

No. EXC/MTG/125.

BOMBAY METROPOLITAN REGION
DEVELOPMENT AUTHORITY,
Plot Nos. C-14 & C-15,
Bandra-Kurla Complex,
'E' Block, Bandra (East),
Bombay-400 051.

Date : 9th August, 1990.

The minutes of the Hundred and Twenty Fifth and
Adjourned Hundred and Twenty Fifth Meetings of the Executive
Committee of the Bombay Metropolitan Region Development
Authority, held respectively on the 7th July, 1990 and
13th July, 1990 are enclosed.

S. V. Asgaonkar
(S. V. ASGAONKAR) 9/8/90
SECRETARY
EXECUTIVE COMMITTEE.

To:

- The Chief Secretary to the Government of Maharashtra, General Administration Department, Mantralaya. - Chairman
- The Metropolitan Commissioner, B.M.R.D.A. - Member
- The Secretary to the Government of Maharashtra, Urban Development Department, Mantralaya. - Member
- The Secretary to the Government of Maharashtra, Housing & Special Assistance Department, Mantralaya. - Member
- The Municipal Commissioner, Bombay Municipal Corporation. - Member
- The Managing Director, CIDCO, Bombay. - Member
- Shri Charles M. Correa, Correa Consultants Pvt. Ltd., 9, Mathew Road, Bombay-400 004. - Member
- Shri Shirish B. Patel, SPA Consultants Pvt. Ltd., 41, Nagindas Master Road, Bombay-400 023. - Member
- Dr. P.G. Patankar, Consulting Adviser, Tata Consultancy Services, 'Nirmal', 9th Floor, Nariman Point, Bombay-400 021. - Member

INVITEES :

- The Secretary (I) to Govt. of Maharashtra, Urban Development Department, Mantralaya.
- The Legal Adviser, BMRDA.

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The Chief, Planning Division, BMRDA.

The Chief, T&CP Division, BMRDA.

The Chief, T&C Division, BMRDA.

SPECIAL INVITEES :

Shri P.R. Dasgupta, Secretary to the Govt. of Maharashtra, Industries, Energy & Labour Department, Mantralaya.

Shri Lalit Doshi, Managing Director, SICOM, Bombay.

Shri A.W. Bhadkamkar, Development Commissioner (Inds.), Directorate of Industries, Bombay.

Shri A.H. Abhyankar, Joint Secretary, Industries, Energy & Labour Department, Mantralaya.

Minutes of the 125th and Adjourned 125th Meetings of the Executive Committee of the BMRDA, held on 7th July and 13th July 1990.

A list of Members present is enclosed (Annexure).

Item No.1 : Confirmation of the minutes of the last (124th) Meeting of the Committee.

The minutes were confirmed in the Committee's meeting held on 7th July, 1990.

Item No.2 : Industrial Location Policy in Bombay Metropolitan Region Area - Proposal for modification received from the Industries Department.

Presenting the background note on the proposed amendments to the Industrial Location Policy (ILP), Shri Dasgupta, Secretary, Industries Department, said that though Bombay's population had increased rapidly during the last decade there has been a decline in industrial employment, and the rate of unemployment has been on the rise. Obsolescence and sickness in Bombay's industries, particularly the traditional industries like Textiles, and the consequent loss of job was one of the important factors in the decline of employment opportunities in Bombay. This was a matter of great concern to the State Govt. and was reflected in the Governor's Address delivered before both houses of the Legislature on 21.3.1990. The Govt. would, therefore, favour making appropriate changes in the ILP which had placed restrictions on modernisation, diversification and expansion of industries in Zones I & II of the BMR. Referring to the Industrial Policy recently announced by the Central Government, Shri Dasgupta said that the Govt. of India desired that the State Governments should modify their industrial policies in order to facilitate industrial growth. He felt that it was, therefore, necessary to relax some of the restrictive provisions of the existing ILP to facilitate not only the survival but healthy organic growth of industries. He however, clarified that he was not in favour of unbridled growth of industries but some of the present restrictions should be relaxed to enable installation of pollution control equipments, growth to healthy economic size, adoption of Good Manufacturing Practices and the creation of new employment opportunities.

Before..2/-

Before Shri Dasgupta could proceed with the explanation of the specific amendments proposed, the Chairman read out a letter from Dr. P.G. Patankar who was unable to attend that day's meeting (7th July 1990).

Dr. Patankar, in his letter, had stated that the proposal to relax the ILP had important and far-reaching implications and could not be decided without studying the relevant back-up data. The need for data on employment, incidence of sickness in industries etc. was stressed by other members also. The Chairman, therefore, requested Shri Dasgupta, Secretary, Industries Department to supply the relevant information. Shri Dasgupta agreed to provide the background data and it was decided to postpone further discussion on the subject and hold another meeting on 13.7.1990 at 9.30 a.m.

At the meeting held on 13.7.1990, the Secretary, Industries Department, had circulated a note on "Industrial Location Policy in BMR Area; Issues relating to industrial growth employment and urban development". Another note on "Trends in industrial development in Greater Bombay and BMR" was also circulated by BMRDA at the time of the meeting. Quoting from BMRDA's note, Shri Dasgupta, Secretary, Industries Department drew the Committee's attention to the declining industrial employment in Bombay and stressed the need to bring about appropriate changes in the ILP.

Shri K. Padmanabhaiah remarked that after a long regime of restrictive industrial policy in Greater Bombay, any relaxation in the policy might give wrong signals to industrialists, who may clamour for further relaxations in the future.

Shri Shirish Patel observed that the obsolescence and sickness in industries was largely a result of our somewhat too liberal labour policies which do not allow industrial units to reduce their labour or to close down. Instead of rationalising these policies, what was sought to be done was to modify the ILP which could compound other urban development problems.

Shri Charles Correa felt that generating more

employment..3/-

employment opportunities was not good enough ground for liberalisation of the ILP alone. According to him, any increase in the industrial activity would lead to increase in traffic and would create consequent problems of congestion and environmental pollution. He said that if ILP was to be relaxed to permit expansion of existing units and setting up new ones in Bombay, a much better case for relaxing restrictions on growth of office and commercial/tertiary activities could be made out as its urban and environmental impact would be much less damaging. He suggested that, taking note of the changing circumstances, a total review of the various locational policies should be undertaken to decide, in a conscious manner, whether : (a) to continue with the same policies; (b) to make marginal adjustments in them or (c) to reverse them.

Shri D.T. Joseph, Secretary, UD, also favoured the taking of the total spectrum of urban development policies in Greater Bombay into account before going in for any major modification in the ILP. He also expressed concern about the possible impact of any liberalisation of the ILP on congestion, traffic and environmental conditions in Bombay.

Shri Dasgupta, Secretary, Industries Department clarified that what was proposed by way of amendment to ILP was not a major reversal of the policy but only some marginal relaxations. After detailed deliberations, it was decided to amend the ILP on following lines :

ZONE-I

Para (a)

The Committee noted that concessions relating to additional built-up area, labour, water and power for units where specific pollution control measures are to be implemented, were already included in the existing Industrial Location Policy. The Committee, therefore, decided that further concessions for permitting additional built-up area, labour, water and power should be available only for implementing Good Manufacturing Practices as defined in the Food & Drugs Act and as certified by the F.D.A. to be

necessary..4/-

necessary for meeting the requirements of the law. However, such relaxation could be permitted only in specific cases, with the prior scrutiny and approval of the Executive Committee of the BMRDA, on a case by case basis.

Paras (b) & (c)

The Committee did not approve the modification proposed in paras (b) & (c) and, instead, suggested that the new small scale industries as per the indicative list given in para (c) should be permitted only on lands presently occupied by sick, obsolescent industries and those which have closed down. The Committee also suggested that the Industries Department could devise a scheme whereby some part of the lands occupied by sick/obsolescent or closed industrial units could be used for residential purpose, some part could be allocated for common civic amenities, such as, open spaces, schools etc. and the rest could be used for setting up small scale industries of the type mentioned in para (c).

Para (d)

The Committee did not approve the amendment proposed in para (d).

ZONE-II

Para (a)

The Committee approved the proposal in para (a), para (b) and para (d). The Committee felt that the policy in respect of large, medium and small-scale industries in Zone-II should be identical to the policy for Zone-I. The Committee, therefore, suggested that the scheme to be devised by the Industries Department for reuse of land belonging to sick, obsolescent and closed units in Zone-I should also be made applicable to Zone-II.

Para (c)

The Committee suggested that the additional investment for establishing Good Manufacturing Practices in medium and large scale units in Zone-II should be subject to the same restrictions as suggested by the

Committee for Zone-I [vide Para (a)]].

Para (e)

The Committee approved the proposal to permit small scale units in Zone-II to cross their existing limit of Rs.35 lakhs provided these units did not have any potential hazard from the point of view of adding to pollution.

The Committee decided that the amendments to ILP be redrafted by the Industries Department, after taking into account the specific decisions/suggestions made by the Committee. The Chairman suggested that the final version of the ILP, modified in accordance with the consensus reached in the discussion, be circulated to all. In case, any member had any point to raise in regard to the modified ILP draft so circulated, it could be further discussed in the next meeting of the Executive Committee. If there was no such point, the modified ILP so circulated may be considered as having been endorsed by the Executive Committee.

The Meetings then terminated with a vote of thanks to the Chair.

Annexure.

ANNEXURE

125TH AND ADJOURNED 125TH MEETING OF THE EXECUTIVE COMMITTEE,
B.M.R.D.A., HELD ON 7TH AND 13TH JULY, 1990.

- (I) DATE : 7th July, 1990 (Saturday)
- TIME : 9.00 A.M.
- PLACE : Chief Secretary's Committee Room,
5th Floor, Mantralaya.

MEMBERS PRESENT :

- Shri D.M. Sukthankar, - Chairman
Chief Secretary to the Govt. of Maharashtra
- Shri Ajit M. Warty, - Member
Metropolitan Commissioner
- Shri Satish Tripathi, - Member
Secretary to the Govt. of Maharashtra,
Urban Development Department
- Shri R.C. Sinha, - Member
Managing Director,
CIDCO, Bombay
- Shri Charles M. Correa - Member
- Shri Shirish B. Patel - Member

INVITEES :

- Shri D.T. Joseph, Secretary (I) to the Govt. of Maharashtra,
Urban Development Department;
- Shri K.N. Patel, Legal Adviser, BMRDA;
- Shri V.K. Phatak, Chief, Planning Division, BMRDA; and
- Shri K.B. Diwadkar, Chief, Town & Country Planning Divn., BMRDA

SPECIAL INVITEES :

- Shri P.R. Dasgupta, Secretary to the Govt. of Maharashtra,
Industries, Energy & Labour Department, Mantralaya;
- Shri A.W. Bhadkamkar, Development Commissioner (Inds.),
Directorate of Industries, Bombay;
- Shri A.H. Abhyankar, Joint Secretary, Industries, Energy &
Labour Department, Mantralaya; and
- Shri P.M. Kale, Director (Engineering Services & Projects),
Bombay Municipal Corporation, Bombay

Shri S.V. Asgaonkar, Secretary, Executive Committee, B.M.R.D.A.

(II) DATE : 13th July, 1990 (Friday)
TIME : 9.30 A.M.
PLACE : Chief Secretary's Committee Room,
5th Floor, Mantralaya.

MEMBERS PRESENT :

- Shri D.M. Sukthankar, - Chairman
Chief Secretary to the Govt. of Maharashtra
- Shri Ajit M. Warty, - Member
Metropolitan Commissioner
- Shri Satish Tripathi, - Member
Secretary to the Govt. of Maharashtra,
Urban Development Department
- Shri B.K. Agarwal, - Member
Secretary to the Govt. of Maharashtra,
Housing & Special Assistance Department
- Shri K. Padmanabhaiah, - Member
Municipal Commissioner,
Bombay Municipal Corporation (BMC)
- Shri R.C. Sinha, - Member
Managing Director,
CIDCO, Bombay
- Shri Charles M. Correa - Member
- Shri Shirish B. Patel - Member
- Dr. P.G. Patankar - Member

INVITEES :

- Shri D.T. Joseph, Secretary (I) to the Govt. of Maharashtra,
Urban Development Department;
- Shri K.N. Patel, Legal Adviser, BMRDA;
- Shri V.K. Phatak, Chief, Planning Division, BMRDA;
- Shri K.B. Diwadkar, Chief, T&CP Division, BMRDA; and
- Shri A.G. Borkar, Chief, T&C Division, BMRDA

SPECIAL INVITEES:

- Shri P.R. Dasgupta, Secretary to the Govt. of Maharashtra,
Industries, Energy & Labour Department, Mantralaya
- Shri Lalit Doshi, Managing Director, SICOM;
- Shri A.W. Bhadkamkar, Development Commissioner (Inds.),
Directorate of Industries, Bombay; and
- Shri A.H. Abhyankar, Joint Secretary, Industries, Energy &
Labour Department, Mantralaya

Shri S.V. Asgaonkar, Secretary, Executive Committee, BMRDA