

# BEFORE THE CHIEF EXECUTIVE OFFICER, SLUM REHABILITATION AUTHORITY

File No.SRA/ENG/2643/FN/ML&STGL/LOI

Jadhav Wadi SRA CHS (Prop.) C.S. No. 2/32, 32, 4/32, 8, Jadhavwadi, N.S. Mankikar Marg, Sion (East), Mumbai - 400 022

V/s

- 1. M/s. Balaji Developers Plot No.50, S.V. Road, Old Khar, Khar (West), Mumbai - 400 052
- 2. M/s. Verticohorizon E-1/23,B-3, Panchsheel Apartment Owner's Association, Sector-10, Nerul, Navi Mumbai - 400 706





Sub:- Proceedings u/s 13 (2) of the Maharashtra Slum Areas (I, C &R), Act, 1971.

# ORDER

(Passed on - 4/10/23)

These proceedings are initiated in respect of Slum Rehabilitation Scheme on land bearing C.S. No.32(pt), 2/32(pt) and 4/32 of Salt Pan Division for "Jadhav Wadi SRA CHS (Prop.)" pursuant to application of Applicant dated 08.08.2023 on account of inordinate delay and non performance on the part of Respondent No.1 developer. Hereinafter the above said Slum Rehabilitation Scheme is referred to and called as "subject SR

Scheme". In brief the facts which lead to present proceedings are as under;

## **BRIEF FACTS:**

The slum dwellers residing on plot of land bearing C.S. No.32(pt), 2/32(pt) and 4/32 of Salt Pan Division formed Applicant society i.e. "Jadhav Wadi SRA CHS (Prop.)" and in General Body Meeting resolved to redevelop the said land by implementing the Slum Rehabilitation Scheme. The Applicant society appointed Respondent No.1 as Developer and Respondent No.2 as Architect for implementation of subject SR Scheme. The proposal of subject SR Scheme was submitted to Slum Rehabilitation Authority on land admeasuring 996.60 sq. mtrs. The said land is partly owned by MCGM and State Government. The proposal of subject SR Scheme is duly accepted by Slum Rehabilitation Authority on 02.02.2012. Thereafter, no approvals are issued to the subject SR Scheme and the scheme is stand still. Even the Annexure-II is not obtained.

Due to inordinate delay in implementation of the subject SR Scheme, the Applicant has submitted application dated 08.08.2023 for termination of appointment of Respondent No.1 as Developer of the subject SR Scheme. Pursuant thereto the Executive Engineer (F/N Ward)/SRA has submitted a note date 01.09.2023. The said note was approved by the Hon'ble Chief Executive Officer/SRA on 05.09.2023 and accordingly notices for hearing were issued to the concerned parties.

Accordingly hearing was held on 21.09.2023. On 21.09.2023 office bearers of Applicant Society remain present. None appeared on behalf of Respondent No.1. The Applicant was heard and the matter was closed for order.

# **ARGUMENT OF APPLICANT SOCIETY**

According to Applicant they appointed Respondent No.1 as developer by passing General Body Resolution in the year 2012. Pursuant to the appointment, the Respondent No.1 submitted



proposal to Slum Rehabilitation Authority and same is accepted on 02.02.2012. It is the version of Applicant that since last 11 years the Respondent No.1 has failed to take any steps in implementation of subject SR Scheme due to which they are forced to live in unhygienic environment. It is further version of Applicant that Respondent No.1 is avoiding the members of Applicant Society and has failed to comply with their duty which is causing hardship to Applicant society.

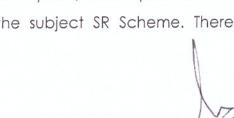
According to Applicant due to delay on the part of Respondent No.1 in implementation of subject SR Scheme, the Applicant Society unanimously decided to terminate the appointment of Respondent No.1 as Developer in Special General Body Meeting. It is the version of Applicant that they want to appoint M/s. Charbhuja Realtors as new developer for implementation of subject SR Scheme. On these grounds the Applicant has not only prayed to terminate Respondent No.1 as Developer but also requested to appoint M/s. Charbhuja Realtors as new developer of subject SR Scheme.

## <u>ISSUES</u>

From facts on record the issue that arise for determination of this Authority is as to whether there is nonperformance on the part of Respondents and delay caused in implementation of subject SR Scheme is attributable to Respondent No.1.

#### **REASONS**

It is admitted fact that the proposal of subject SR Scheme is accepted by Slum Rehabilitation Authority on 02.02.2012. Thereafter there is no progress in the subject SR Scheme and the scheme is stand still. The factsheet reveals that though the scheme is accepted in the year 2012 till date Annexure-II is not issued to the subject SR Scheme. It is the version of Applicant that for last more than 11 years, the Respondent No.1 has failed to show any progress in the subject SR Scheme. Therefore, Applicant has decided to



terminate the appointment of Respondent No.1 as developer through Special General Body Meeting and appoint M/s. Charbhuja Realtors as new developer for implementation of subject SR Scheme. There is copy of General Body Resolution dated 09.09.2023 on record. Through said resolution the Applicant has terminated the appointment of Respondent No.1 as developer. Though notice was issued to respondents they remain absent for hearing.

Though the notice for hearing was issued to Respondent No.1, none appeared on behalf of Respondent No.1 for hearing held on 29.09.2023. The Respondent No.1 has also failed to submit their written submission on record. The conduct of Respondent No.1 indicates that they are not interested in implementing the subject SR Scheme. There is absolutely no progress in subject SR Scheme till date. Obviously, there is delay. According to Applicant society the delay is on the part of Respondent No.1. Such inordinate delay in rehabilitation of slum dwellers is bound to frustrate the basic object of Government in introducing the Slum Rehabilitation Schemes. In this regard the observation of Hon'ble High Court in Writ Petition No.2987 of 2018, M/s. Galaxy Enterprises V/s. State of Maharashtra & Ors. are relevant. The relevant observation of Hon'ble High Court are as under;

vested right which would mandate the SRA to continue it's appointment for such delay and when the body appointing the said developer namely the society itself, in the given set of facts, bonafide and for an acceptable reasons, lacks confidence in the Petitioner as appointed by it. Between the slum society and the developer, it is merely contractual dispute. It cannot be said that the society in adverse circumstances would have no authority in a resolution so passed by the majority to remove a developer. The role of the SRA under law is to further the interest of the slum scheme by exercise of it's powers in the best interest of the slum



redevelopment and pass such appropriate orders to achieve the said object, in exercising it's powers inter alia under section 13(2) of the Slums Act."

This Authority being a Planning and Project Management Authority is under legal obligation to see that the scheme is completed within reasonable time. In the event of nonperformance and inordinate delay, this Authority is bound to take necessary action. The observation of Hon'ble High Court in Appeal from Order No.1019 of 2010, Ravi Ashish Land Developers Ltd. V/s. Prakash Pandurang Kamble & Anr. are relevant. The relevant observation of Hon'ble High Court are as under;

"One fails to understand as to how persons and parties like Respondent No.1 are languishing and continuing in the transit accommodations for nearly two decades. When the slum rehabilitation projects which are undertaken by the statutory authority enjoying enormous statutory powers, are incomplete even after twenty years of their commencement, then it speaks volume of the competence of this Authority and the officials manning the same. In all such matters, they must ensure timely completion of the projects by appropriate intervention and intermittently. They may not, after issuance of letter of intent or renewals thereof, fold their hands and wait for developers to complete the project. They are not helpless in either removing the slum dwellers or the developers. The speed with which they remove the slum dwellers from the site, it is expected from them and they must proceed against errant builders and developers and ensure their removal and replacement by other competent agency."

Further the Applicant has contended that they have taken decision to appoint M/s. Charbhuja Realtors as their new developer for implementation of subject SR Scheme and prayed for appointment of authorized officer of SRA for conducting General Body Meeting for appointment of M/s. Charbhuja Realtors as new

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developer of subject SR Scheme. For appointment of new developer it is necessary to pass General Body Resolution with requisite consent in presence of authorized officer of Slum Rehabilitation Authority in accordance with circular no.169 of Slum Rehabilitation Authority.

On careful consideration of above facts and circumstances this Authority has come to conclusion that there is inordinate delay and nonperformance on the part of Respondent No.1 in implementation of subject SR Scheme and they are liable to be terminated as Developer. Accordingly following order is passed.

### ORDER

- 1. The Respondent No.1 i.e. M/s. Balaji Developers is hereby terminated as developer of subject SR Scheme i.e. SR Scheme on land bearing C.S. No.32(pt), 2/32(pt) and 4/32 of Salt Pan Division for "Jadhav Wadi SRA CHS (Prop.)"
- The Applicant society i.e. Jadhav Wadi SRA CHS (Prop.) is at liberty to appoint new developer of their choice in accordance with rules, regulation and policy of Slum Rehabilitation Authority.
- 3. The newly appointed developer to reimburse the actual expenses incurred by Respondent No.1 in respect of subject SR Scheme till date.

Place: - Mumbai

Date:- n/

0 4 OCT 2023

Chief Executive Officer Slum Rehabilitation Authority

No.SRA/CEO/13(2)/Jadhav Wadi SRA CHS (Prop.)/59/2023 Date:- 0/4 001 2023

CC to,

Jadhav Wadi SRA CHS (Prop.)
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N.S. Mankikar Marg, Sion (East),
Mumbai - 400 022



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- 3. M/s. Verticohorizon E-1/23,B-3, Panchsheel Apartment Owner's Association, Sector-10, Nerul, Navi Mumbai - 400 706
- 4. Dy. Chief Engineer/SRA
- 5. Executive Engineer (F/N Ward)/SRA
- 6. Tahsildar-1/SRA
- 7. Joint Registrar (City)/SRA
- 8. CLC/SRA
- 9\_IFOfficer/SRA
- 10. Chief Legal Consultant/SRA

