

**MINUTES OF THE 184th MEETING OF THE EXECUTIVE
COMMITTEE, MMRDA.**

DATE : 7TH MARCH, 2000 (TUESDAY)
TIME : 3.00 P.M.
PLACE : CHIEF SECRETARY'S
COMMITTEE ROOM,
5TH FLOOR, MANTRALAYA.

MEMBERS PRESENT:

Shri Arun Bongirwar : Chairman
Chief Secretary to Government

Shri D.M. Sukthankar : Member

Shri R.Y. Tambe : Member

Shri K. Nalinakshan : Member
Municipal Commissioner
Brihanmumbai Municipal Corporation

Shri Vishwas Dhumal : Member
Secretary to the Government
Housing & Special Assistance Department

Shri Ajit Warty : Member
Metropolitan Commissioner

INVITEES:

Dr. Pramod Deo
Secretary to the Government
Environment Department

Shri U.P.S. Madan
Project Director, MUTP-II,
MMRDA

Shri K.N. Patel
Legal Adviser, MMRDA

Shri V.K. Phatak
Chief, Town & Country Planning Division, MMRDA

Shri S.P. Pendharkar
Chief, Planning Division, MMRDA

Shri S. B.Pardeshi
Chief Accounts Officer & Financial Adviser, MMRDA
Secretary, Executive Committee, MMRDA (Addl. Charge)

Shri A.V. Deshingkar
Chief Engineer, Engineering Division, MMRDA

Shri A.V. Ghangurde
Chief, Transport & Communications Division, MMRDA

Item No.1: Confirmation of the minutes of the last (183rd) Meeting of the Executive Committee held on the 26th November, 1999.

The minutes were confirmed.

Item No.2: Action taken on the minutes of the last (183rd) Meeting of the Executive Committee held on the 26th November, 1999.

The action taken report was noted by the Committee.

Item No.3 : Oshiware District Centre - Rationalising the jurisdiction of Special Planning Authority. (Deferred Item)

Chief, Town & Country Planning Division explained the background of Oshiware District Centre (O.D.C.) since its inception in 1982. He highlighted the problems in implementation and the changed circumstances since the sanctioning of planning proposals in 1994. He then explained the proposals in respect of the following :-

Changes in the jurisdiction of Special Planning Authority at O.D.C.

- (a) Deletion of areas to the west of S.V. Road,
- (b) Deletion of part of Sector 6 which is already developed.

Landuse proposals

- (a) Permitting non-polluting industries according to the current Industrial Location Policy of the State Government in Transformation Zone and Mixed Landuse zone (Sector 3 and 5)
- (b) Permitting upto 50% of the permissible built up area in the commercial zone for the purposes of residential use.

2. After considerable discussion, it was agreed that the area to the west of S.V. Road may be deleted, but the entire area to the east of S.V.Road should be retained in the jurisdiction of Special Planning Authority. In terms of landuse, the proposal to allow industrial use in Transformation Zone and Mixed Landuse zone was agreed. However, in respect of the Commercial Zone, it was proposed that nearly half of the Commercial Zone nearer to the proposed railway station be made similar to C-2 Zone in the Development Control Regulations of Greater Mumbai with a provision for residential use to the extent of 30% of the total area. The remaining part of the Commercial Zone may be converted into a zone similar

to R-2 in the D.C. Regulations. It was further agreed that the Metropolitan Commissioner may submit a detailed proposal in this regard to the Authority with a view to initiate the process under Section 37 of MR & TP Act, 1966 for the modification of sanctioned planning proposals.

Item No. 4 : Nomination of a Co-President and 3 other Members of the Maharashtra Nature Park Society (MNPS).

The Committee authorised the Chairman to nominate the Co-President and Three other Members in place of retiring Co-President and Members of the Maharashtra Nature Park Society.

Item No. 5(a) : MUDP- Revolving Fund- Quarterly Management Report from 1st July, 1999 to 30th September, 1999.

Item No. 5 (b) : MUDP- Revolving Fund- Quarterly Management Report from 1st October, 1999 to 31st December, 1999.

Management Reports of the MUDP-Revolving Fund for the two quarters ending the 30th September, 1999 and the 31st December, 1999 were noted by the Committee.

Item No. 6 : Quarterly Accounts of the Authority for quarter ending 31.12.1999.

Quarterly Accounts of the Authority for the quarter ending 31st December, 1999 were noted by the Committee.

Item No. 7 : **MUDP-Revolving Fund (MUDP - RF)**
Loan Assistance to Ambernath Municipal Council
for Water Supply

The Committee approved the proposal contain in the Item Note and passed the following Resolution:-

RESOLUTION NO. 782 :

"RESOLVED THAT in exercise of the powers Under Section 21-A of MMRDA Act, 1974 delegated to the Executive Committee by the Authority vide Resolution No. 422, dated March 31, 1990 the Executive Committee hereby sanctions a loan of Rs. 391.425 lakhs to Ambernath Municipal Council from the MUDP-Revolving Fund for the augmentation of water in Ambernath town using Chikloli Minor Irrigation Dam as a source as proposed in the item note.

"RESOLVED FURTHER THAT the Metropolitan Commissioner be and is hereby authorised to take all necessary steps to advance the loan assistance and to take necessary actions for the timely completion of the project and compliance of the conditions of the loan."

Item No. 8 : **MUTP - Non - Rail Component Study Phase II**
Inclusion of Anik Panjarpol (APL) in MUTP

In the course of the discussions it was brought to the notice of the Executive Committee that Secretary, PWD., has finally communicated that the project of APLR may be retained in MUTP and has further requested for taking it up in Phase I. The Metropolitan Commissioner, MMRDA, pointed out that since the project involves relocation of about 7500 PAPs and Bank may critically examine the process of R&R, which is under implementation by PWD. The World Bank may not agree for its inclusion in Phase I. Shri D.M. Sukthankar as

well as Chief Secretary were of the view that the project is of vital importance of road development in Mumbai and needs to be taken up on priority. At the end, it was decided that :-

- a) World Bank be persuaded to include the project in Phase I of MUTP.
- b) The process of preparing detailed engineering report be commenced and completed through consultants.
- c) In case World Bank refuses for inclusion in Phase I of MUTP, alternate financing mechanism shall be examined.

2. The Committee then thereafter passed the following Resolution:-

RESOLUTION NO. 783 :

"RESOLVED THAT in exercise of the powers contained in Section 7(3) (iii) of MMRDA Act, 1974, the Executive Committee hereby approves the proposal of carrying out the work of Detailed Project report of APLR project by MMRDA through appropriate consultants at a price not exceeding Rs. 3.00 crores.

"RESOLVED FURTHER THAT the Metropolitan Commissioner, MMRDA be and is hereby authorised to take all further necessary action including selection of consultants and release of funds from time to time.

"RESOLVED FURTHER THAT the World Bank be requested for inclusion of the project of Anik Panjarpol Link Road in Phase I of MUTP."

Item No. 9 : Feasibility Study for Mass Transit System for Mumbai - Status Report

The Executive Committee noted the Status Report for the Feasibility Study undertaken through consultants for CBD and rest of Greater Mumbai and generally agreed that priority be given to Andheri-Ghatkopar alignment for the

purpose of carrying out Detailed Project Report and further that MMRDA be appointed as a nodal agency for the same.

Item No.10 : **Approval to the tender for the work of construction of foot-path and storm water drains along the Bandra-Kurla Link Road in Bandra-Kurla Complex**

The important features of this tender proposal, for foot-path work in 'E' Block of BKC, were explained. It was informed that the lowest tender offer of M/s Chirag Construction Co., originally at 15.99% above was negotiated and got reduced to 17% below cost put to tender.

The Committee then passed the following Resolution:-

RESOLUTION NO. 784 :

"RESOLVED THAT in exercise of the powers conferred under clause (iii), Sub-section (3) of Section 7 of MMRDA Act, 1974, and all other powers enabling it in this behalf, the Executive Committee hereby accords its approval to accept lowest tender of M/s Chirag Construction Co. at 17% below (i.e. negotiated and got reduced) the cost amounting to Rs. 2,74,87,086/- (Rupees Two crores seventy four lakhs eighty seven thousand eighty six only) put to tender, subject to variations due to price variation and other contract provisions for the above work with a time limit of 8 calendar months including monsoon, as proposed.

"RESOLVED FURTHER THAT the Metropolitan Commissioner, is authorised to issue Letter of Intent and complete other tender formalities without waiting for confirmation of the minutes."

Item No. 11 : Development of Oshiwara District Centre - Construction of Nalla work (closed type) on East & West of S.V. Road.

This Item was withdrawn with the permission of the Chair.

Item No. 12 : Construction of Sewage Pumping Station in IFBC - Expenditure towards Price Variation and Reimbursement of part expenditure towards use of Ready Mix Concrete.

While presenting this Item it was submitted that the payment of escalation has been made strictly as per the provisions of contract approved by the committee. It was also mentioned that the total expenditure till completion will be within permissible limits, needing no revised Administrative Approval by the Committee.

As regards (part) reimbursement towards use of Ready Mixed Concrete (RMC) in place of site mixed concrete, it was submitted that this change, consistent with the current practice, has been effected to enhance the long term durability of the construction.

The Committee then passed the following Resolution:-

RESOLUTION NO. 785 :

"RESOLVED THAT the Committee noted the contents of para 2.1 & 3.1 of the Item Note. It also notes that both the above actions are proposed as per the terms of contract approved by the Committee. The Committee also directs that for bringing clarify the resolution of any future proposal shall mention about financial variation arising on account of 'Price Variation' clause.

"RESOLVED FURTHER THAT the Committee concurs with the liens expressed in the Item and Resolves that the action as proposed in paras 2.1 to 3.1 in the note may be taken by the Chief Engineer under the advice of the Metropolitan Commissioner subject to condition that the expenditure on sewage pumping station project does not exceed the Administrative Approved of Rs. 6.75 crores by more than 10%."

Item No. 13 : **Approval to the tender for the work of construction of road from entrance of Phase-II to Sion Koliwada Connector Road along Phase-IV boundary at Truck Terminal, Wadala.**

It was informed that this tender proposal is of construction of a D.P. Road for a length of about 1.00 Km. and width of 27.41 m. It was further informed that to have excellent connectivity of Truck Terminal with rest of the network of the city two connections, i.e. North-South (Anik-Wadala Road) and East-West (Sion Koliwada Road) have been planned. So far construction of Anik-Wadala Road has been completed and already put to traffic. As regards the construction of SKCR out of (its) total length of 500 m the construction in 200 m (over available) length is completed. Remaining length of 300 m is under encroachments and as per (separately) approved item, MHADA has constructed tenements at Kokari agar, for rehabilitation of eligible slum dwellers. The rehabilitation is planned to be carried out around September/October, 2000. Soon after this balance length (of 300 m) of SKCR would become available. As was directed in 179th Meeting of the Executive Committee the tenders for construction of balance length of SKCR have also been called and received, and currently under scrutiny. It was then submitted that the SKCR, on its west, will join Shaikh Mistry Road and on completion of SKCR traffic coming from Western part of the city, (and particularly that from Western Suburbs) would have this shorter link

to reach Truck Terminal / Anik-Wadala Road. As such construction of proposed road will have good impacts. However, it was advised that the Metropolitan Commissioner may see the site situation prior to initiating further action.

The Committee then passed the following Resolution:-

RESOLUTION NO.786 :

"RESOLVED THAT in exercise of the powers conferred under clause (iii), Sub-section (3) of Section 7 of MMRDA Act,1974, and all other powers enabling it in this behalf, the Executive Committee, MMRDA hereby accords its approval to accept lowest tender of M/s. Reliance Construction Co. at 10.89% above the cost put to tender amounting to Rs.1,61,98,092/- (Rs. One crore sixty one lakhs ninety eight thousand ninety two only) subject to variations on account of price variations and other contract provisions for the above with time limit of 15 calendar months including monsoon as proposed.

"RESOLVED FURTHER THAT the Metropolitan Commissioner, is authorised to issue Letter of Intent and complete other tender formalities without waiting for confirmation of the minutes."

Table Item : Placement of term deposit of Rs. 300 crores with the Maharashtra State Co-Operative Cotton Growers Marketing Federation Limited.

In the Executive Committee meeting held on 7.3.2000, the above mentioned Table Item was placed before the Executive Committee for consideration. The Additional. Chief Secretary (Finance), the Secretary, Co-operation & Marketing Department were requested to attend the meeting.

During the discussion Shri Sukthankar, Member, pointed out that MMRDA has invested huge funds by way of term deposits with the various Government Undertakings and Government Institutions, however, these deposits were not refunded on due date. Public Sector Undertakings/ Government Organisations have not paid 2% penal interest and Government also owes huge amount to MMRDA. Further, he pointed out that the Cotton Federation has not refunded the earlier term deposit of Rs.200 crs. alongwith the outstanding interest and has also intimated that unless the Govt. makes good the loss incurred by the Federation, it will not be possible for them to refund MMRDA's deposit. Earlier repayment schedule given by the Cotton Federation was also not adhered to by the Federation. Further, he mentioned that as pointed out by the Legal Adviser the safety, liquidity and yield (interest at the commercial rate) need first to be seen. He further observed that neither the past record nor the information placed on record of the Executive Committee assures any safety or liquidity of funds that 11.50% interest offered could be considered as a reasonable yield, there is also no alternative proposal for prudent investment, and that, before investing the fund in the sick units such as Cotton Federation we should also ensure safety of the MMRDA investments for which conditions such as escrow A/c. first charge on sale proceeds of Cotton etc. should be ascertained if possible. Shri Tambe, Member, Executive Committee also opined that MMRDA should not give the money to the Cotton Federation. His views were concurred by Shri Nalinakshan, Municipal Commissioner, BMC.

The Chief Secretary pointed out that additional deposit of Rs.300 crs. may be considered after deduction of the outstanding interest with the Cotton Federation. The Chief Secretary further pointed out that Government Guarantee will be provided, money with Cotton Federation will be safe and Cotton Federation will refund the deposit from sale of Cotton within one year for which adequate provision will be made in the State Budget if necessary and that Govt. intends to recoup the loss incurred by Federation in this transaction. Outstanding deposit of Rs.200 crs. will be refunded by June 2000, of which repayment

schedule will be given. The Secretary, Co-operation and Marketing Department, pointed out that the prices of the cotton in the international markets were increasing day by day and losses in the sale of cotton if any would be minimum. He further requested that interest may be charged at the prevailing market rate. Legal Adviser pointed out that as per Section 21(A) of MMRDA Act, loan can be considered only to the local authorities in the MMR region for the objectives specified in Section 12 of the Act. There is no legal bar on placing the deposits as far as Section 12 is concerned. Hence MMRDA can place the deposit with the Cotton Federation.

After detailed discussion, it was decided that before considering the above issues, it will be advisable to obtain following additional information from the Cotton Federation :-

- a) Whether, Cotton Federation can accept the deposit from the MMRDA as per provisions of their Act and to what extent with reference to their borrowing limit;
- b) Cotton Federation should give the financial position/ performance alongwith the details of, how, the Cotton Federation will make the arrangement for refund of term deposit knowingly they are going to incur the losses in this transaction.
- c) For safety of the MMRDA's investment, whether, it is possible to get the first charge on sale proceeds of Cotton, create escrow A/c. or any other fool-proof arrangements ensuring return of MMRDA investment.

The meeting then concluded with the vote of thanks to the Chairman.

Due to the shortage of time, the special meeting of the committee has been postponed.
