ii)</td> <td>Class of fittings: Superior / Ordinary / Poor.</td> </tr> </table>	(i)	Internal wiring – surface or conduit	(ii)	Class of fittings: Superior / Ordinary / Poor.	<p>Concealed</p> <p>Ordinary</p>				
(i)	Internal wiring – surface or conduit									
(ii)	Class of fittings: Superior / Ordinary / Poor.									
15	<p>Sanitary installations</p> <table border="1"> <tr> <td>(i)</td> <td>No. of water closets</td> </tr> <tr> <td>(ii)</td> <td>No. of lavatory basins</td> </tr> <tr> <td>(iii)</td> <td>No. of urinals</td> </tr> <tr> <td>(iv)</td> <td>No. of sinks</td> </tr> </table> <p>Class of fittings: Superior colored / superior white/ordinary.</p>	(i)	No. of water closets	(ii)	No. of lavatory basins	(iii)	No. of urinals	(iv)	No. of sinks	<p>As per requirement</p> <p>Ordinary</p>
(i)	No. of water closets									
(ii)	No. of lavatory basins									
(iii)	No. of urinals									
(iv)	No. of sinks									
16	Compound wall Height and length Type of construction	Compound wall								
17	No. of lifts and capacity	2 lifts								
18	Underground sump – capacity and type of construction	R.C.C. Tank								
19	Over-head tank Location, capacity Type of construction	Overhead Water Tank								
20	Pumps- no. and their horse power	Available as per requirement								
21	Roads and paving within the compound approximate area and type of paving	Cemented road in open spaces, Open parking Space etc.								
22	Sewage disposal – whereas connected to public sewers, if septic tanks provided, no. and capacity	Connected to Municipal Sewers								

## 5. PART III- DECLARATION

I hereby declare that

- The information furnished in part I is true and correct to the best of my knowledge and belief;
- I have no direct or indirect interest in the property valued:



## 5.1. DECLARATION OF PROFESSIONAL FEES CHARGED

We hereby declare that, our professional fees are not contingent upon the valuation findings. However, if the statute AND/OR clients demands that, the fees should be charged on the percentage of assessed value then, with the full knowledge of the

AND/OR end user, it is being charged accordingly.

## 5.2. DEFINITION OF VALUE FOR THIS SPECIFIC PURPOSE

This exercise is to assess **Fair Market Value** of the property under reference as on **01.11.2010** for calculation of **Capital Gains Tax**.

The term **Fair Market Value** is defined as

*“The most probable price, as of a specified date, in cash, terms equivalent to cash, or in other precisely revealed terms for which the specified property rights would sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently knowledgeably and for self-interest assuming that neither is under undue duress”.*

Fundamental assumptions and conditions presumed in this definition are:

1. Buyer and seller are motivated by self-interest.
2. Buyer and seller are well informed and are acting prudently.
3. The property is exposed for a reasonable time on the open market.
4. Payment is made in cash or equivalent or in specified financing terms.

## 5.3. UNDER LYING ASSUMPTIONS

1. We assume no responsibility for matters of legal nature affecting the property appraised or the title thereto, nor do we render our opinion as to the title, which is assumed to be good and marketable.
2. The property is valued as though under responsible ownership.
3. It is assumed that the property is free of liens and encumbrances.
4. It is assumed that there are no hidden or unapparent conditions of the subsoil or structure that would render it more or less valuable. No responsibility is assumed for such conditions or for engineering that might be required to discover such factors.

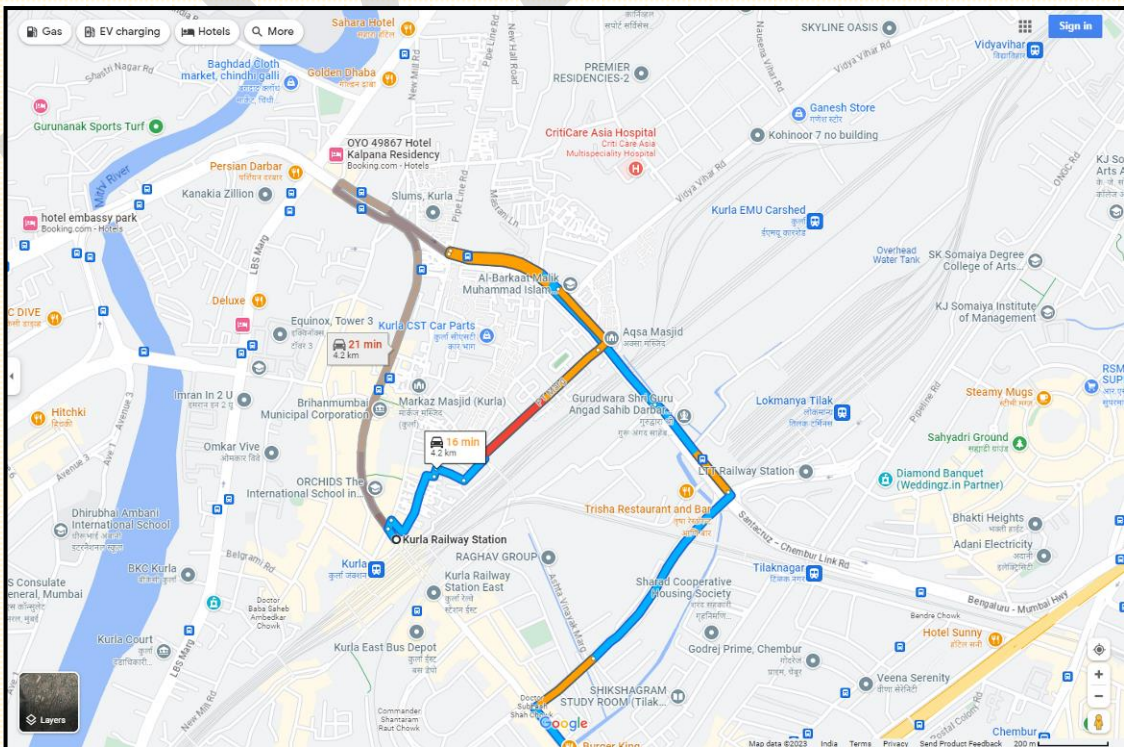
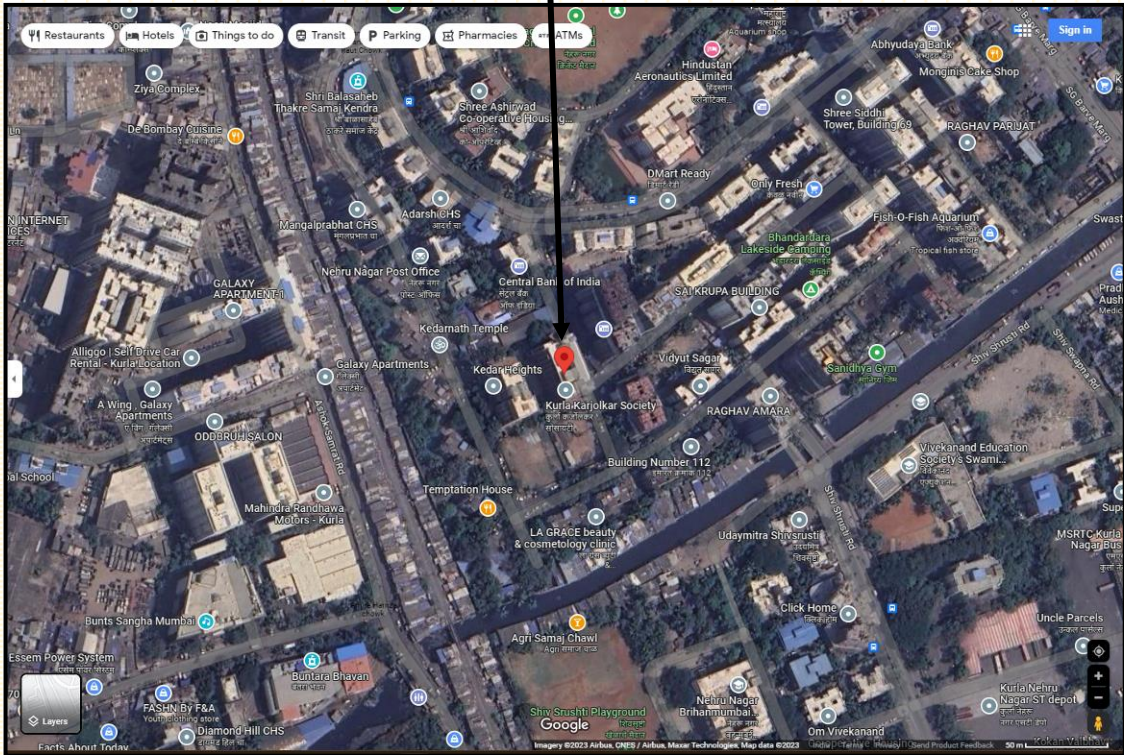






## 7. Route Map of the property

### Site U/R



**Latitude Longitude: 19°03'35.6"N 72°52'51.5"E**

**Note: The Blue line shows the route to site from nearest Railway station (Kurla – 4.2 Km.)**

## 8. Ready Reckoner Rate for Year 2001

### 8.1. Rate for Property

Zone No.	Location of Property in L Ward (Kurla and L.B.S. Marg)	Rate of property per sq. Mtr. in Rs.			
		Developed Land	Residential upto 5 Floor	Industrial/ Office	Shop/ Commercial
1-A	<b>Land:</b> On East, West and North side, boundry of East, West and North of ward. On South 45.0 meters development Road from Sakinaka to Ghatkopar. All the portion surrounded. <b>Village :</b> <i>Tungva, Chandivali, Mohili, Asalpha, Saki</i>	8,800	18,100	23,800	32,200
1-B	<b>Land:</b> On East and West boundry of East and West side of ward, on North 45.0 meters development road from Sakinaka to Ghatkopar and on South Lal Bahadur Shastri Marg and Kale Road ( <i>Bail Bazar Marg</i> ) from Kuria to Andheri. All the portion surrounded. <b>Village :</b> <i>Mohili, Asalpha, Kirol</i>	4,900	12,200	19,050	24,600
2	<b>Land:</b> On North side, North boundry of ward and portion of Kale Road meeting at Lal Bahadur Shastri Marg, on East Lal Bahadur Shastri Marg, on West and South side, West and South boundry of ward. All the portion surrounded. <b>Village :</b> <i>Kurla</i>	5,900	14,000	21,000	25,850
3	<b>Land:</b> On North and West Lal Bahadur Shastri Marg and on East Central Railway line. All the portion surrounded. <b>Village :</b> <i>Kurla</i>	6,900	14,850	21,000	24,800
4	<b>Land:</b> On West Central Railway Line, on North and East side boundry of North and East of ward, on South S.G.Barve Marg ( <i>C.S.T. Road</i> ) between Eastern Express Highway and Kuria Station. All the portion surrounded. <b>Village :</b> <i>Kurla, Chembur</i>	5,900	14,000	23,350	30,750
5	<b>Land:</b> On West Central Railway Line, on North S.G.Barve Marg ( <i>C.S.T. Road</i> ) on East and South side boundry of ward. All the portion surrounded. <b>Village :</b> <i>Kurla, Chembur</i>	7,850	18,650	23,300	35,750
6-R	<b>Road:</b> Andheri Kuria Road between Sakinaka and Lal Bahadur Shastri Marg. <b>Village :</b> <i>Mohili, Kuria</i>	7,650	14,900	23,800	33,500
7-R	<b>Road:</b> Saki Vihar Road between Sakinaka and Pawai Garden. <b>Village :</b> <i>Tungva, Mohili</i>	7,650	14,900	23,800	33,500

### 8.2. Construction Rate

Construction cost during 2001 for various types of structure is as under.

Type of Construction	Estimated cost per Sq.Mtr. in Rs.
RCC Pukka	5,500
Other Pukka	4,500
Semi/Half Pukka	2,850
Kaccha	1,500



## 9. Ready Reckoner Rate for Year 2010

### 9.1. Rate for Property

Village No. / Zone No.	Description	Rate of Open Land per Sq. Mtr. F.S.I. = 1	Rate of Land + Building in Rs. per Sq.Mtr. Built-up			
			Residential Building	Office / Commercial on Above floor	Shop / Commercial on Ground floor	Industrial Area
<b>106</b>	<b>MUMBAI SUBURB, TALUKA KURLA, VILLAGE KURLA-2</b> Map on page 188					
106/509	<b>Land:</b> All the portion of land on North side of L.B.S.Marg. C.T.S. No. 1 to 108, 110 to 116, 119 to 123, 132, 169, 222, 223, 227, 228, 230 to 242, 244, 276 to 278, 280 to 286	11400	29400	35300	44100	29400
106/510	<b>Land:</b> All the land on South of L.B.S.Marg. C.T.S. No. 134, 137, 139 to 156, 158 to 161, 163 to 167, 171 to 200, 202 to 219, 247, 249, 251, 254 to 259, 261 to 265, 268 to 275, 279 to 518, 520 to 564, 566 to 596, 598 to 934, 934/1, 934/2, 935 to 1028	14000	36000	54000	64800	43200
106/511	<b>Road:</b> Lal Bahadur Shastri Marg. C.T.S. No. 109, 117, 118, 124 to 129, 131, 133, 135, 136, 138, 157, 162, 167, 168, 170, 201, 219, 220, 221, 224, 225, 226, 229, 243, 245, 246, 248, 250, 252, 253, 260, 266, 267, 290	23100	42900	47300	59000	42900
106/512	<b>Road:</b> S.G.Barve Marg between Kurla Station and L.B.S. Marg. C.T.S. No. 597, 1029, 1030	13000	27700	32700	60400	30500
<b>107</b>	<b>MUMBAI SUBURB, TALUKA KURLA, VILLAGE KURLA-3</b> Map on page 188					
107/513	<b>Land:</b> All the portion of land on North side of S.G.Barve Marg. C.T.S. No. 1, 3 to 6	15400	34100	40900	51200	34100
107/513A	<b>Land:</b> Railway colony portion on North of Zone No.107/513. On South balance portion of zone No.107/513, on East boundary of village Chembur, on West boundary of central railway. C.T.S. No. 2	14000	31000	37200	46500	31000
107/514	<b>Land:</b> All the portion of village on South side of S.G.Barve Marg. C.T.S. No. 7 to 637	18400	40700	48800	79200	40700
107/515	<b>Road:</b> S.G.Barve Marg between Kurla Railway Station East to Express Highway.	23100	46200	57200	71500	46200
<b>108</b>	<b>MUMBAI SUBURB, TALUKA KURLA, VILLAGE KURLA-4</b> Map on page 188					
108/516	<b>Land:</b> All the portion of land on West side of L.B.S.Marg. C.T.S. No. 1 to 9, 13, 14, 15, 18 to 26, 61, 147 to 153, 165, 166, 167, 169 to 172, 174, 175, 186, 192 to 198, 580	16800	37400	44600	56100	37400
108/517	<b>Land:</b> All the portion of land on East side of L.B.S.Marg.	22600	45100	54500	67100	50600

### 9.1. Construction Rate

#### 4. Rates of New Construction.

Rate per Square Meter for the year 2010 for new construction as per types of construction is as below

TABLE – "A"

Sr. No.	Type of Construction	Cost per Sq.Mtr. (Built-up) in Rs.	
		Mumbai City	Mumbai Suburb
1	2	3	4
A)	<b>R.C.C. Construction</b> R.C.C. slab, Brick wall made and plastered with cement mortar in side the wall, tiles flooring.	13000	11000
B)	<b>Other Pukka Construction</b> Load bearing structure, R.C.C. slab, Brick wall plastered with cement, kaccha or cement flooring.	9000	8500

## 10. VALUATION OF THE PROPERTY PREMISES

Considering various parameters recorded herein above, existing economic scenario, and the information that is available with reference to the development of neighbourhood and method selected for valuation, we are of the opinion that, the property premises can be assessed and valued for calculation of Capital Gain Tax for ₹ 26,80,132.00 (Rupees Twenty Six Lakh Eighty Thousand One Hundred Thirty Two Only).

DRAFT



## 11. REDEVELOPMENT NOTIFICATION

**MR. VIMAL C. PUNMIYA**  
B.Com., LL.B(Gen.) F.C.A.

CHARTERED ACCOUNTANTS

**Organised By: WIRC of ICAI**  
**Subject: Income Tax implications of Redevelopment**  
**Date & Day : 5<sup>th</sup> March, 2016 (Saturday)**  
**Time: 02.15 PM TO 03.45 PM**  
**Venue: J. S. Lodha Auditorium, ICAI Bhawan, Cuffe Parade, Colaba,**  
**Mumbai – 400 005**

### **1. DEVELOPMENT RIGHTS:**

#### **DEVELOPMENT RIGHTS – WHO ARE ENTITLED – SOCIETIES OR MEMBERS?**

In respect of Tenants co-partnership co-operative societies, which are of the nature of "Flat Owners Societies" in which the flats are acquired by the society from the builder on ownership basis and thereafter Society is formed, and land is conveyed to the society and individual members acquire ownership rights over the building and underneath the development rights.

This concept has been recognized under Bombay stamp Act as on the conveyance in favour of the housing societies, stamp duty paid by the purchasers of flats on ownership agreements is deducted from the stamp duty payable on the market value of the property transferred in favour of the society as per proviso to article 25 of schedule 1 of Bombay Stamp Act.

Circular No. F.N. 4 / 28 / 68 – WT DT. 10.0.1969 AND 27.01.1969 explaining the provisions of section 5(1)(iv), the Board clarify that flats vest with individual members of society and wealth tax exemption will be available to individual members.

#### **I] Additional Area expected at Redevelopment**

Liability of Income/Capital Gain Tax, if any, on:-

##### **A. Additional area in the hands of individual members.**

**Ans.** As per Section 54 of the Income Tax Act, 1961, if any residential property which was held for a period of more than 3 years is sold or given for redevelopment and the new flat is purchased or acquired within a period of 1 year before or 2 years after the sale or

constructed within 3 years after the sale then capital gain arising on the transfer of the old flat will be exempt to tax u/s. 54 of the Income Tax Act, 1961 to the extent of the cost of such new flat.

In the case of redevelopment, the new flat to be acquired is treated as constructed for the purpose of the Section 54. Thus, if the new flat is acquired by the owner within a period of 3 years from the surrender of the original flat then the capital gain arising from the sale of the original flat can be claimed to be exempted u/s. 54 of the Income Tax Act.

If the new flat is not acquired by the owner within a period of 3 years then the Assessing Officer at his discretion can disallow the same at any time during the assessment.

However, allotment of a flat or a house by a cooperative society, of which the assessee is the member, is also treated as construction of the house [Circular No. 672, dated 16-12-1993]. Further, in these cases, the assessee shall be entitled to claim exemption in respect of capital gains even though the construction is not completed within the statutory time limit. [*Sashi Varma v CIT* (1997) 224 ITR 106 (MP)]. Delhi High Court has applied the same analogy where the assessee made substantial payment within the prescribed time and thus acquired substantial domain over the property, although the builder failed to hand over the possession within the stipulated period. [*CIT v R.C. Sood* (2000) 108 Taxman 227 (Del)].

Hence, relying upon the above judgments, even if in the case of development, the new flat is acquired by the owner after a period of 3 years from the surrender of the old flat, an assessee can claim exemption u/s. 54.

If the new flat acquired to claim exemption u/s. 54 is sold within a period of three years from the date of purchase then the capital gain exemption claimed earlier would become taxable in the year the new flat is transferred.

Thus, in your case, the Receipt of extra carpet area over and above the existing area could be claimed as exemption u/s. 54 of the Income Tax Act, 1961.

Further, we would like to state that under the definition of "Transfer" according to Sec 2(47) Income Tax Act, 1961, transfer, in relation to a capital asset, includes sale, exchange, or relinquishment of the asset or the extinguishment of any rights therein or the compulsory acquisition thereof under any law.

An exchange involves the transfer of property by one person to another and reciprocally the transfer of property by that other to the first person. There must be a mutual transfer of ownership of one thing for the ownership of another. Hence, the

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acquisition of new flat would be considered as exchange and would be considered as transfer for the purpose of capital gain.

Argument could not be made that no cost is incurred by any member for the acquisition of the new flat and hence capital gain cannot be computed and the case does not fall within the ambit of Section 55(2). The member is forgoing his rights in the old flat. And hence, it would be considered as the cost of acquisition of the new flat.

However, if the residential flat is held for a period of less than 3 yrs than the receipt of extra area by the individual members would be taxable in the hands of the individual members.