

Mafattal Club takes Rs 27-cr dues case to revenue tribunal

Files appeal against City Collector's July order; argues that it is run on a no-profit basis

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The Mafattal Club near Girgaum Chowpatty has hit back at the Mumbai City Collector for seeking a whopping Rs 27.05 crore under the pretext of the club's posh location, lapse of lease and the allegation of not running on no-profit basis. The club has called Collector Shivaji Jondhale's order as one trying to circumvent the judicial process to fill the government coffers "by unjust enrichment".

In an appeal filed before the Maharashtra Revenue Tribunal against the City Collector's order of July this year, the club - officially known as Pransukhlal Mafattal Hindu Swimming Bath and Boat Club, run by a Trust with the same name - has said that the Collector's approach is "vindictive, casual and vitiated from the principles of non-application of mind".

The revenue tribunal has granted a stay on the Collector's order and sought a reply to the club's appeal from him.

In an order passed on July 5 this year, Jondhale had directed the club to pay Rs 27.05 crore, if it wanted the lease for the land renewed. The break-up of the amount sought was Rs 7.56 crore as lease rent from 2012-16; Rs 7.39 crore as lease rent for 2017 and 2018; and Rs 12.10 crore as penalty. Jondhale had relied mainly on the state government's policy of 2012 to arrive at the amount in his order. The 2012 policy is with respect to the new rate of lease rent for government land.

Jondhale's order said that the



The order had valued the club land at Rs 295.86 crore and said it's not free for the common man

club was not run on no-profit basis; it was located in a posh locality like Marine Drive; it collected substantial fees from the members and there was no free entry for the common man; it never submitted its books of accounts as per the original lease conditions laid down in 1939; and it made modifications to its structure without prior permission and used it commercially.

His order valued the over 12,000 sq. yard land held by the club at Rs 295.86 crore.

In the appeal before the MRT, the club, represented by advocate Vivek Kantawala, disputed all the points. According to the appeal, the club is

running in losses because of the no-profit policy, and the losses are set off by the deposits made by the club. It says the deposits are based on money received from philanthropists. The appeal also argues that fees collected are only to recover the operational cost and the upkeep of the club.

The club alleged not only did the City Collector ignore its requests for lease renewal - between 1987 and 2007 - but also issued notices based on the 2012 policy, which was enacted 13 years after the club's lease was due to expire in 1999. The MRT is likely to hear the case later this month.

FLASHBACK

'Mafattal Club must pay Rs 27 cr dues, or will be attached'

Collector: Ask Member to Pay Rs 27 Cr for 50 Years

4. Revenue Tribunal Stayed Order

5. Club Files Appeal

6. Club Files Appeal

7. Club Files Appeal

8. Club Files Appeal

9. Club Files Appeal

10. Club Files Appeal

Mumbai Mirror's July 17 report on the City Collector's order