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Abstract-In various urban agglomerations throughout India and especially in Mumbai, there is a serious problem with old and dilapidated buildings in the city core. These buildings, mostly small in land and built-up area, are single isolated buildings which are in dilapidated state and are more than 30 years old. Yet the tenants/owners are living in them. These buildings form a major part of Thane, suburban Mumbai and Mumbai respectively. If these buildings are redeveloped, it will lead to better housing for tenants, increase the facade of buildings, bring in more open spaces and amenities, increase the value of real estate, and so on. Redevelopment is basically demolishing the old building and erecting a new, more structurally sound building on the same site with the same or more built-up area. The redevelopment process itself is ridden with various barriers and difficulties and is in no way a cakewalk for any of the stakeholder. One of the key problems is the implementation of 79 - A Process which is applicable to whole of Maharashtra is not done properly. As the redevelopment process done in Maharashtra is as per Section 79 - A of the MCS Act, which is compulsory to be followed, its study is important to make the process of redevelopment more user-friendly by proposing some changes. The research will help to identify general technical shortcomings in the 79 - A process of redevelopment of old buildings as per the Maharashtra Co-operative Societies Act 1960, respectively. The main aim of the study in this paper is to study in depth the existing Section 79 - A process of the Maharashtra Cooperative Societies Act, and compare it with Section 41 - A of the Gujarat ownership flats Act, and suggest a few plausible and sound improvements in Section 79-A process backed by the, collected data from study area, its analysis other similar literature survey respectively.

Keywords – Redevelopment, Old and Dilapidated, Rehabilitation, Barriers, Building, Societies.

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1. Introduction

Redevelopment is the process of demolishing an existing building altogether and constructing a new one with new dimensions and space as per UDCPR (Unified Development Control Promotions and Regulations)[1]. Redevelopment has become quite popular in cooperative housing societies since it is a most practical, economical and long-term solution in a scenario where old structures are proving uneconomical/ obsolete, whereas for the builder, it is a cost effective way to construct residential / commercial premises by utilising the unused potential, i.e., the FSI - TDR with gradual capital investment in times of heavy land prices and in a situation of unavailability of land in good locations. Overall, it can be said that when the cost of structural repair exceeds the ceiling limit, redevelopment of the old building must be considered.[2]. The redevelopment if done in an area also results in increase in net the positive value of surrounding land parcels paving way for their redevelopment as well.[3]. Although however lucrative this process may sound, the truth is far from it. The said process is heavily ridden by various problems, such as delay in possession of flats as tenants are keen but owners are not due to less compensation offered [4], legal problems, which hold a lion’s share in the delaying of redevelopment, including tedious administrative processes [5] corruption in the redevelopment process [4,6], various other issues including management issues, economic issues and ecological issues [7], Lack of proper policies and frame work problems from builder / developer /corrupt practices / tax recovery, problems of Payment dues from members etc. [8]. All these barriers usually come across the redevelopment process which usually hampers it. Hence due to this, sometimes the redevelopment endeavour of the old and dilapidated buildings becomes unfruitful and much less economical to all the stakeholders involved in it. Overall, this process is not user-friendly and various policy changes are needed in order to make the process more feasible. [9].

The UDCPR only talks about the compensation but not about the actual process, except for the age criteria, which is set at 30 years for the buildings to undergo redevelopment respectively and regarding consent criteria, which is set at 51% of the total members of the society. Hence in-depth study of Section 79- A of MCS Act is needed respectively. [10]

Due to this kind of problems occurring in the redevelopment Process, The Government Maharashtra formed Section 79 – A under the Maharashtra Co-operative Societies Act (MCS) Act 1960 respectively. Further the section 79 – A is not followed by various stakeholders involved in the redevelopment, thus indicating an important barrier which needs to be addressed, through study and improvisation, respectively. [11].

2. Objectives of the Study

The objectives of the Research paper are given below –

- Study of Section 79-A process under Maharashtra Co-operative Act 1960 and convert it into a Flow chart for better understanding and research.
- Study of Section 41-A in detail under the Gujarat Ownership Flats Act (Amendment), 2018 and converting it into a flow chart for better understanding and research.
- Comparison of Section 79 - A of the MCS Act and section 41 -A of the GOF Act.

The first objective of the paper is to study in detail the process of the existing redevelopment procedure given by the Government of Maharashtra in detail which is 79 -A process respectively. The second objective is to study the similar section of the neighbouring state of Gujarat related to the redevelopment procedure old building and societies respectively which section 41 -A under the Gujarat Ownership Flats Act respectively. The Third objective is to compare both the sections and their details to pin out their various pros.
and cons, which would be used further in suggesting various plausible improvements to the section 79 – A of MCS Act, 1960.

3. Scope of the Study

The scope of work that was included to complete the study is to conduct an extensive literature survey relating to the concerned topic of research, study existing government GRs and policies in place relating to redevelopment, study the 79-A section in detail, collection of data from a 3-tier structured questionnaire through various kinds of stake holders which are involved in the process of redevelopment of old and dilapidated buildings respectively, interaction with stake holder and proposing improvements in the Section 79 – A of the Maharashtra Co-operative Societies (MCS) Act, 1960 based on the literature, data collected and analysis respectively.

4. Methodology

The propositions suggested in 79 – A later are based on literature review of existing redevelopment policy, Data collection from stakeholders, its analysis, and interaction with the stakeholders as well. The methodology is proposed in 4 phases, respectively 1. Study of relevant Acts (79 -A,41- A), 2. Structured Questionnaire survey, 3. Interaction with stakeholders,4. Analysis and proposals respectively. Both qualitative and quantitative approaches were used in this research respectively. The methodology involved included the following steps in order as follows: 1. problem identification, 2. problem definition, 3. study area selection, 4. literature review, 5. data collection, 6. data analysis and 7. proposals. The primary data is to be collected from the questionnaire and stakeholder interactions, and secondary data includes policies and data collected from secondary sources respectively. The details regarding the primary data collection from the stakeholder through structured questionnaires are discussed clearly in detail in the preceding sections.

5. Study Area

The study area selected for the data collection and analysis that would be fruitful in proposing the remedial improvements in Section 79 -A of the MCS Act would be the Rambaug area, which lies in the jurisdiction of Kalyan Dombivli Municipal Corporation (KDMC) in the MMR Area. The MMR (Mumbai Metropolitan Region) lies in the Maharashtra State of India respectively. The study area is 0.1 square kilometres in area and has a perimeter of 1.27 kilometres. The study area is northbound by Kala Talao Road, towards the south it is bound by Santoshi Mata Road, towards the west it is bound by Rambaug – 4 lane and finally, towards the east, it is bound by Chikan Ghar Road. In the prescribed delineated area, there are about 100 to 120 building structures Majority of which are old and need redevelopment and were built during the early 1980s, 1990s, and 2000s respectively, thus making this study area ideal for our research respectively. [12, 19]
Fig. 1. GIS Based KDMC Ward Area Map

Fig. 2. Delineated Study Area Diagram
6. New Redevelopment Rules Under Sec 79-A of Maharashtra Cooperative Societies Act 1960, w.e.f. from July 2019

6.1 Introduction

In this section head, the 79 – A process shall be studied in detail and will be represented in graphical flow chart format. The redevelopment of old and dilapidated buildings has been taken up on a larger scale in India, especially in Maharashtra. The process at this stage was not user-friendly due to the many complaints received regarding the redevelopment process itself, hence due to this, these regulations were made by the government. The various barriers/complaints reported are as follows –
1. Not taking members in confidence in redevelopment process.
2. Non-Transparency in tendering process.
3. Arbitrary appointment of Developers.
4. Conducting business in violation of the cooperation law, rules and Bye – laws, lack of co-ordination in the work to be done by the Architects and projects Consultants.
7. Non–Parity in the agreements to be executed with developers.

Hence, the government resolution dated 3rd January 2009 has prescribed procedure for the redevelopment of buildings belonging to the Co – operative Housing Societies by giving directions under Section 79 (A) of the Maharashtra Co- operatives Societies Act 1960. Further the complaints received regarding the redevelopment process, the Govt. of Maharashtra government introduced some modifications in basic Act and introduced sec 79 (A) in the act regarding the redevelopment process in the MCS Act 1960, w.e.f. 4th July 2019. [13,14]

6.2 Diagrammatic Representation of Section 79-A Under the Maharashtra Cooperative Societies Act 1960.

The directives laid down by the Government of Maharashtra regarding redevelopment rules and procedures have been simplified below in (Fig. 3) as it is in the flow of Detailed Flow chart thus also fulfilling one of the objectives respectively. The flow chart making helped to understand the process in depth and also helped in understanding it in a better and efficient manner, respectively. The following flow chart describes in detail each and every component working to make the redevelopment process of the old and dilapidated buildings more successful. Each component is, in one way or another dependent on the other. The flow chart needs to be referred to in horizontal orientation respectively. The flow chart starts from the parameter of government resolution on the right-hand side and ends with the grant of an occupancy certificate after completion of the redevelopment project on the left-hand side when viewed horizontally in landscape position. The detailed flow chart of the following is depicted below (Fig. 3) -
Fig. 3. Section 79 A of MCS Act (Diagrammatic Flow chart)
6.3 Key Points from the 79–A Section in addition to the above Flow chart.

- Absent members' opinion should not be taken into account whether oral or written.
- Conveyance deed should be there.
- While preparing the Draft tender, Architect / PMC should keep corpus fund constant and fix other technical details to make bidding easier.
- Further in the same way the societies can adopt cluster redevelopment applicable for societies enjoying ownership rights of the land and which are affiliated to a cooperative Housing federation respectively. [13,14]

7. New Provisions of Redevelopment of Flats as per Part II - A Section 41 -A of the Principal Act namely the Gujarat Ownership Flats (Amendment) Act, 2018 (Principal Act of 1973)

7.1 Introduction

In this section head, Section 41-A process shall be studied in detail, thus fulfilling the Second Objective respectively. Earlier in the principal Act no provision regarding the Redevelopment of Old buildings was given except the word rebuild which is mentioned in the Section 26, Subsection 1 in Clause (i) of the Principal Act of 1973. Later, the Act was modified to include these redevelopment provisions and certain modifications respectively, further in this amendment the Section 41-A which is Redevelopment of Flats and Redevelopment of Flats and Apartments was inserted. This amendment was sanctioned by the president of India on 21 May 2019, after which it came into force. [15]

7.2 Redevelopment Criteria as per Section 41-A of GOF Act (Amendment), 2018

As per this section, the redevelopment of any old and dilapidated building can only be carried out after obtaining the consent of not less than 75% of all the flat owners in any such building: Provided that, in respect of such building –

- i) a period of 25 years must have been passed, from the date of issuance of permission for development by the concerned authority or
- ii) The concerned local authority / ULB have declared that any such building is in ruinous condition, or likely to fall, or in any way dangerous to any person occupying, resorting to or passing by such a structure or place in the neighbourhood thereof. [15]

7.3 Diagrammatic Representation of Section 41 – A Process

To follow the policy described in the Section 41-A Government of Gujarat made rules to further amend the Gujarat ownership flat Rules, 1974. The amendment had the provision of redevelopment procedure that should be followed by all the stakeholders respectively. The flow chart making helped to understand the process in depth and also helped in understanding it in a better and efficient manner, respectively. The following flow chart diagram describes in detail each and every component working to make the redevelopment process of the old and dilapidated buildings more successful. Each component is in one way or the other dependent on the other. The flow chart is to be referred to in vertical orientation itself. The
Flow chart starts from parameter of age criteria and ends with flats allotment respectively. The detailed flow chart of the following is depicted below-

**Fig. 4. Section 41 A of GOF Act (Diagrammatic Flow chart)**
7.4 key points apart from the section 41-A in Addition to the above flow chart

In addition to the flow chart The project report shall contain the carpet area to be given to the tenants, vacant area, providing alternate accommodation and rent payment, garden, parking, building specs, common areas, recreation facilities and amenities, provisions of corpus fund and bank guarantee, time limit for completion of the redevelopment project, obtaining the approvals from statutory bodies required under the applicable laws and such other matters as may be necessary for re-development project respectively. [15]


Both the sections i.e., 79 A of MCS Act of Maharashtra and 41 A of Gujarat Flat Ownership (Amendment) Act 2018, run on similar framework when compared with each other. But upon deeper observation, it can be clearly seen that the redevelopment procedure of Section 79 – A along with its barriers are given in much more detail as compared to 41- A section of Gujarat Act respectively. Various key differences noted were that in the case of the Section 79 – A under the parameter of number of members required to write an application to the secretary were more (not less than 1/5th members) as compared to the section 41 -A (not less than 1/6th members). The time limit to call the S.G.M. (Society General Meeting) was longer in the case of Section 79 – A (within 2 months) as compared to Gujarati’s Section 41 – A (within 1 month), respectively. There is a provision for written suggestions in case of Maharashtra’s section 79 -A whereas Gujarat’s Section 41 -A lacks any such kind of provision. The important key difference that cannot be ignored is the percentage consent required for the redevelopment process, which is in Section 79 – A The percentage consent required is 51 % of total members of society as compared to the 75 % consent required under the Section 41 – A of the Gujarat Act Respectively. Further, it can clearly be seen that various parameters are missing in the section 41 -A but are strongly present in Section 79 – A respectively, such as Role of Registrar, Provision of AO (Administrative Officer), Provision for making website, Draft tender formulation and so on. Further upon comparison it was found that percent consent required for the developer’s selection was 51 % of the members present on the meeting as compared to the no provision given regarding same in the section 41 – A. Upon Further criteria it was observed in case of Gujarat’s Section 41 -A no Quorum failure criteria was enlisted in it whereas section 79 -A had a strong Quorum failure criterion to deter the stopping for redevelopment process of old and dilapidated building in consideration respectively. The Time Limit to give Appointment letter to the PMC (Project Management Consultant) / Architect in case of Section 79 -A is within 30 days as compared non-existent time limit in Section 41 – A. The criteria for the number of tenders received is strongly mentioned in the section 79 -A where the section 41 -A has no minimum tender criteria in it respectively. Another important parameter which differs in both the sections is Age factor criteria which allows the building / structure to undergo valid redevelopment, in case of Maharashtra’s Section 79 – A it is missing thus showing and important missing link which is present in Gujarati’s section 41 -A enlisted as if building is more than 25 years. Old it is considered eligible for redevelopment. Similar parameter is missing in case of section 79 -A respectively which could be framed for betterment of the process. Thus, overall comparison showed each section has its own pros and cons respectively. The Section 79 – A of the MCS Act has more checks and is more complex as compared to its counterpart, of Section 41 – A of GOF Act Respectively.
9. Data Collection & Analysis

9.1 Data Collection

The data was collected overall from three types of stakeholders Respectively regarding the fulfilment of the above-mentioned core objectives of the study and regarding the improvement of 79 – A Process. The first and fore most stakeholder are the residents of the old and dilapidated buildings, the second type of stake holders from which data was collected are private stake holders involved in redevelopment industry and lastly the third type of stake holder from which data was collected are government authorities who monitors and sanctions the redevelopment projects. Structured questionnaire survey was conducted in the study area to collect data from all the stake holders involved respectively. [16,17] Before the data collection regarding various parameters of Section 79 - A from the study area, the sample size was decided based on the finite population correction formula. [18]

The sample size (n) is calculated according to the formula:

\[ n = \left\lfloor \frac{z^2 \cdot p \cdot (1 - p)}{e^2} \right\rfloor \left/ \left[ 1 + \left( \frac{z^2 \cdot p \cdot (1 - p)}{e^2 \cdot N} \right) \right] \right\rfloor \]  

Where: \( z = 1.96 \) for a confidence level (\( \alpha \)) of 95\%, \( p = \) proportion (expressed as a decimal), \( N = \) population size, \( e = \) margin of error.

\[ z = 1.96, p = 0.5, N = 13500, e = 0.1 \]  
\[ n = \left\lfloor \frac{1.96^2 \cdot 0.5 \cdot (1 - 0.5)}{0.12} \right\rfloor \left/ \left[ 1 + \left( \frac{1.96^2 \cdot 0.5 \cdot (1 - 0.5)}{0.12 \cdot 13500} \right) \right] \right\rfloor \]  
\[ n = 95.362 \]

The sample size (with finite population correction) is equal to 96.

The data collection was done through a structured questionnaire survey through 2 separate questionnaires, one for stakeholder Type I and the later for stakeholder Type II & III Respectively. During the data collection, Various interactions were also done on site with these stakeholders to get an in-depth opinion regarding the problems that come in the process of redevelopment respectively, especially the problems regarding the Section 79 – A process respectively. [16,17] For Type I stakeholder data collection various buildings such as old societies, bungalows and chawls were targeted. The buildings were selected on a random basis. The type I data was collected through type I Questionnaire through residents of 12 targeted buildings. A total of 102 responses were received from Type I stakeholder respectively which is greater than the sample size of 96 which was calculated. Here Questions related to the 79 – A section of MCS Act and its various parameters, including its improvements were asked respectively. The 12 targeted buildings from the study area for the Type I stakeholder data collection have been depicted below.
The Type II & III stakeholder data collection was done through a single combined structured questionnaire for both types of stakeholders, respectively. The stakeholders that were approached were builders, engineers, architects, contractors, proprietors, consultants, lawyers and government engineers Respectively. Here also, wherever possible personal interaction was done regarding the barriers in redevelopment, especially in the process of Section 79 – A respectively. In the questionnaire, various questions relating to the 79 – A process and its improvements were asked, and hence the data in this form was collected respectively. A varied response was received comprising of various stakeholders in various percentages respectively.


9.2 Data Analysis

The data analysis of both types of questionnaires was done, resulting in a foundation for suggesting various plausible changes in the existing Section 79 -A process of the Maharashtra Co-operative Societies Act, 1960 respectively. For the Type I stakeholder response the average response rate based on the response of (1 response/tenement) was 87.95 % respectively. The analysis of Type I Questionnaire also showed that majority of the respondents had no trust at all (44.1%) followed by the second largest response of normal Trust (40.2%) respectively. The trust levels in the current redevelopment process and the policies of the stakeholders (residents) are shown below –

![Trust levels of Residents in RE-DEV process](image)

**Fig. 6. Trust levels in Re-development process**

Further analysis of type I questionnaire showed that amongst the various barriers of redevelopment on which the majority of the respondents agreed to them as they are acting as major barriers to redevelopment process, it was noted that not following the 79 - A process was also one of the peak causes in hampering of the redevelopment process respectively. Later further analysis on solutions to various barriers which come across the redevelopment process as per Type I, II & III Stakeholders was done, in case of Type I stake holder it was observed that a whopping 90.2 % of the respondents said that the major solution needed to tackle the barriers in the redevelopment process was that Major policy changes were needed in the entire redevelopment process, in the case of Type II & III stakeholder responses similar observation was made that also supported for the major policy changes which accounted for 84.6 % of total responses respectively. This thus backs up the need to improve the existing policies and in turn the Section 79 – A process as well.

Further analysis on improvement in Section 79 - A of MCS Act 1960 was done, which is an integral part of the redevelopment process is shown below in detail respectively, majority of the type I stakeholders were positive for changes in various parameters relating to the Section 79 – A process respectively except for the parameter of if redevelopment fails after AO (Administrative Officer) appointment, then there should be penalty to the society? respectively. The analysis from type I stakeholder perspective and Type II & III stakeholder perspectives is done and is shown below in 2 charts given below respectively. (Fig. 7 & 8)

The Section 79 -A which deals with process of redevelopment of old and dilapidated buildings under the Maharashtra Co-operative Societies Act, 1960 has already been converted into a flow chart in subsection 6.2 of section 6 of this article respectively. Though when studied in detail it was found out that it lacked many points respectively. Further similarly The Act of Gujarat whose section 41-A deals with the redevelopment were also studied and positive points which were missing in 79-A but were present in 41-A were tried to implement in 79 - A respectively. Further discussion with officials regarding the process of 79-A also revealed a few missing links with various proposals for improvements that are also proposed in the 79 - A process respectively. The data collected and analysed also backed the need for improvements respectively. The proposed improvised flow chart process of Section 79 - A is show below respectively. (Fig. 9)
Fig. 9. Proposed improvements in Section 79 - A of MCS Act (Diagrammatic Flow chart)
11. Conclusion

Based upon the research conducted following conclusions could be made-

1. From the data collected it is evident that still a significant proportion of urban population residing in old buildings are hesitant to undergo redevelopment process and don’t trust it easily, thus implying significant changes are needed in today’s redevelopment policies to make it more hassle free and user friendly.

2. Various Drastic changes in these Redevelopment policies are needed such as transparency, Stringent Time limits, Penalties should be incorporated in the relevant Acts including section 79 -A of the MCS Act,1960, so that they can be implemented efficiently at the grass root level.

3. Since the Section 79 – A of the MCS Act has only recently been enacted, it still has a wide scope for further future improvements, which will benefit all the stakeholders involved in the redevelopment of old and dilapidated Buildings as well as considering the long-term picture into account.

4. Further during the research it was observed that section 79 – A of the Maharashtra Co-operative Societies Act 1960, is much more detailed and has more checks and balances such as multiple Quorum criteria throughout the process, Quorum failure Criteria which helps to deter the stopping of the redevelopment process, Minimum tender criteria, Multiple Society General meetings and so on, as compared to its counterpart that is section 41 -A of Gujarat Ownership Flat Act Respectively. It was also observed during the study that section 41 – A had one important parameter of age criteria of the building, which decided whether the building could be taken up for redevelopment or not. It was missing in section 79 – A, but in the proposal for improvement it has been proposed with criteria for age modified.

5. The redevelopment policies if improved and made more efficient will pave the way for building of sustainable infrastructure in the future.

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13. New Redevelopment Directives Under the section 79 –(A) of Maharashtra Cooperative Societies Act 1960


15. Directives Under the section 41 – (A) as per Part II A of the Principal Act namely Gujarat Ownership Flats (GOF) (Amendment) Act, 2018.


