

SLUM REHABILITATION AUTHORITY

**BEFORE THE CHIEF EXECUTIVE OFFICER,  
SLUM REHABILITATION AUTHORITY**

**File No.SRA/DDTP/145/S/PL/LOI**

Chandan Nagar SRA CHS  
Chandan Nagar, Adi Shankaracharya  
Marg, Powai Road, Vikroli (West),  
Mumbai – 400 083

... Applicant

V/s

1. M/s. International Trading & Manufacturing Company  
1, Ramkrupa Bldg, Devaji Bhimji Lane,  
Mathuradas Road, Kandivali (West),  
Mumbai – 400 067
2. M/s. Ellora Project Consultant Pvt. Ltd.  
Kher Nagar, Ninad CHS Ltd.  
Room No.317-321, Building No.7,  
Khernagar, Bandra (East),  
Mumbai - 400 051
3. M/s. Edelweiss Asset Reconstruction  
Edelweiss House, off CST Road,  
Kalina, Mumbai - 400 098



... Respondents

**ORDER**

**(Passed on - 15.03.2024)**

The present proceedings are initiated pursuant to application of Applicant dated 21.09.2022 in respect of Slum Rehabilitation Scheme on land CTS No.4A/1A/2A(pt), 4A/1A/2(B)(pt), 4A/1A/2C(pt) & old CTS No.4, 4D/2(pt), 5(pt) new CTS No.4D/1(pt), 4D/2(pt), 4(A)/1(A)/2(A)(pt), 4(A)/1(A)/2(E), 4A/1A of Village Hariyali, District Kurla for "Chandan Nagar SRA CHS". Hereinafter the abovesaid Slum Rehabilitation Scheme is referred to and called as

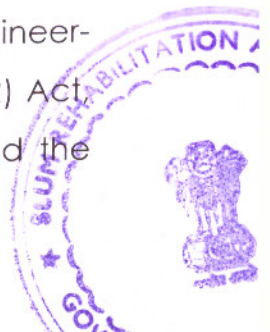
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"subject SR Scheme". In brief the facts which lead to present proceedings are as under;

**BRIEF FACTS:**

The slum dwellers residing on plot of land bearing CTS No.4A/1A/2A(pt), 4A/1A/2(B)(pt), 4A/1A/2C(pt) & old CTS No.4, 4D/2(pt), 5(pt) new CTS No.4D/1(pt), 4D/2(pt), 4(A)/1(A)/2(A)(pt), 4(A)/1(A)/2(E), 4A/1A of Village Hariyali, District Kurla have formed Chandan Nagar SRA CHS and resolved to redevelop the land in their occupation by implementing the Slum Rehabilitation Scheme. Accordingly Applicant passed resolution and appointed Respondent No.1 as Developer and Respondent No.2 as Architect for redevelopment. Pursuant to their appointment, the Respondent No.1 submitted proposal of subject SR Scheme to Slum Rehabilitation Authority and it was duly accepted on 23.09.2009 & 20.01.2011. The land under the subject SR Scheme admeasuring 13142.49 sq. mtrs. is owned by Private owner. The certified Annexure-II is issued by Competent Authority on 08.06.2011 for total 377 number of slum dwellers, out of which 258 slum dwellers were held eligible. The Letter of Intent was issued on 08.12.2009 and the same was revised lastly on 16.10.2017. Intimation of Approval was issued to rehab building wing A, B, C & D was issued on 06.01.2012 and same was revised on 04.12.2017. Further Commencement Certificate to rehab wing A, B, C & D was issued on 21.02.2018 for Ground + 22<sup>nd</sup> upper floors. Thereafter, no further permission is issued to subject SR Scheme and the scheme is stand still. The factsheet further reveals that RCC frame work of rehab building is completed upto 9<sup>th</sup> floor.

Due to inordinate delay in implementation of subject SR Scheme and nonpayment of rent, the Applicant submitted application dated 21.09.2022 for termination of Respondent No.1 as Developer. Pursuant to said application a note dated 02.05.2023 was submitted by Executive Engineer-3/SRA for initiating action u/s 13(2) of Maharashtra Slum Areas (I, C & R) Act, 1971 and accordingly notices were issued to the concern parties and the





matter was heard on 18.05.2023. On said day representatives of Applicant Society remain present. Mr. Vivek Tanna remain present for Respondent No.1 developer. None appeared on behalf of Respondent No.3. Heard all the parties and matter was closed for order. Parties were directed to submit their written submissions before 7 days.

#### **ARGUMENT OF APPLICANT SOCIETY**

It is the version of Applicant that the Respondent No.1 was appointed in the year 2009 by executing Development Agreement dated 24.09.2009. In said Development Agreement, the Respondent No.1 agreed to complete the subject SR Scheme within 24 months from the date of obtaining Commencement Certificate. According to Applicant Commencement Certificate was issued in the year 2011. There are total 377 slum structures, out of which 200 slum structures were demolished and remaining 177 structures are on site. It is further version of Applicant that there are arrears of transit rent for more than 5 years.

The Applicant stated that during the period of 12 years, the Respondent No.1 has completed rehab building upto 10<sup>th</sup> floor and sale building upto 22<sup>nd</sup> floor. It is further version of Applicant that the transit camp constructed at site is in dilapidated condition and is likely to cause danger to the life of slum dwellers residing therein. On these grounds the Applicant has prayed to terminate Respondent No.1 as developer of subject SR Scheme.

#### **ARGUMENT OF RESPONDENT NO.1 DEVELOPER**

It is the version of Respondent No.1 that the slum dwellers on said land have formed Chandan Nagar SRA CHS to implement the subject SR Scheme. Accordingly proposal is submitted to this Authority and same is accepted and various permissions were issued. There are 377 slum dwellers, out of which 140 slum dwellers were shifted to transit camp and 72 slum dwellers were shifted on rent. It is further version of Respondent No.1 that though there was delay, they have paid rent to slum dwellers on regular basis. According to Respondent No.1 delay is not intentional. The Respondent No.1 completed

the RCC work of rehab building upto 10<sup>th</sup> floor and also completed brick work upto 8<sup>th</sup> floor. Apart from rehab building, they have also completed RCC work of sale building upto 21<sup>st</sup> floor and brick work upto 12<sup>th</sup> floor. It is the version of Respondent No.1 that they have sold 90% of flat to purchasers. The Respondent No.1 further submitted that they are facing temporary liquidation crunch since lock down.

### **ARGUMENT OF RESPONDENT NO.3**

There is letter of Respondent No.3 on record. In said letter it is contended by Respondent No.3 that they have financed the Respondent No.1 in the year 2017 in respect of subject SR Scheme. According to them the Respondent No.1 is payable to them an amount of Rs.4,46,27,15,167/- till 31<sup>st</sup> March 2023.

### **ISSUES**

From rival contentions, the issue that arise for determination of this Authority is as to whether there is nonperformance and inordinate delay on the part of Respondent No.1 in implementation of subject SR Scheme.

### **REASONS**

It is admitted fact that the proposal of subject SR Scheme is accepted by this Authority on 23.09.2009 and 20.01.2011 and certified Annexure-II is issued by Competent Authority on 08.06.2011 for total 377 number of slum dwellers, out of which 258 slum dwellers were held eligible. The Letter of Intent was issued on 08.12.2009 and the same was revised on 16.10.2017. Intimation of Approval was issued to rehab building wing A, B, C & D was issued on 06.01.2012 and same was revised on 04.12.2017. Further Commencement Certificate to rehab wing A, B, C & D was issued on 21.02.2018 for Ground + 22<sup>nd</sup> upper floors. Thereafter, no further permission is issued to subject SR Scheme and the scheme is stand still. The factsheet further reveals that RCC frame work of rehab building is completed upto 9<sup>th</sup> floor. It is the version of Applicant that the Respondent No.1 agreed to complete the subject SR Scheme within 24 months from the date of obtaining Commencement





Certificate and Commencement Certificate is issued in the year 2011. According to Applicant there are total 377 slum structures, out of which 200 slum structures were demolished and remaining 177 structures are on site. It is further version of Applicant that Respondent No.1 is in arrears of transit rent for more than 5 years. According to Applicant the transit camp constructed at site is in dilapidated condition which is likely to cause danger to the life of slum dwellers.

As Against this it is the version of Respondent No.1 that there are 377 slum dwellers out of which 140 slum dwellers were shifted to transit camp and 72 slum dwellers were shifted on rent. It is further version of Respondent No.1 they have completed RCC work of rehab building upto 10<sup>th</sup> floor and also completed brick work upto 8<sup>th</sup> floor. According to Respondent No.1 that they have sold 90% of flat to purchasers. The Respondent No.1 has admitted that they are facing temporary liquidation crunch since lock down and they are facing difficulty in carrying out construction work.

There is letter dated 09.05.2023 of Respondent No.3 on record. The said letter reveals that that Respondent No.3 have financed Respondent No.1 in the year 2017 in respect of subject SR Scheme. According to Respondent No.3, the amount of Rs.4,46,27,15,167/- is due and payable by Respondent No.1 till 31<sup>st</sup> March 2023.

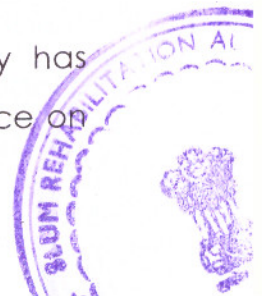
There is also a letter dated 14.03.2024 of the Deputy Secretary, Housing Department on record. The said letter reveals that the financial institution M/s. Edelweiss Asset Reconstruction has submitted Application under Amnesty Scheme as per Government Resolution dated 12.07.2023. The said financial institution has expressed willingness to complete the scheme. The letter further reveals that after scrutiny of the proposal of financial institution i.e. M/s. Edelweiss Asset Reconstruction, the Committee constituted by Government under Chairmanship of Hon'ble Additional Chief Secretary, Housing Department has approved their proposal under Amnesty Scheme. The Letter of Deputy Secretary Housing Department further reveals that the Respondent

No.3 financial institution will be completing the subject SR Scheme by appointing agency/representative M/s. Mahadev Spaceinnovator Pvt. Ltd. The record reveals that though the Respondent No.1 has raised the finance from financial institution i.e. M/s. Edelweiss Asset Reconstruction, they have failed to complete the subject SR scheme. This approach of Respondent No.1 shows that they are not interested and are not in financially sound position to complete the subject SR Scheme.

There is absolutely no progress in subject SR Scheme till date. During the said period the Respondent No.1 has not rehabilitated a single slum dweller. 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;

**"58. In any case the developer cannot be said to possess a 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."**

Considering the overall facts and circumstances this Authority has come to conclusion that there is inordinate delay and non-performance on





### ORDER

1. The Respondent No.1 i.e. M/s. International Trading & Manufacturing Company is hereby terminated as developer of subject SR Scheme i.e. SR Scheme on land CTS No.4A/1A/2A(pt), 4A/1A/2(B)(pt), 4A/1A/2C(pt) & old CTS No.4, 4D/2(pt), 5(pt) new CTS No.4D/1(pt), 4D/2(pt), 4(A)/1(A)/2(A)(pt), 4(A)/1(A)/2(E), 4A/1A of Village Hariyali, District Kurla for "Chandan Nagar SRA CHS".
2. The appointment of lender/joint developer M/s. Edelweiss Asset Reconstruction along with developer authorized by lender M/s. Mahadev Spaceinnovator Pvt. Ltd. is hereby confirmed as per the decision of Committee under the Chairmanship of Hon'ble Additional Chief Secretary, Housing Department on Amnesty Proposal of lender.
3. The lender M/s. Edelweiss Asset Reconstruction is directed to take necessary steps including compliance of circular no.210 of SRA.
4. The Executive Engineer/SRA is directed to appoint Government approved valuer to determine the expenses incurred by Respondent No.1 in respect of subject SR Scheme till date as per section 13(3) of the Maharashtra Slum Areas (I, C & R) Act, 1971.
5. The newly appointed joint developer/lender to reimburse the actual expenses incurred by Respondent No.1 in respect of subject SR Scheme as per provisions of section 13(3) of the Maharashtra Slum Areas (I, C & R) Act, 1971.

Place:- Mumbai

Date:-

15 MAR 2024

  
Chief Executive Officer  
Slum Rehabilitation Authority

No. SRA/CEO Order/Chandan Nagar SRA CHS /21/2024

Date:

15 MAR 2024



Copy to:

1. Chandan Nagar SRA CHS  
Chandan Nagar, Adi Shankaracharya  
Marg, Powai Road, Vikroli (West),  
Mumbai – 400 083
2. M/s. International Trading & Manufacturing Company  
1, Ramkrupa Bldg, Devaji Bhimji Lane,  
Mathuradas Road, Kandivali (West),  
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3. M/s. Ellora Project Consultant Pvt. Ltd.  
Kher Nagar, Ninad CHS Ltd.  
Room No.317-321, Building No.7,  
Khernagar, Bandra (East),  
Mumbai - 400 051
4. M/s. Edelweiss Asset Reconstruction  
Edelweiss House, off CST Road,  
Kalina, Mumbai - 400 098
5. M/s. Mahadev Spaceinnovator Pvt. Ltd.  
Unit No. 203, Saybe Emerald,  
Opp: Bandra Railway Station,  
Bandra (W), Mumbai-400 050
6. Dy. Chief Engineer/SRA
7. Executive Engineer (S Ward)/SRA
8. Tahasildar-2/SRA
9. Financial Controller/SRA
10. Assistant Registrar (E.S.)/SRA
- ✓ 11. Information Technology Officer/SRA
12. Chief Legal Consultant/SRA

