

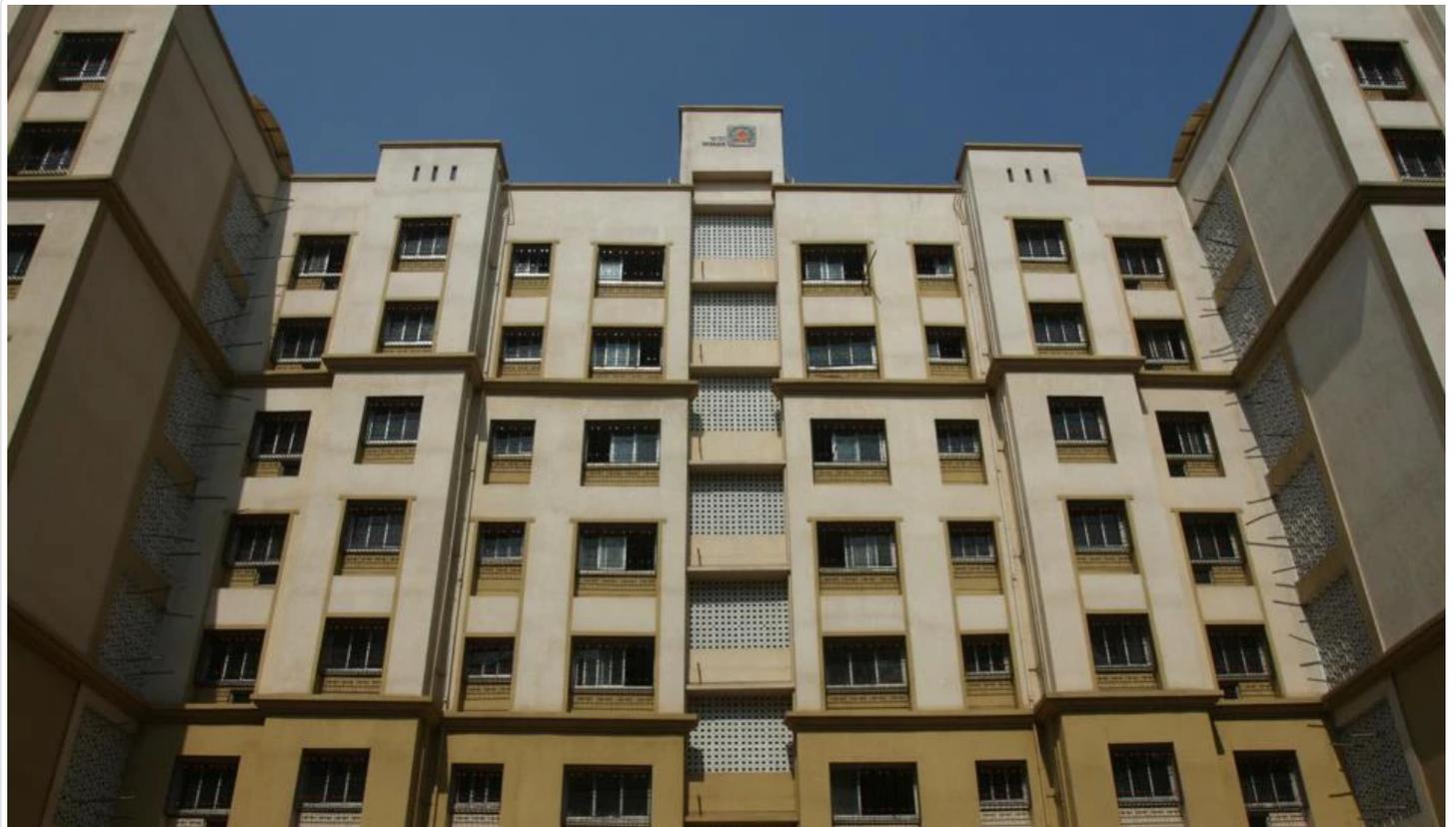
## More compensation for landlords of cessed, non-cessed buildings

After the collapse of Kesarbai building in Dongri last month, which killed 13 people, chief minister Devendra Fadnavis had announced the government would tweak the Mhada Act empowering it to make compulsory acquisition of cessed and non-cessed buildings.

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Mumbai



As per the current law, Mhada can forcibly acquire cessed buildings by paying an amount 100 times of the monthly rent collected by the landlord from tenants. (HT image)

To facilitate the acquisition of cessed and non-cessed buildings for the cluster development of old and dilapidated buildings in south Mumbai, the state government plans to give increased compensation to owners of such buildings — by offering 25% of their land cost or 15% of the saleable component of flats in the redeveloped buildings

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The state government is planning to issue an ordinance in this respect, which will also



empower the Maharashtra Housing and Area Development Authority (Mhada) to forcibly acquire non-cessed buildings as well as cessed buildings. Currently, the Mhada cannot forcibly acquire non-cessed buildings.

After the collapse of Kesarbai building in Dongri last month, which killed 13 people, chief minister Devendra Fadnavis had announced the government would tweak the Mhada Act empowering it to make compulsory acquisition of cessed and non-cessed buildings. The CM had said that unless cessed and non-cessed buildings are clubbed for their redevelopment, it would not be feasible. The housing department has finalised the draft of the ordinance, which will make changes in the Mhada Act. The department took advice from the law and judiciary department to this effect. “The ordinance will be issued once approved by the state cabinet,” said an official.

As per the current law, Mhada can forcibly acquire cessed buildings by paying an amount 100 times of the monthly rent collected by the landlord from tenants. “The compensation was meagre compared to the land cost in south Mumbai. We have decided to raise it to 25% of the land cost of ready reckoner rates or offer them 15% of the sealable components in redeveloped buildings. A similar compensation will be applicable to the landlords of non-cessed buildings. There is a possibility of resistance from the owners, but in the interest of the families living in the old and dilapidated buildings, we have no option but to acquire them forcibly,” said an official from the housing department.

Landlords will be given six months and housing societies six more months to redevelop on their own if the compensation is not acceptable to them.

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