

MUNICIPAL CORPORATION OF GREATER MUMBAI
MARKET DEPARTMENT

Office of the A.C Markets, Mahatma Jyotiba Phule Mandai (Crawford Market), First Floor, Dr. D.N. Marg, Fort, Mumbai - 400001.
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CIRCULAR

Subject: Policy Circular for allowing "*Monetary Compensation*" to the Commercial PAP's affected by various public purpose projects of M.C.G.M.

Reference: Approval of Hon'ble M.C. u/No. MGC/F/8243 dated 29.01.2019.

M.C.G.M. is presently facing acute shortage of commercial spaces for the purpose of offering alternate accommodation to the eligible commercial PAPs affected by the various public purpose projects undertaken by different departments of M.C.G.M. This demand gap is increasing day by day and considering the present available stock, it is quite clear that the demand for alternate accommodation to the commercial PAPs cannot be met with, in near future. Therefore considering the above facts, it is necessary to provide an acceptable alternative to the commercial PAPs such as monetary compensation.

The proposal for offering "*Monetary Compensation*" instead of granting commercial alternate accommodation to the Commercial PAP's affected by various public purpose projects of M.C.G.M. is approved by the Standing Committee vide its Resolution No. 668 dated 08.11.2017 and Corporation vide its Resolution No. 920 dated 09.10.2018. It was proposed to grant "*Monetary Compensation*" equivalent to the prevailing SDRR rate for cost of "*shop/commercial on ground floor*" applicable to the existing PAP site on the eligible area at the rate of 100% for non-slum Commercial PAPs and at 75% to the Commercial slum PAPs.

Since this is the matter of offering large amount of money as compensation to the eligible commercial PAPs, proposals shall be carefully scrutinized and further recommended accordingly for the approval of Hon'M.C.

In view of the above, following policy guidelines are proposed while offering compensation to the Commercial PAP's affected by the various public purpose projects undertaken by different departments of M.C.G.M.

POLICY GUIDELINES FOR IMPLEMENTATION

- Step 1: The Commercial PAP's list deciding the eligibility for compensation for their eligible area / original area or 225 sq.ft as per present policy be finalised with the sanction of the Competent Authority as per the procedure laid down vide circular u/No. Ch.E./DP/19922/ES dated 20.03.2017 and step 7 below.
- Step 2: It is obligatory for the eligible Commercial PAP of the affected structure to choose either alternate commercial premises available with M.C.G.M. or Monetary Compensation.
- Step 3: As the monetary compensation proposed is at the rate of 75% of the SDRR rate for the Commercial Slum PAPs and at the rate of 100% of the SDRR rate to the Non-slum Commercial PAPs, the eligible areas of PAPs and the status of PAPs i. e. slum or non-slum commercial structure, shall be clearly mentioned in the eligible list of PAPs/Annexure.
- Step 4: Concern A.E.(M) of the respective ward shall certify the exact location of PAP's structure for which monetary compensation is proposed to be offered, on the respective plan of the Stamp Duty Ready Reckoner (SDRR) for Greater Mumbai in terms of "*Village No./Zone No.*" as given in SDRR.

Step 5: The SDRR Rates shall be of year in which the **offer letter** is proposed to be issued to the PAP.

Step 6: The rate given for **"Shop/Commercial on Ground floor"** in the SDRR for the respective "Village No./Zone No.", as certified in Step 4 above, shall be used for deciding the compensation amount.

Step 7: The amount of monetary compensation to be offered shall be as below:

1. Compensation Amount For Non-Slum Commercial PAP	= (Eligible Area X Rate as per Step 6)
2. Compensation Amount For Slum Commercial PAP	= 0.75 (Eligible Area or 225 sq.ft which ever is less X Rate as per Step 6)

- Step 8: The statement showing the compensation, as worked out in Step 7 above, for all the eligible Commercial PAPs, shall be got verified from the office of C. A. (Finance). Office of the C. A. (Finance) shall submit their verification within seven working days to the concern ward office
- Step 9: A consolidated report be submitted for the administrative approval of concern A.M.C/Hon'ble M.C. On approval, concern A. C. of the ward shall give eligibility cum offer letter to the eligible PAPs giving them one month's time to decide and choose the option of either monetary compensation or an alternate premises.
- Step 10: At the end of one month, the non-responsive PAPs shall be informed that their structure affecting the project will be demolished with in 7 days however they can claim their compensation in future and the option of monetary compensation will be without any interest.
- Step 11: Concern A.C. of the ward will pay the monetary compensation through ECS only after handing over the peaceful and vacant possession of the PAP's premises. The compensation amount shall be paid from the budget provision made under Land Acquisition by the office of Ch. E. D. P. If the PAP opted for alternate commercial premises, the same shall be processed as per the established present practice.
- Step 12: In both the cases i.e. monetary compensation or alternate commercial premises, it must be seen that the affected eligible structure gets compensated immediately after the concern PAP structure gets demolished.

As per the said SCR/CR, this policy will be applicable from the date of 01.01.2017. Further, the option of Monetary Compensation is applicable for the future PAPs as well as the PAP's who have been offered alternate commercial premises but have not accepted the alternate commercial premises. Therefore, Market Department will forward the list of Commercial PAPs, to the concern Wards, who have not accepted the alternate premises. On receipt of the said list the concern PAPs shall be informed by the concern A.C. of the respective ward, regarding the option of Monetary Compensation and the PAPs shall accordingly confirm their option within one month to the M.C.G.M.

This Circular shall replace Option-VII under Sr.No.12 of the earlier circular issued u/No. Ch.E./DP/19922/ES dated 20.03.2017.

Sd/- 15.11.2018
Dr. Smt. Sangita Hasnaale
Assistant Commissioner (Market)

Sd/- 20.11.2018
Shri Rajendra B. Zope
Ch.E.D.P.

Sd/- 17.01.2019
Shri Pradip B. Padwal
C.A.(Finance)

Sd/- 17.01.2019
Shri Chandrashekhar D. Chore
D.M.C.(Improvements)

Sd/- 21.01.2019
Smt. I. A. Kundan
A.M.C.(WS)

Sd/- 28.01.2019
Shri Ajoy Mehta
Hon'ble M.C.