

No.EXC/MTG/195

**MUMBAI METROPOLITAN REGION
DEVELOPMENT AUTHORITY,**
Bandra-Kurla Complex,
Bandra (East),
Mumbai - 400 051.

Date : 21st December, 2001

The minutes of the Hundred and Ninety-Fifth Meeting of the Executive Committee of the Mumbai Metropolitan Region Development Authority, held on 8th December, 2001 are enclosed.


**Secretary,
Executive Committee**

To :

- | | | | |
|------|---|---|----------|
| The | Chief Secretary to the Government
of Maharashtra, General Administration
Department, Mantralaya | - | Chairman |
| Shri | D.M.Sukthankar
'Priya', Worli Sea-Face,
Worli, <u>Mumbai-400 018</u> | - | Member |
| Shri | R.Y.Tambe
A/600,Shivam Apartments,
R.P.T.S.Road, Surendranagar,
<u>NAGPUR-440 015</u> | - | Member |
| Shri | Deepak Parekh
Chairman,
H.D.F.C.Ltd., Churchgate,
<u>Mumbai-400 020.</u> | - | Member |
| The | Principal Secretary (I) to the Government
of Maharashtra, Urban Development
Department, Mantralaya. | - | Member |

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The	Municipal Commissioner Municipal Corporation of Brihanmumbai.	-	Member
The	Principal Secretary to the Government of Maharashtra Housing & Special Assistance Department, Mantralaya.	-	Member
The	Managing Director, C.I.D.C.O., Mumbai.	-	Member
The	Metropolitan Commissioner M.M.R.D.A.	-	Member

INVITEES :

The Principal Secretary (II) to Government of Maharashtra,
Urban Development Department,
Mantralaya.

The Principal Secretary to Government of Maharashtra,
Industries Department, Mantralaya.

The Principal Secretary to Government of Maharashtra,
Environment Department, Mantralaya.

Copy to :-

The Legal Adviser, M.M.R.D.A.

The Officers of the M.M.R.D.A

**MINUTES OF THE 195th MEETING OF THE
EXECUTIVE COMMITTEE, MMRDA.**

DATE : 8TH DECEMBER, 2001 (SATURDAY)

TIME : 12.15 P.M.

**PLACE : CHIEF SECRETARY'S
COMMITTEE ROOM
5TH FLOOR, MANTRALAYA**

MEMBERS PRESENT:

Shri V.Ranganathan Chief Secretary to Government	:	Chairman
Shri K.C.Srivastava Municipal Commissioner Municipal Corporation of Brihanmumbai	:	Member
Shri A.P.Sinha Principal Secretary (I) to Government Urban Development Department	:	Member
Shri R.B.Budhiraja Principal Secretary to Government Housing & Special Assistance Department	:	Member
Shri Ajit Warty Metropolitan Commissioner	:	Member

INVITEES:

Shri Ramanand Tiwari
Principal Secretary (II) to the Government
Urban Development Department

Shri U.P.S.Madan
Project Director, M.U.T.P.

Shri P.L. Bongirwar
Addl. Metropolitan Commissioner (Engg.)

Shri K.N. Patel
Legal Adviser, 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. Ghangurde
Chief, Transport & Communications Division, MMRDA

Item No.1: **Confirmation of the Minutes of the last (194th) Meeting of the Executive Committee held on 6th September, 2001.**

Minutes were confirmed.

Item No.2: **Action taken on the Minutes of the last (194th) Meeting of the Executive Committee held on 6th September 2001.**

The action taken report was noted by the Committee.

Item No. 3: **Placement of additional term deposit of Rs.300 crores with Government of Maharashtra, Finance Department.**

3.1 The Metropolitan Commissioner informed that as approved by the Chief Secretary, the Government of Maharashtra was paid Rs. 300 crs. as a deposit by prematurely withdrawing Rs.210 crs. from H.D.F.C. & I-SEC.

3.2 Since Shri D.M. Sukthankar was not present for the meeting, the Metropolitan Commissioner mentioned that he had discussed the proposal with him and that Shri Sukthankar felt that the MMRDA could deposit surplus funds with the GOM if such funds are required by the Govt. urgently to meet its ways and means position, considering that the Government has paid last deposit of Rs.240 crs. in 4 months as per terms & conditions.

3.3 Since the term deposit bearing the interest rate in the range of 11.20% to 11.50% was withdrawn prematurely for placement with the Government, it was suggested that the interest to the Government should be charged at 11.50% p.a.

3.4 While discussing the agenda item, the Chief Secretary enquired whether the fund-flow was prepared for the Mumbai Urban Transport Project (MUTP). The Metropolitan Commissioner submitted that earlier it was thought to make necessary provision for MUTP from interest earned on investments made with the Financial Institutions/Banks. However, interest rates are going down due to the Reserve Bank's Credit Policy. Necessary provision will be made to the extent of counterpart fund which is required to be given by the Government. However, the provision of repayment of loan to the World Bank has to be made by the Government.

3.5 The Chief Secretary further directed that it is necessary to ensure that the necessary budget provision will be made by the implementing agencies such as Public Works Department (PWD), Brihanmumbai Municipal Corporation (BMC) and Brihanmumbai Electric Supply & Transport (BEST) in their budget for the year 2002-2003.

3.6 After discussions, the Committee approved the proposal contained in the Item Note and passed the following Resolution :-

RESOLUTION NO. 840 :

" **RESOLVED THAT** the Executive Committee in exercise of its powers under Section 7(3)(v) of the MMRDA Act, 1974 and all other powers enabling it in this behalf, hereby accords its ex-post-facto sanction to the term deposit of Rs.300 crores to the Government of Maharashtra (Finance Department). Earlier decision taken by the Executive Committee not to renew or place additional deposits with the defaulting organisations, is relaxed to the above extent in case of Government of Maharashtra.

"**RESOLVED FURTHER THAT** this term deposit be placed for a period of four months at the interest rate of 11.50% p.a. and be governed by usual terms & conditions applicable to such deposits placed by the MMRDA."

Item No.4: **Loan assistance to Nallasopara, Navaghar-Manikpur and Virar Municipal Councils for Usgaon Water Supply Scheme from MUDP-Revolving Fund.**

4.1 Presenting the highlights of the proposal, the Chief Planning Division, pointed out that, in order to keep the cost of the water low and make servicing of the loan easier for the Municipal Councils, the interest rate proposed for the loan was 9%. He further pointed out that the Nallasopara Municipal Council and the Navghar-Manikpur Municipal Council were incurring heavy losses in the operations and maintenance of the Usgaon Water Supply Scheme primarily on account of low water rates. Referring to the Surya Water Supply Scheme Stage-I and Stage-II costing Rs.220 crs. for which loan from MMRDA was expected, he said the local

authorities would not only have to contribute about Rs. 22 crs. as popular contribution, but would have to pay about Rs.18 crs. per annum for servicing the debt. It was, therefore, necessary that the Municipal Councils enhanced their water rates, increase rates for connection deposits for new connections and introduce water benefit tax.

4.2 The Metropolitan Commissioner stressed that unless the conditions relating to augmentation of the resources as proposed were fulfilled by the Municipal Councils, it would not be possible for MMRDA to give loan for Surya Water Supply Scheme.

4.3 The Chairman desired that the Collector, Thane and Executive Engineer, Maharashtra Jeevan Pradhikran should be called for discussions and position regarding the existing water supply, the need for improvement in the management of the existing system and the need for augmenting resources, should be explained to them. He suggested that with their help, Municipal Councils should also be persuaded to undertake measures for leak detection and repairs and tackle the problem of unauthorised connections.

4.4 The Committee endorsed the proposal of providing a loan of Rs.14.53 crs. to Nallasopra Municipal Council, Navghar-Manikpur Municipal Council and Virar Municipal Council for Usgaon Water Supply Scheme subject to conditions mentioned in the agenda note and passed the following Resolution :-

RESOLUTION NO. 841 :

"RESOLVED THAT in exercise of the powers under Section 21A 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.464.75 lakhs to Nallasopara Municipal Council, Rs.554.75 lakhs to Navghar Manikpur Municipal Council and Rs.433.65 lakhs to Virar Municipal Council (total loan of Rs.1453.15 lakhs) for the Usgaon water supply scheme from the MUDP-Revolving Fund as proposed in the item note.

"RESOLVED FURTHER THAT the Metropolitan Commissioner be and is hereby authorized to take all necessary steps to advance the loan assistance and to take necessary actions for the timely completion of the project and, if required, modify the terms and conditions of the loan except those related to loan amount, rate of interest and repayment period."

Item No.5: **Desilting of Mithi River from C.S.T. Road bridge to Kurla-Kalina Road beyond the jurisdiction of Bandra-Kurla Complex.**

5.1 The Addl. Metropolitan Commissioner, Engg. submitted that every year MMRDA was desilting Mithi river and incurring substantial expenditure on it. However on the stretch of Mithi river from Powai and Vihar lake upto CST Road bridge was under the jurisdiction of the Municipal Corporation of Greater Mumbai (MCGM). In the meeting convened by the Minister of State (Home) and Chairman, DPC, Mumbai Suburban District regarding cleaning of Mithi River, MCGM requested MMRDA to desilt this stretch, as MMRDA had the expertise in carrying out maintenance dredging works and had a team of experienced contractors. The estimated cost for this work was Rs.9.17 lakhs.

5.2 The Principal Secretary(1), Urban Development Department pointed out that the work was outside the MMRDA jurisdiction and cleaning/desilting of Mithi river from CST road bridge to Kurla-Kalina was not the one time exercise. Every year it was necessary to desilt the Mithi

river of same stretch. It was, therefore, necessary to find out permanent measure before taking up this project. The Chairman observed that after desilting the river a lot of debris or waste material was being dumped directly on the banks of Mithi river and Vakola nalla. That led to heavy sedimentation and shallowing of the basin. Hence one or two attempts of desilting at this stage might not serve the purpose. He said encroachers reclaimed part of the river progressively resulting in further reduction of available section of the river. It was, therefore, necessary to take long term measure to discourage the encroachments and unauthorised industries along the banks instead of going for temporary measure.

5.3 The Executive Committee, therefore, decided that the proposal should be studied in detail with the help of the BMC and if necessary the proposal for appointment of the consultant should be brought before the Meeting of the Executive Committee.

5.4 After discussions, the Committee approved the proposal contained in the Item note and passed the following Resolution :-

RESOLUTION NO. 842 :

"RESOLVED THAT in exercise of the powers conferred under Clause (ii) Sub-section (3) of Section 7 of the MMRDA Act, 1974 and all other powers enabling it in this behalf, the Executive Committee hereby accords its approval to carry out the work of desilting of Mithi river from C.S.T. road bridge to Kurla-Kalina road beyond the jurisdiction of Bandra-Kurla Complex at the block estimate cost of Rs.9,17,778/- "

Item No.6 : **Widening and improvement of Anant Kanekar Marg at Bandra (East).**
- Approval to the acceptance of tender

6.1 The Metropolitan Commissioner informed that the MMRDA acquired Railway's land for widening of the Anant-Kanekar Marg and prepared plans and estimates as per the MCGM's schedules, though it was the responsibility of the MCGM to construct and maintain the said road. However, he said, during the meeting of the MMRDA & MCGM officials, convened by the Mayor, it was proposed that MMRDA should directly execute the work as per the MCGM norms. He clarified that the MMRDA being the Special Planning Authority for the area was competent to incur the expenditure on such infrastructure works.

6.2 The Chairman enquired why the estimates were not prepared as per the PWD schedules excluding the centage charges which were 10% below the FIDIC (FEDERATION INTERNATIONALE DES INGENIEURS-CONSEILS) schedule. He felt that for deciding the reasonableness of the cost, it was necessary to use the PWD schedule of rates. He desired that the cost so calculated should be conveyed to the Committee in the next meeting.

6.3 The Principal Secretary(I), Urban Development Department pointed out that in the Agenda Note para. 4.3 it was mentioned that "The Contractor shall be paid bonus by the MMRDA on substantial completion of work at the rate of Rs.1 lakh per week earlier than the original stipulated completion date." He felt that, the word "substantial" might lead to dispute and hence it should be deleted from the bonus clause so that the payment of bonus could be related to the full and completion of the entire work. The Additional Metropolitan Commissioner clarified that the

"substantial completion" has defined in standard FIDIC documents and meant completion of the work barring minor finishing items. However, the Metropolitan Commissioner indicated that the word "substantial" would be deleted from the bonus clause. The Additional Metropolitan Commissioner, Engg. stated that concerned bidders would be called and their consent would be obtained prior to further processing of the tenders.

6.4 The Chairman further directed that this being the infrastructural work, proper co-ordination with the local and other agencies of the underground utility services should be ensured for all utility services and nodal officers should be appointed for carrying out the work smoothly in scheduled time frame.

6.5 The Committee then approved the proposal contained in the item note and passed the following Resolution :-

RESOLUTION NO. 843 :

"RESOLVED THAT in exercise of the powers conferred under Clause (iii) Sub-section (3) of Section 7 of the MMRDA Act, 1974 and all other powers enabling it in this behalf, the Executive Committee hereby accords its approval to accept the lowest tender of M/s. VIL-NAC.JOINT VENTURE for widening and improvement of Anant Kanekar Marg, Bandra (East), Mumbai 400 051, at Rs.1,07,27,486.59 i.e. 32.14% below the cost put to tender subject to variations arising out of payments towards price variation and other contract provisions.

"RESOLVED FURTHER THAT the Metropolitan Commissioner is authorised to issue letter of intent, complete other formalities without waiting for confirmation of the minutes and implement the contract as per contract conditions after deleting the word "substantial" in para.4.3 of the Agenda Note."

Item No.7 : Study on Staffing Pattern and Manpower Planning.

Item No.8 : Professional Examination for Dy.Engineers Grade-I and Grade-II and Junior Engineers in MMRDA.

Item No.9 (a) : MUDP-Revolving Fund - Quarterly Management Report 1st July, 2001 to 30th September, 2001.

(b) : Quarterly Accounts of the Authority for the quarter ending 30.09.2001.

Item Nos. 7, 8 and 9(a)&(b) were deferred.

Table Item : Selection of bidder for procurement of land and constructed tenements in lieu of TDR plus cash (Option 'B') under the Mumbai Urban Transport Project.

The Project Director informed the status of the present bids for the procurement of land and constructed tenements in lieu of TDR including the opinion of the Advocate General, Govt. of Maharashtra. He also apprised the members about the offers received from some developers for handing over tenements against TDR only and about the invitation of fresh bids for additional 5000-7000 tenements.

After discussions, it was decided to keep in abeyance the present bids till the new bids are opened on 8.1.2002 with a suggestion to issue a corrigendum clarifying that the bidders of the current bid can also submit fresh offers for the same land against the new bids now invited.

The Special Meeting of the Executive Committee was postponed, since some of the Executive Committee Members were not present including the non-official members - Shri Sukthankar and Shri Tambe.

The Meeting then concluded with a vote of thanks to the Chair.

Item No.6 : Quarterly Accounts(Provisional) of the Authority for quarter ending 30.06.2001.

The Quarterely accounts (provisional) of the authority for the quarter ending 30.06.2001 were noted by the committee.

Table Item : Depositing Rs. 26 Crores with the Government of Maharashtra for financing the corpus of the proposed Maharashtra Urban Infrastructure Fund (MUIF).

The Metropolitan Commissioner briefly explained the proposal. To a query by the Chairman, the Metropolitan Commissioner explained that the amount of Rs. 26.03 crores proposed to be given as a deposit consisted of 49% share of the corpus of the Trust as well as 49% of the equity of the Trustee Company and the Asset Management Company. He further stated that the Financial Institutions were expected to provide 51% but so far there was no positive response from any agency. He asked whether the MUIF be set up on October 2, 2001 as earlier decided even if 51% contribution of the Financial Institutions could not be obtained by that time. The Chairman agreed to this proposal.

The Municipal Commissioner, BMC asked whether the MUIF would cover the entire area of Maharashtra including MMR and suggested that it should also include the areas of MMR. The Chairman pointed out that MMRDA was carrying out these functions in the MMR and such an agency was required for areas outside MMR. Shri Sukthankar stated that if this amount is a deposit, it should earn interest and should have a definite period. The Metropolitan Commissioner stated that the deposit will earn interest equivalent to the returns earned on the contribution of the Government of Maharashtra in the Trust. It was further explained that the Trust proposed was not a Charitable Trust but an investment trust under

the Indian Trust Act, 1882 and if the Trust Deed provided for the returns on the contribution it could be paid. It was further explained that the activities carried out by the Trust were not remunerative and any income earned was expected to be retained in the Trust Fund.

The Chairman said that instead of routing the MMRDA funds through the Government, the MMRDA should directly contribute to the MUIF. The Metropolitan Commissioner pointed out that under the relevant provisions of MMRDA Act, it was not permissible for the MMRDA to provide funds for projects outside MMR. The Chairman indicated that in that case necessary amendment to the MMRDA Act could be made. The Chairman then asked the Principal Secretary (1), UDD to process the matter early and propose issuing of an ordinance, if necessary.

Considering above the revised proposal may be submitted to the Executive Committee/Authority in due course of time.

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