

महाराष्ट्र गृहनिर्माण व क्षेत्रविकास प्राधिकरण

MAHARASHTRA HOUSING AND
AREA DEVELOPMENT AUTHORITY



म्हाडा
MHADA



एमजीसी/जी/ 9/89.....
03/07/2025

No.CO/REE/ Buildings Nos.74-74A-76-76A, Shroff
Building /F-GEN-79A/6323 /MBRRB-2025
Dated: 27 JUN 2025

To,
Hon. Municipal Commissioner
Municipal Corporation of Greater Mumbai,
Municipal Head Office, Mahapalika Marg,
Fort, Mumbai 400001

AMC/WS/9365/VIP

04/07/25

अति. आयुक्त (प.उप)

Sub: Regarding redevelopment of cessed Buildings Nos.74-74A-76-76A, Shroff Building, i.e. Plot No.1 & Plot No.2 of Scheme No.47 of Tulsirampada Estate in F/South Ward which is declared as hazardous / dangerous as per the provisions of the Sections 79(A) of MHAD Act 1976.

महानगरपालिका आयुक्त
AMC (WS)

- Ref.: 1) Amendment of MHAD Act, 1976 published in Govt. Gazette dated 21.12.2022.
2) Housing Department Circular regarding Guidelines for action under Sec 77, 79A, 91A & 95A of MHADA Act 1976 vide dated 22.08.2023.
3) Circular issued by Deputy President as well as CEO, MH&RDA, Mumbai dated 19.03.2024
3) Notice u/s. 79A of MHAD Act, 1976 issued to Plot No.1 & Plot no.2 of Scheme no.47, Tulsirampada Estate dated 31.10.2024.
4) Your letter dated 10.03.2025 addressed to Hon'ble Vice President & C.E.O/MHADA.

for n/a
Bipaul
D.M.C. (Imp.)
A.C. (Estate)
Sir,

Please refer to your letter dated 10.03.2025.

In the letter under reference No.'4' which is in reference to the Notice issued under section 79-A (1) (b) of MHAD Act, 1976 to the Building No.74-74A-76-76A, known as Shroff building, i.e. Plot No.1 & Plot No.2 of Scheme No.47 of Tulsirampada Estate in F/South ward, you have informed the MHADA to make suitable amendment to the section of 79A of MHAD Act, 1976, and in SOP issued by Hon'ble V.P. / MHADA vide circular dated 19.03.2024.

In regards to above, the submission is as under:

History :

- Mumbai Building Repairs & Reconstruction Board was established under Mumbai Buildings Repairs & Reconstruction Act -1969 and the functioning of Board started in the year 1970-71.

Activities of Board :

- To undertake structural repairs of cessed buildings in the Island City of Mumbai.
- To provide temporary or alternative accommodation to the occupiers of any such buildings, when repairs to them are undertaken or when a building collapses.
- To acquire cessed buildings whose cost of repairs exceeds the economic limit and reconstruct them.

Cessed Buildings and their Redevelopment:

Out of a total of 19642 cessed buildings in sections A to F of Mumbai City District, some of buildings have collapsed, some buildings have been demolished, some have been reconstructed or redeveloped and some have been excluded from cess, the number of cessed buildings currently in existence is 13,091. Its classification is as follows:

Cessed Class	Number of original cessed buildings	Current Number
A (built before 01 September 1940)	16,502	As per the decision dated 07.08.2013, the CSA has cancelled the classification of cessed buildings as A, B and C and has kept a single classification as cess
B (built between 01st September 1940 and 31st December 1950)	1489	
C (built between 01st January 1951 and 10th September 1969)	1,651	
Total	19,642	13,091

Since the old and dilapidated cessed buildings in Mumbai city are owned by private owners and the owners are not coming forward for redevelopment and the owners/developers have obtained no-objection certificates for redevelopment and have left the projects unfinished, the government had constituted a committee of 08 MLAs from Mumbai on 29.10.2016 for the speedy completion of the redevelopment of such cessed buildings. In the meeting of the said committee of MLAs held on 19.09.2017, the committee members had suggested remedial measures, in accordance with which the Board had suggested amendments to Sections 79 and 91 of the MHAD Act vide letters dated 13.10.2017, 26.10.2017, 09.10.2018 and 12.04.2019.

The Government had approved the proposed amendments to Sections 77, 79 and 91 of the MHAD Act in the Monsoon Session 2020 (L.A. Bill No.XLI of 2020). Accordingly, the said Bill has been approved by His Excellency the President and the Government has published the said Bill on 02.12.2022. Accordingly, the provisions of the amended Sections 79 (A) is as follows:

Provision of MHAD Act, 1976:-

(A) Section 79A. :

(1) Notwithstanding anything contained in sub-section (3) of section 88 and section 92 of this Act and sections 354 and 499 of the Mumbai Municipal Corporation Act, in case of the building to which the provisions of sub-section (1) of section 82 applies (hereinafter in this Act referred to as "cessed building"), which is declared dangerous by the Mumbai Municipal Corporation under section 354 of the Mumbai Municipal Corporation Act or by the competent authority, if the redevelopment of such building is not taken up by the owner or landlord of the cessed building, within three months from the date of issue of notice under section 354 of the Mumbai Municipal Corporation Act by the Mumbai Municipal Corporation or the competent authority, the Board may adopt the following procedure :-

- (a) a notice shall be issued to the owner or landlord of the cessed building to submit the proposal for redevelopment within six months from the date of issue of notice. Alongwith the proposal, consent of fifty-one per cent. of the occupants or tenants of the said building shall be accompanied ;

- (b) if the owner or landlord fails to submit the proposal within the period and the manner as provided in clause (a), the proposed co-operative housing society of the occupants or tenants of such building may submit the proposal to the Board, for redevelopment of such building under the relevant provisions of the Development Control and Promotion Regulations-2034 for Greater Mumbai, within six months from the date of communication received from the Board. The proposal shall be accompanied with the consent of at least fifty-one per cent. of the occupants or tenants.

Provided that, when the building is redeveloped by the proposed co-operative housing society, the compensation to the owner or landlord shall be paid by the concerned co-operative housing society as per the provisions of subsection (2);

- (c) if the redevelopment is not initiated within the period and manner as provided in clauses (a) and (b), the Board shall reconstruct the building by acquiring such building, without insisting on consent of at least fifty-one per cent. of the occupants or tenants of the said building.

(2) When the building is redeveloped under the provisions of clauses (b) and (c) of sub-section (1), the compensation shall be paid to the owner or landlord, at the rate of twenty-five per cent. of the amount of Ready Reckoner Rates, determined under the Maharashtra Stamp (Determination of True Market Value of Property) Rules, 1995 of the open land of such building or fifteen per cent. of the built-up area of sale component determined as per the Ready Reckoner Rates, whichever is higher.

Explanation.- For the purposes of this sub-section,

"sale component" means the built-up area remaining after deducting Rehab Built-up Area from the permissible Built-up Area admissible as per the relevant provisions of the Development Control and Promotion Regulations-2034 for Greater Mumbai.

(3) If the building is redeveloped by the Board under clause (c) of sub-section (1), subject to the provisions of sub-section (2) for payment of compensation, the provisions of sections 92 and 93 shall mutatis mutandis apply, for acquisition of such building.]

(B) Section 88 :

- (1) Subject to the other provisions of this Chapter, where the Board on consideration of the information given by the Municipal Commissioner, or a report or its officer authorised for the purpose, or other information in its possession, is satisfied that any building, which is occupied by persons, is in such a ruinous or dangerous condition, that it is imminently likely to fall unless structural repairs which will render it fit and safe for habitation, are urgently done, then in such cases, the Board shall, subject to the provisions of sub-section (3), undertake such repairs to that building.

In this regard, the point wise report of objection raised by the MCGM is as below:-

Sr. no.	Objection of BMC	Reply to the objection
1)	In case of Notice under section 79-A of MHAD Act, 1976 issued to Building No.74-74A-76-76A known as Shroff building, i.e. Plot No.1 & Plot No.2 of Scheme No.47 of Tulsirampada Estate	<ul style="list-style-type: none"> In this case, it is to submit that the notice u/s. 79-A (1)(a) was issued to the Lessee of the building. Building No.74-74A-76-76A known as Shroff building, i.e. Plot No.1 & Plot No.2 of Scheme No.47 of Tulsirampada Estate in F/South ward by Ex. Engineer/ F- South ward

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	<p>in F/South ward, BMC though being Landlord, notice is not being served upon by MHADA. As such, a copy of the said notice shall also be issued to Assistant Commissioner (Estates) being Lessor / Landlord of the plot and MHADA shall involve Estate dept officials of BMC in respect of the above said proceeding and instruct concern Lessee of the plot to obtain the requisites NOC's of Estate dept.</p>	<p>vide letter No.5130/2023 dtd. 21.09.2023 And copy of the said Notice was forwarded to the Asst. Commissioner / F-South ward for the information. (Copy enclosed at page No.'C').</p> <ul style="list-style-type: none"> As per the guidelines issued by Housing Dept. vide dtd. 22.08.2023 The Dy. Chief Engineer /Zone -IV has conducted joint meeting of t/o. and the Lessee on 19.08.2024 and after hearing both the parties has passed the order vide dtd. 31.10.2024 directing to Ex. Engineer/ F- South ward to initiate further action as per clause 1(b) of section 79-A of MHAD Act, 1976. As per the above order & as the proposal of the redevelopment was not submitted by the Lessee the Ex. Engineer/ F-South ward has issued notice u/s. 79-A (1)(b) to the tenants/ occupants of the building vide letter no.E-3696500/ 0060/ 2025 dtd. 06.01.2025. The copy of said Notice was forwarded to Asst. Commissioner/F-South ward / MCGM. <p>In view of above, the Ex. Engineer/ F-South Ward/M. B. R. & R. Board has followed the provision of the MHAD Act, 1976 and has also informed the MCGM by forwarding the copy of above said notice to the Asst. Commissioner / F-South ward/ MCGM, however the copy of notice was not forwarded to Asst. Commissioner/ Estate. Hence for all notices under 79-A(1)(a), (1)(b) will be forwarded to Assistant Commissioner Estate/MCGM and Assistant Commissioner / Ward / MCGM.</p> <p>Decision : The copy of Notice issued U/s. 79-A (1) (a), (1)(b) will be served to the Asst. Commissioner/ Estate also as the said department being the landlord / Lessor of the property.</p>
2)	<p>In case, the Lessee of the plot fails to submit the redevelopment proposal within stipulated time, MHADA shall not enforce the provisions of 79(A)(1) (b) of M.H.&A.D. Act, 1976.</p> <p>As per the provisions of Sec. 92(dddd), all leases granted by Corporation of the immovable properties belonging to the corporation for whatever term shall be subject to the following conditions in addition to the conditions stipulated in the Lease-deed or Lease agreement executed by the corporation, namely :-</p> <p>i. Leasehold rights in respect of</p>	<p>1) As per the provision of section 79-A of the MHAD Act, 1976 if the Notice is issued to the lessee of the property under section 79-A(1)(a) of MHAD Act, 1976 & if the lessee does not submit the redevelopment proposal within time limit then the notice u/s. 79-A(1)(b) is issued to the tenants/occupants of the building for submitting redevelopment proposal.</p> <p>In case where under section 79(A) Lessee submit proposal of redevelopment the developer submits NOC at MCGM for redevelopment.</p> <p>However, in case land owner fails to submit proposal of redevelopment then notice under section 79A(1)(b) is given to the tenants/occupants to submit redevelopment proposal with the consent of 51% tenants/occupants.</p> <p>In case proposal is submitted by the tenants then the land owner is liable to get compensation</p>

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	<p>the properties belonging to the Corporation and given on lease may be further assigned or transferred only with the prior permission of the Commissioner, on payment of such premium on account of unearned income and transfer fees or charges at such rates as may be specified by the Corporation, from time to time.</p> <p>ii) In the case of any contravention of the provisions of sub-clause (i), the lessee or transferor of such leasehold rights, shall be liable to pay penalty in addition to such premium and transfer fees or charges, at such rates as may be specified by the corporation, from time to time.</p> <p>It may be stated here that the provisions of 79(A) (1) (b) are directly in contravention to Sec. 92(dddd) of MMC Act 1888. As such, MHADA Authority should not decide further, since its fact in law.</p> <p>However, MHADA authority shall refer the proposal to Assistant Commissioner (Estate) and the further decisions in respect of the Municipal leasehold plot shall be taken by BMC as per provisions of MMC Act-1888 and policies in vogue.</p>	<p>of land subject to provision of section 79-A and the Govt. Resolution dtd. 22.08.2023 of Housing Department.</p> <p>In such an event the amount of land compensation payable to MCGM will be informed then MCGM can decide the appropriation of compensation amount between MCGM and Lessee.</p> <p>2) As per the provision of section 92(dddd) of MMC Act, 1888, it states that the lease hold properties belonging to Corporation and given on lease can be further assigned and transferred only prior permission of Commissioner on payment of such premium/ penalty at such rates as specified by the Corporation.</p> <p>As regards provision of section 92(dddd) in concerned the implication of provision of section 79-A(1)(b) would not amount to violation of the same. Since the land is being handed over to the society of tenants by way of provision of 79-A Act and MCGM will be compensated as per law.</p> <p>The above provision of MMC Act is not contravening to the provision of 79-A (1) (a), (1) (b) of MHAD Act, 1976 as the said provision of MMC Act, 1888 clearly specifies about the transfer of lease properties belonging to Corporation & penalty to be recovered while transferring the lease properties. Whereas, the Section 79-A of MHAD Act, 1976 is regarding the procedure to be adopted for redevelopment of dilapidated cessed buildings which are declared dangerous by Municipal Corporation as per section 354 of MMC Act or by competent authority.</p> <p>It is to submit that as per Chapter VIII & section 88 of MHAD Act, 1976, where the Board on consideration of the information given by the Municipal Commissioner, or a report of its officer authorised for the purpose, or other information in its possession, is satisfied that by building, which is occupied by persons, is in such a ruinous or dangerous condition, that it is imminently likely to fall unless structural repairs which will render it fit and safe for habitation, are urgently done, then in such cases, the Board shall, subject to the provisions of sub-section (3), undertake such repairs to that building. Therefore, as per above section after the intimation by MCGM, about the ruinous or dangerous condition of cessed buildings, the responsibility to repair the cessed building and if the building is beyond repairable, the reconstruction/ redevelopment of the building is of MHADA.</p> <p>Further, Housing Dept. vide dtd. 22.08.2023 has issued guidelines on the action to</p>

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		<p>be taken as per the amendment in section 77, 79-A, 91A & 95A of MHAD Act, 1976, as per the said guidelines if the land Owner/ tenants/ occupants of the dilapidated cessed building do not undertake the redevelopment of the building then MHADA is empowered to acquire the property & redevelop the same without having consent of 51% of the tenants/occupants.</p> <p>However, the Notice of 79-A (1)(b) will be issued to Assistant Commissioner/Estate/ MCGM. The amended in 79A is about time bound and compulsory redevelopment, of the cessed building in which first opportunity is given to the land owner (MCGM/Lessee) if land owner fails to submit the proposal within 06 months then issue of notice under section 79-A(1)(b) and acquisition of land is consequent. As mentioned earlier redevelopment under section 79-A is compulsory & time bound.</p> <p>In event of land acquisition suitable compensation will be paid to the land owner (MCGM/Lessee). The MCGM may decide apportionment of the same between and lessee as per term of the lease deed.</p> <p>Decision :</p> <p>The provision of section 79-A of MHAD Act, 1976 was introduced to expedite the redevelopment of aging cess building. Earlier the tenants/occupants were left at the mercy of the land owner in the earlier scheme of law. If the land owner doesn't come forward then the tenants residing in dilapidated condition were required to be sent to transit camp of MHADA if building was in dilapidated condition.</p> <p>Now with the amendment in 79-(A) tenant have been empowered to bring developer of their own choice with 51% consent for redevelopment of dilapidated Bldg.</p> <p>It is noteworthy that tenant are required to submit proposal of redevelopment under section 79-(A) (1)(b) within period of 06 months. If tenants fails to submit proposal within fixed time limit then under section 79-A(1)(c) MHADA can acquire & redevelop the property.</p> <p>The scheme of 79-(A) is compulsory & time bound redevelopment of the dilapidated building in the Mumbai City & provide housing for the tenants. Since the process is the time bound & transfer of land is mandatory and bound by the provision of this section 79(A).</p> <p>Hence, notice u/s. 79-(A) (1)(b) would not be violation of section 92(dddd)of MMC Act, 1988, on the contrary the transfer of land would be lawful of provision of 79-(A) considering the spirit of this section.</p> <p>Therefore both the provision does not contravene each other on the contrary both are</p>

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		<p>complementary to each other for redevelopment. However, as informed by you to send the proposal to Asst. Commissioner/Estate and the further decisions in respect of the Municipal leasehold plot shall be taken by BMC as per provisions of MMC Act-1888 cannot be accepted.</p> <p>However, after the acquisition of the Estate Properties under Sec 79(A)(1)(b) the payment of premium on account of unearned income and transfer fee or penalty charges will be paid by the respective proposed Society of the said Estate property to which the Notice under sec. 79(A) (1) (b) is issued to the MCGM.</p>
3)	<p>The Lessee of the plot must obtain the necessary NOC from BMCs Estate Department before proceeding with redevelopment. If the Lessee fails to submit a redevelopment proposal within the stipulated time, MHADA shall not enforce the provisions of 79-A(1)(b) of the MHAD Act, 1976.</p> <p><u>Conflict Between MHAD Act and MMC Act:</u></p> <p>Section 92(dddd) of the MMC Act, 1888 states that all leasehold properties of BMC are subject to certain conditions, including the requirement of prior permission from the Commissioner for any assignment or transfer. Any unauthorized transfer of leasehold rights is subject to penalties and additional charges, as determined by BMC.</p> <p>79-A(1)(b) of the MHA Act contradicts Section 92(dddd) of the MMC Act, making it legally inappropriate for MHADA to unilaterally enforce redevelopment conditions on Municipal leasehold land.</p> <p><u>Conclusion & Suggested Action:-</u></p> <p>Since the Shroff Building is on a Municipal leasehold plot, MHADA must refer the case to the Assistant Commissioner (Estate), BMC, for further decisions. BMC will evaluate the redevelopment process based on the MMC Act, 1888,</p>	As per Para 2.

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	and existing policies rather than MHADA's independent enforcement on 79-A provisions.	

In the light of the above, it is to inform you that, the copy of Notice issued under Sec 79(A)-1a & 1b will be served to Assistant Commission/Estate Dept./MCGM. As regards to not to issue the Notice under Sec 79(A)-(1)(b) & (1)(c) notice to the Building belonging to the Estate Dept., cannot be accepted since the purview / aspects of both the provision of Sec 79(A) of MHAD Act 1976 and the MMC Act 1988 are different and do not contravene each other. Also, the amendment in the Sec 79(A)(1)(a) & (1)(b) of MHAD Act, 1976 is about time bound and compulsory redevelopment. If either MCGM lessee or tenants/occupants do not submit the proposal under Sec 79(A)(1)(a), the issue of Notice Under Sec 79(A)(1)(b) is consequent.

Thanking you.

Yours Faithfully,

Sanjeev Jaiswal

27/6/25

(Sanjeev Jaiswal)

Vice President & Chief Executive Officer,
MHADA, Mumbai.

बृहन्मुंबई महानगरपालिका
आयुक्तांचे कार्यालय

25 - 2 JUL 2025

समय ११, १२, १३, १४,
१५, १६, १७, १८

क्रमांक MCGM

बृहन्मुंबई महानगरपालिका
अतिरिक्त महानगरपालिका आयुक्त (प.उप.)
यांचे कार्यालय

03 JUL 2025

क्र. अति.आयुक्त/प.उप./ 9365/VIP

बृहन्मुंबई महानगरपालिका
उप आयुक्त (सुधार) यांचे कार्यालय
APD
07 JUL 2025
वेळ: ११, १२, १४, १४, १५,
१६, १७, १८
क्रमांक: 1100/5672