

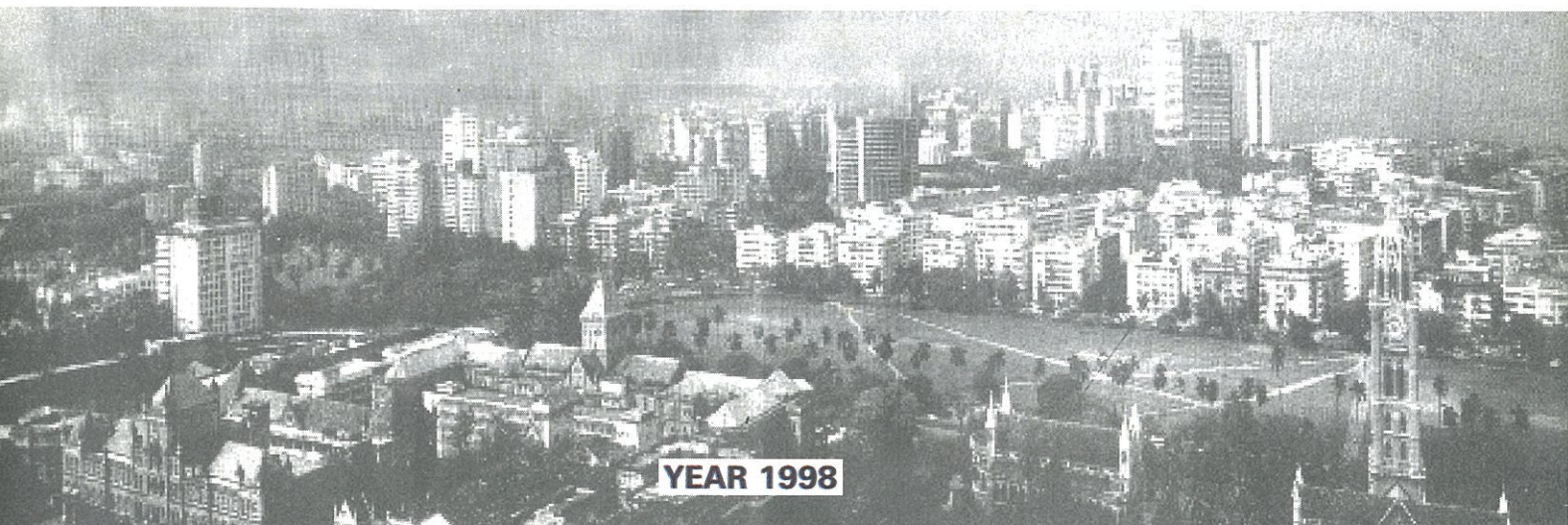
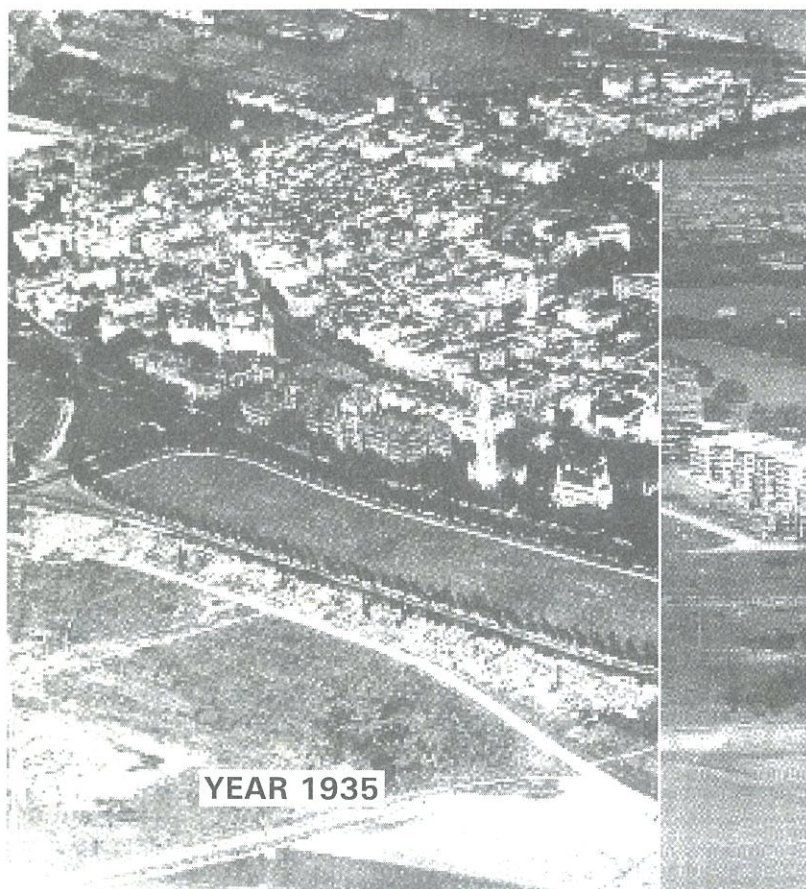


THE CITY

A Publication of Bombay First

Vol 1 No. 4 March 1999

Mumbai - Vision for the 21st Century



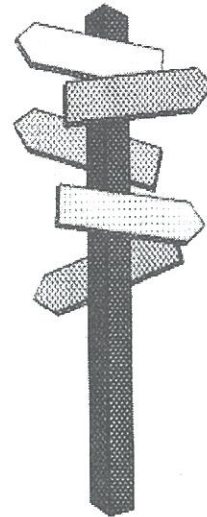
Newsletter - The City

Vol 1 No. 4 March 1999

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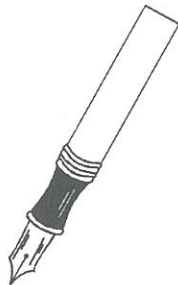
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From the Chief Executive's Desk

W. J. N. Danait

Chief Executive, Bombay First

Land is the basis for all development; it causes development, is affected by it, and participates actively in the development process.¹ Research shows that a large majority of the new urban population does not have easy access to land and that much of the new development is not adequately serviced (UNCHS, 1990). This issue of 'The City' focuses on the urban planning and development issues, which have impacted the city's growth. The articles published herein have a research and policy relevance for the future.

The problem of slums and inadequate housing in Mumbai is compounded by physical constraints and a series of long-standing land use and housing policies that have failed to stem the tide of urban congestion. To understand the current policies regulating housing and commercial development in Mumbai, one has to look at the history of planning in the city. The theme behind most planning attempts has been to "decongest" the urban core of the city, which is centered at the southernmost tip of the peninsula. It is here that Government offices are located, and that the business and financial sectors are found. The city of Mumbai was first developed from the southern tip, where the port attracted commerce from around the world. Even today the Port Authority of Mumbai is the major landlord in South Mumbai. The Central Government - in particular the Railways, Municipal Corporation, BEST all own vast tracts of land, which are under utilised. With suitable replanning, this land can be used to rationalise and revitalise the land use pattern.

Mr. Phatak of MMRDA and Mr. Pantbalekundri provide an insight into the evolution of land planning and development policies of the Government. It is clear that the objectives of these policies were to decongest the city and develop alternative growth centres such as Navi Mumbai and Bandra-Kurla Complex. That these policies have not succeeded to the desired extent is obvious. This issue has attempted to highlight the factors which have affected this development.

The serious consequences of protectionism, such as the Rent Control Act, on the housing stock in the city, the stoppage of all construction for rental purposes, and consequent growth of slums has been vividly brought out by Mr. Shirish Patel. Rent Control laws, which have also frozen property taxes, have made it virtually impossible for the Municipal Corporation to raise enough revenues to provide the needed infrastructure and services, to keep pace with the economic growth.

Mr. Nasser Munjee has outlined his vision for Mumbai of the 21st Century, which has a tremendous opportunity and potential for nurturing and developing the fast growing service sector which continues to generate employment to make up for decline of manufacturing. He envisages that Mumbai's future lies in an east-west axis (as compared to the present north-south) provided the right policies are adopted and infrastructure put into place across the harbour.

The stakes for Mumbai in improving its urban management processes are high. For those of us who have lived in the city for a long time and find employment in its burgeoning economy, it is vital that Mumbai survives and prospers.

Finally, I wish to record, my sincere appreciation of the members of the Land Use and Housing Committee of Bombay First and other contributors who readily responded to our request and who have enabled us to produce this issue.

¹Land and Human Settlements, Land Economy in Critical Perspective - Occasional Papers L4, Centre for Human Settlements, The University of British Columbia, 1982.



Mumbai of the 21st Century : Quo Vadis ?

Home to India's hugely popular industry Mumbai is the country's wealthiest city. Much of this wealth comes from Trade, Finance, Diamonds and the entertainment industry. It is also the city that serves between the opposites of riches and talent and the land and slum dwellers and dreamy eyed migrants on the other.

Mumbai would do well to wake up to the competitive advantages that are changing at an alarming rate. Cities need to adopt a sense of direction for the future and having done so, pursue the process through the complex web of participatory development. Without this sense of direction, cities are prone to decay with new shoots of enterprise and energy developing elsewhere.

Who will harness the untapped potential of Mumbai ?

Does Mumbai understand its own diverse economies? Does it know which ones ought to be nurtured ? How do we manage those that are on the decline ? Who will study these processes ? Once we understand them, what mechanism will be used for implementing a broadly understood strategy ? These are some of the questions that remain to be tackled if a sound vision for tomorrow, in the context of very rapidly changing world conditions, is to be realised.

A visitor to Mumbai would not realise that it is a city in the midst of a boom. The city is frozen as block of stone and we seem to be oblivious to the tremendous opportunities and potential of the city in the new age of competitive internationalisation. We prefer to believe that Mumbai will somehow remain the financial capital of India, despite the lack of any serious sense of vision for her future. How are we to remain a major financial centre ? How is the city nurturing and developing one of the most rapidly growing service industries of the world ? How are we going to manage the infrastructure investments needed to keep the city an efficient engine for growth as well as pleasant and alive as peaceful place to live and work in ? These are not questions that can be postponed any longer and require active inquiry and attention. Mumbai has been traditionally conceived of in a north-south axis, influenced by its geography. Much of the pressure on

Mumbai's infrastructure arises from the need to commute from the more affordable housing in the far north to jobs that have been created in the south. Mumbai must be one of the few cities that continue to have the maximum number of low value added clerical jobs in the Central Business District, with real estate prices exceeding US\$200 per square foot, thus creating a commuter challenge to an already overworked rail and road transport networks.

The economics do not make much sense except to the private sector which is rapidly capitalising on its real estate and moving offices to cheaper locations in and around Mumbai or even further. The public sector has unfortunately not followed the private sector. The State Government, the nationalised banks, the insurance companies, the Reserve Bank of India, the railways all continue to operate their value added operations from the Central Business District.

Mumbai's future will increasingly depend on the cost of doing business in the city. In a modern competitive market economy, resources will need to be used as efficiently as possible to save costs and maintain margins. Real estate is a major component of this cost. Policies restricting the use of land, zoning regulations contrary to anything being applied to in any other major city of the world, draconian rental regulation on property amounting to confiscation and planning regulations that encourage urban sprawl rather than compact and efficient cities are all part of the problem.

The Blueprint for a better Mumbai

A one line mission statement for Mumbai could be 'reinstating Mumbai as the commercial, financial and cultural capital of India in the context of an environment which is conducive to live and work'. Imagine a financial district in the southernmost part of Mumbai connected largely through pedestrian pathways covering one square mile (like the city of London). This square mile would house high value added labour force with intensive use of state-of-the-art communication technology. It would have a multiplier effect with respect to other related services such as software, telecomm-

unications, media, legal, accounting and entertainment.

Such a blue print is a definite possibility for Mumbai. The Parel mid-town area with nearly 1,200 acres of land and its majestic profiles of the historical evolution of Mumbai, old warehouses and mills could be restored to accommodate the new emerging economies of Mumbai such as media, telecommunications, television and studio support industries as well as printing and publishing.

The northern suburbs could be developed as mixed-user settlements with affordable homes, shopping centres, schools as well as administrative offices of small enterpreneurial businesses and self-employed professionals to provide white-collar jobs, which are currently being operated from south Mumbai. This will automatically ease the daily commuting pressure on Mumbai's strained railway and bus infrastructure as well as provide substantial relief of time to lower income households who today have a daily struggle involving several hours of commuting. One could even argue that there would be need for additional investments, but those that modernise and effectively use existing infrastructure for a different commuting profile (like air-conditioned buses and trains for high-value commuters).

Connectivity - the key to a Vibrant Financial Centre

Contrary to common belief, Mumbai's future lies in an east-west axis. Freight transit holds the key to the development of a robust commercial centre which in turn is necessary for a vibrant financial centre - Hong Kong thrives as a gateway for China precisely for this reason. Mumbai has the perfect geography as a major transshipment centre which could be the building block for the future development and prosperity of the city. The town of Panvel in the hinterland is rapidly developing into a major railway hub as it will be junction for the Konkan and Central Railway as well as to routes in the north. The Jawaharlal Nehru Port and Nhava-Sheva can be expanded to handle much of the containers and other freight which could be connected to Panvel relatively easily. The proposed airport at Mandwa is possibly the perfect third piece in

the triad. Linking Panvel, Jawaharlal Nehru port and Mandwa creates an ideal transshipment capability for the city of Mumbai. If developed systematically, it will provide ample opportunity for private investment to flow into infrastructure development, east of the city of Mumbai across the harbour. Export processing, light manufacturing, warehousing and courier services would immediately seize the considerable locational advantages of operating in the vicinity. This would provide the commercial and economic magnet which will permit the Island city of Mumbai to develop as the primary service centre as described above. A Trans-harbour link can then be justified in terms of the connectivity of two different economies; not simply a conduit of traffic into South Mumbai.

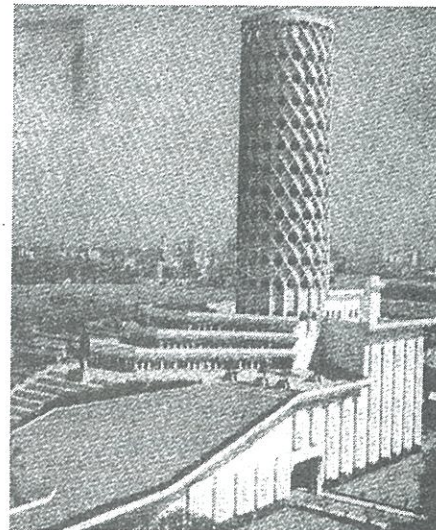
Light at the end of the tunnel - A vision

Cities need vision - a sense of direction. Mumbai will need a vision. More importantly, it will need political leadership. This leadership will promote partnership with citizens and the private sector to seek the best returns possible for those who live

and work in Mumbai. Our future is in our hands; we need to fully exploit the potential that exists to create a city of which our children will be truly proud. This thought experiment is an outline of a potential. Much needs to be done to make this vision into a reality.

Before International trends can emerge in Mumbai, we will need to take a long hard look at our processes of governance, which alone holds the key to the future. Governance has been defined in a number of ways as 'good Government' or 'exercise of political power to manage a nation's affairs'. The definition that I would like to suggest would be 'the relationship between civil society and the state, between rulers and the ruled, the state and the society, the Government and the governed'. This definition, to my mind, captures the inter-connectedness of the constituencies that are most crucial in the centrifugal forces that are coming to define the political process in the modern global economy. The city which was born thousands of years ago, came into its own as the chosen vehicle of the modern society only late in the 20th century. In the next millennium, it will prove to be the motor of progress only if it can be

managed effectively through governance mechanisms which are only just emerging. It could well be the building block of the modern economy in which technological, communication innovation are rapidly changing the way we interact with one another. Technology will certainly change the geography of cities - it will change the institutional forms as well as how these new entities operate. We will have to plan for our future to include and integrate these trends into our vision of the future.



When Pericles of Athens declared his city "thrown open to the world", one could hardly imagine what this might one day come to mean. We are gradually, though inevitably, becoming citizens of the world through communication links that were hardly dreamt of a mere five years ago. True citizenship once meant being a member of a society. We have arrived at an age where the competitive advantage of nations might as well be the attractiveness of the city for business as well as pleasure. Housing citizens - whatever form of tenure that might entail - will emerge as a basic building block of civilised life of the modern technological age. The mega-cities of today pose a major challenge for new institutional governance mechanisms that will need to evolve to ensure that those without shelter and basic services for dignified human existence are a condition of the past. As one commentator observed, "The chief function of the city is to convert power into form, energy into culture, dead matter into the living symbols of arts, biological reproduction into social creativity. The positive functions of the city cannot be performed without creating new institutional arrangements capable of coping with the vast energies modern men now command : arrangements just as bold those that originally transformed the overgrown village and its stronghold into the nucleated highly organised city". (These words were written about 35 years ago by Lewis Mumford in his "Cities in History". They have a resonance which we would all do well to heed)

Evolution of Land Development Strategies in Mumbai

Introduction

Common themes of the objective of land policy in Mumbai for last several decades have been;

- bringing about orderly development
- using land as a resource for financing infrastructure; and
- making land available for the housing of the poor.

The emphasis on these themes and the strategies to achieve the related objectives have however varied considerably over the last few decades. This paper provides a brief overview of evolution of land development strategies (excluding the fiscal and legal policies) and presents potential future directions.

Land Development Strategies Town Planning Schemes :

The earliest strategic response (1930-1960) was essentially driven by the objective of bringing about orderly development. Legal provisions were made to allow assembly of irregular land holdings (in fringe areas) preparing a proper layout, providing roads and open spaces and returning the reconstituted plots to original plot holders. It was however recognised that the value of reconstituted final plot would be higher than that of the original plot (in spite of reduction of area) proper shape, roads, open space and other infrastructure. In such cases 50% of the increase in value was to be recovered

as betterment levy. About 3,000 ha. of land was brought under development through Town Planning Schemes in Mumbai. However, the legal procedure particularly the procedure to settle ownership disputes in the absence of a good land title system - was found to be extremely long drawn. The system of betterment levy was also fraught with litigation and did not yield adequate resources for infrastructure in an inflationary setting.

Compulsory Acquisition Public Purposes under the The Master Plan

The rate of urbanisation was particularly very rapid during 1950 to 1980. During the 60s therefore it was thought that Town Planning Schemes would no be able to match the required pace of land development. The master plan - called the Development Plan sanctioned in 1967 proposed a detailed land use plan including road network and reservation for schools, parks, hospitals and such other facilities for a 20 years period. The land under such reservations was supposed to be compulsorily acquired (eminent domain), and remaining land was allowed to be developed according to the zoning provisions of the master plan. No attempt was made to recover any betterment levy that would accrue on account of development of reservations. However compensation payable under the law was

seen to be lower than the true market price (mainly due to strong prevalence of parallel economy in land and real estate market) by the land owners. Attempts were made to delete such reservations through a political process or unauthorised development of such land.

Realising these problems, the Development Plan prepared in 1991 adopted a more market oriented approach. For plots reserved for open users like parks and playgrounds, it offered an option of transferring the development rights elsewhere in lieu of legal compensation. Where built-up floor space is required like in case of a market or library, the land owner can retain his development rights at the same location if he agrees to provide required floor space to local authority. [Development rights are defined by the FSI (floor space index) i.e. a ratio of total floor area to plot area, prescribed in the Development Plan.]

New Town Development

The Regional Plan prepared for the Mumbai Metropolitan Region during 1967-70 recommended development of a new town of 2 million population across the harbour of Mumbai as a countermagnet to Mumbai. Large scale land acquisition was recommended as key strategy. This was based on the consideration that large scale public ownership of land is essential for bringing about rapid and orderly development of land, recouping land value gains on account of infrastructure development which would otherwise accrue to private land owners and for helping the poor through cross subsidies and differential pricing.

In 1970 City and Industrial Development Corporation of Maharashtra, a Government owned, company was established as a New Town Development Corporation for developing Navi Mumbai. In the same year 16,600 ha. of private land was notified for compulsory acquisition. By 1993, 14,105 ha. of land has been acquired and 1501 ha. leased out.

CIDCO adopted a policy of developing the new town as a series of nodes of 100,000 to 150,000 population.



"Amidst the concrete jungle a patch of hope"

Following information about one of its earliest nodes taken up for development, viz. Vashi can help judge the degree to which the land policy objectives have been achieved.

Total Area (ha.) 1113

Total Developable Area (ha.) 979

Saleable Area (ha.) 496

Area developed and sold (ha.) (1993) 332

Area under CIDCO housing

including for EWS (ha.) (1993) 74

Total Receipts (million rupees) (1993) 2151

Total Expenditure (million rupees) (1993) 1646

Population (1991) 90,812

EWS - Economically Weaker Sections

CIDCO was able to generate surplus resources in Vashi even after providing for housing to low income group population. However, large scale land acquisition by paying legal compensation alone became increasingly difficult. The farmers felt that CIDCO was realising high prices at their cost and demanded a share in the proceeds. It was finally agreed that 12.5% of the original land in the developed form will be returned to the land owners at Rs. 5 per sq.m. plus twice the acquisition price.

Locational Advantage - Bandra - Kurla Complex

The Regional Plan (1973), apart from recommending development of New Mumbai also recommended development of Bandra- Kurla commercial complex as an alternative to the existing CBD located on the southern tip of the Mumbai Island. Bandra- Kurla was a 350 ha. Government owned swamp handed over to MMRDA in 1977 for development. However, development of this swamp by conventional filling was not possible due to difficult hydraulic regime and threats of severe flooding. MMRDA adopted a gradual process of dredging the adjoining creek and using dredged material for filling the swamp. The principal planning



New Town Development - Emergence of Navi Mumbai.



Development Activities in Bandra-Kurla Complex

policy was promoting office growth in Navi Mumbai and restricting such growth in South Mumbai.

Liberalisation of Indian economy and consequent rise in demand for office space by financial services and related activities gave rise to substantial increase in real estate prices. MMRDA therefore decided to develop 100 ha. of BKC area as International Finance and Business Centre including a diamond bourse and a Convention Centre. The land price it could command is around Rs. 200,000 per sq.m. (US\$ 6500 per sq.m.). This has enabled MMRDA to raise substantial resources - Rs. 2000 cores (US\$ 650 million). With these resources, MMRDA is in a position to finance regional level infrastructure like water source development and roads and highway development. Thus, development of land at strategic location has helped achieve the objective of mobilising resources for infrastructure investment in a large measure.

Railway stations on the suburban rail network represent high value locations on account of accessibility. The air rights on railway stations are proposed to be exploited for raising resources for transport development.

Participatory process of Land Development - Oshiwara District Centre

Apart from Bandra-Kurla Commercial Complex, MMRDA had planned to develop a district centre on a 100 ha. land at Oshiwara in the western suburbs of Mumbai. The district centre was planned to accommodate offices, commercial establishments and business services along with cultural and recreational activities and residential areas. However, here the land was in private ownership. The main concern here was to bring about desired development in a planned manner. MMRDA therefore used land acquisition procedure in notional measure and agreed to return the land to original owners if they were prepared to undertake the development according to the plan and also financially contribute towards

off-site infrastructure development.

Towards a market oriented approach

The Revised Regional Plan, 1996-2011 for Mumbai Metropolitan Region does not propose large scale compulsory acquisition and development by public agencies as the only way of allocation of land use over a twenty year period. This not only becomes inflexible but land owners whose land comes under "public use" resist such designation or connive in unauthorised use. Thus the planning process turns out to be counter-productive. In the Regional Plan therefore it is proposed that in the fringe areas only a structure plan showing arterial road network and critical land uses be prepared. The land development should be left to market. But the process should be guided by a system of incentives by way of bonus FSI.

(a) land assembly : It is necessary to assemble fragmented holdings to prepare proper layouts with provisions for local roads and open spaces.

(b) land for social/community facilities : The need for these facilities

changes with scale of development. Presence of such facilities also improves real estate prices in the vicinity. Given the incentives market would respond by allocating land for these facilities or even developing these.

(c) land for low income households :

If a certain proportion of land is developed in the form of small plots which are handed over to public agencies at predetermined price, bonus FSI could be used on the remaining plots.

In this system as the real estate prices increase, market would respond by, willingly providing land for public uses instead of resisting it.

With some variations, a similar approach could be used for bringing about planned renewal. Most central cities are characterised by individual building on small plots with poor roads layout, inadequate parking and other facilities. Incentives that promote plot assembly, improved layouts and facilities within the framework of a broad plan can be introduced.

Conclusions

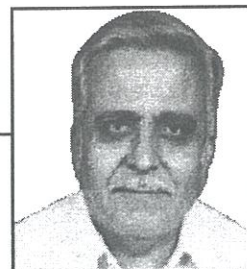
The experience so far indicates that a plurality of approach is necessary for adopting land development strategies in the Mumbai Metropolitan Region. These could be summarised as follows :

Predominant Consideration

1. Obtaining land for public purpose or conservation of heritage buildings in already developed areas.
2. Mobilising financial resources.
3. Planned development in fringe areas including land for the poor. Planned redevelopment/ renewal of old areas.
4. New Town Development in green field sites.

Land Policy

1. Transfer of Development Rights.
2. Development of Government land at vantage locations, use of air rights at railway stations, etc.
3. Incentive based guided land development
4. Land acquisition with owners participation in development process.



Restructuring and Revitalisation of Urban Land Uses

The land use within a city plays an important role in the development and decay of the city. Normally, lands are put to different uses, such as residential, commercial, industrial and agricultural in addition to infrastructural uses. The main aim in planning of the city is to have proper land use and its control. It should facilitate and promote good quality of life, minimise adverse environmental impacts that may occur in the process of economic growth, improve the efficiency of existing methods of resource mobilisation and adopt innovative methods for urban renewal of blighted areas.

In Greater Mumbai, the use of land within the city is controlled on the basis of the Revised Development Plan (RDP). However, due to the failure of the housing policy in Mumbai, 50% of the population stays in slums which are proliferating day by day. This has resulted in a reduction of areas earmarked for infrastructural and social facilities such as roads, open spaces, parks, playgrounds and other amenities. The Development Control

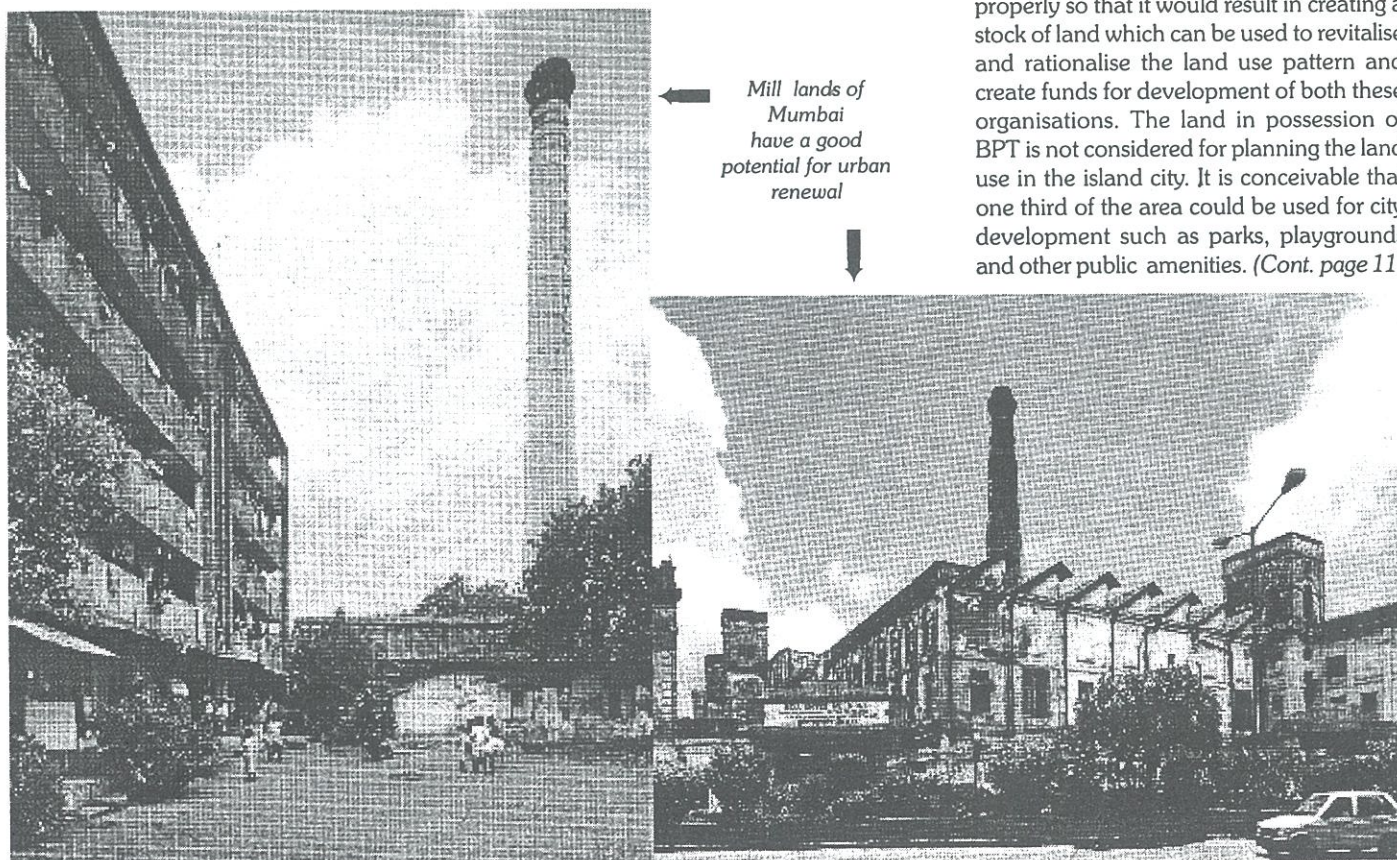
Regulations are a very important tool to control the development of the city as per the prescribed land use.

Major land owners in Mumbai are the Central and Western Railways, Government of Maharashtra (GOM), Government of India (GOI), Bombay Port Trust (BPT), BEST and Municipal Corporation of Greater Mumbai (MCGM). The land use plan prepared by MCGM has taken a stock of the total land but has not examined whether the potential of these lands is used to the optimum extent.

The Central and Western Railways occupy large chunks of land both in the island city and the suburbs of Mumbai. The Central Railway (CR) has large lands under use for loading and unloading of cargo from CST. This area is known as Wadi Bunder. Due to shifting of major economic activities from island city of Mumbai, such as steel market, grain market, vegetable market to Navi Mumbai, the use of Wadi Bunder has reduced to a considerable extent. However, recycling the use of these lands has not been considered either by the railways or the

MCGM, while drafting the Plan. In case these lands are not required for the purpose for which they were utilised earlier, it is either necessary for the railways to utilise them for some other suitable purposes or allow the city to utilise them for public amenities, which are badly needed in the island city. Similarly, near Dadar, Matunga and Kurla stations in CR, large areas are under utilisation of railway workshops and sidings. Considering the present trend of development of the island city, activities such as railway workshops, railway goods handling yards, can be relocated outside Municipal limits within the Mumbai Metropolitan Region (MMR), and the area so released replanned suitably.

Both MCGM and BEST also have large areas within their possession. MCGM is also the owner of improvement trust lands and has in possession substantial land which is used for its colonies or for other residential purposes. BEST has large areas under its depots and bus stations, the FSI of which has not been consumed fully. It is necessary to study the existing land use of these properties in detail and re-plan them properly so that it would result in creating a stock of land which can be used to revitalise and rationalise the land use pattern and create funds for development of both these organisations. The land in possession of BPT is not considered for planning the land use in the island city. It is conceivable that one third of the area could be used for city development such as parks, playgrounds and other public amenities. (Cont. page 11)





The Fall and Rise of Dilapidated Buildings

Why do we have the problem of reconstructing dilapidated buildings in Mumbai? If we are to arrive at meaningful and long-term solutions, it is essential to begin with an analysis of how the problem has risen, and how the currently proposed solutions have evolved.

A legacy of Protectionism

I would argue that the root of the problem lies in our society's mind-set of protectionism. Everyone must be protected. Employees must be protected from termination of their services, even if they do no work, misbehave, damage the interests of their organisation and proceed on maternity leave for a year and a half. Industrial workers must be protected, even if the industry has stopped functioning. Public sector employees must be protected against a reduction in the number of public holidays, while at the same time they receive handsomely enhanced pay packets. There is also no real chance that a public sector employee can be sacked, even if he is proven to be corrupt - at most he might be transferred.

In this climate of protectionism, which has been vigorously fostered since Independence, one of the earliest classes of beneficiaries were tenants. Rents were frozen at pre-1940 levels, not even remotely linked to inflation.

Municipal taxes, which are linked to rental value, were also similarly more or less frozen, so that tenants today pay a fraction of what it costs the city to provide them with Municipal services. The whole city subsidises these tenants.

There have been two significant consequences of the freezing of rents. One is that the construction of housing for rental stopped totally. This meant that even those who were decently employed in the city failed to find rental accommodation - ownership was in any case out of their reach - and were forced to live illegally in slums. The second consequence was that landlords could no longer, in theory, afford to repair or maintain their tenanted buildings. In actual practice, a system of pugree evolved, and landlords received a third of the market value of the property on each transfer of tenancy. But this was illegal and unofficial and landlords

could legitimately claim that their rental receipts were hopelessly inadequate to cover the costs of maintenance and repairs. So Government agencies were set up, such as the Mumbai Repairs and Reconstruction Board and the Mumbai Housing and Area Development Authority, to undertake the repairs. The cost is met partly through an additional "cess" levied on the tenants (hence the term "cessed properties" which applies to most tenanted old-rent buildings), but is mainly met by subsidies from the Municipality and the State Government as non-Plan expenditure.

No study has ever been commissioned of the true economic status of the tenants occupying old-rent accommodation. Fifty years on, it is assumed that, they and their progeny must continue to be economically protected and must continue to be subsidised by the rest of the city in regard to Municipal service charges indefinitely.

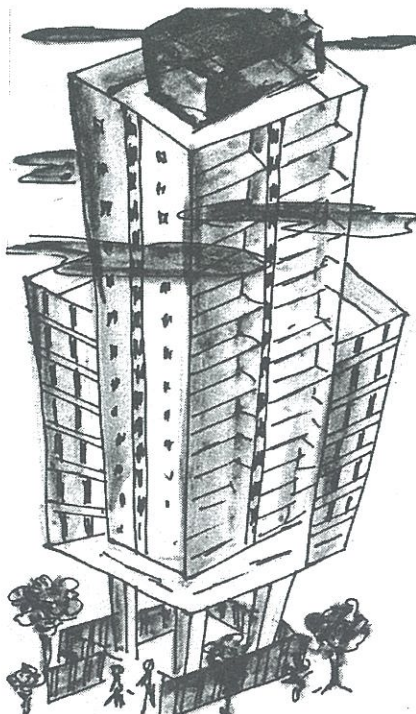
But the latest twist in the half-century long saga of protecting the interests of tenants now has a vastly different dimension of

largesse. This has arisen out of another protectionist gesture: our slum dwellers have been promised free, pucca housing. Quite naturally, landlords of cessed buildings wonder why they should be less generously dealt with. So the new proposals, in effect extending further protection to landlords, are as follows: Landlords are to be allowed to reconstruct their dilapidated buildings, i.e. pull them down and put up new ones. All existing "occupants" are to be re-housed in the new construction. To help finance the reconstruction, the floor space of construction permitted will be either (a) whatever it was earlier, or (b) what results from a Floor Space Index (FSI) of 2.5 (that is, a built-up area of 2.5 times the plot area), or (c) the number of occupants multiplied by a carpet area of 225 sq. ft per occupant (plus wall thicknesses, passages, stairs, lifts etc. to convert to built-up area) whichever of these three is highest, plus an "incentive" FSI of a further 50-70% depending on the reconstruction scheme. The "incentive" FSI is supposedly needed to induce landlords to take up the reconstruction of buildings that would otherwise fall down.

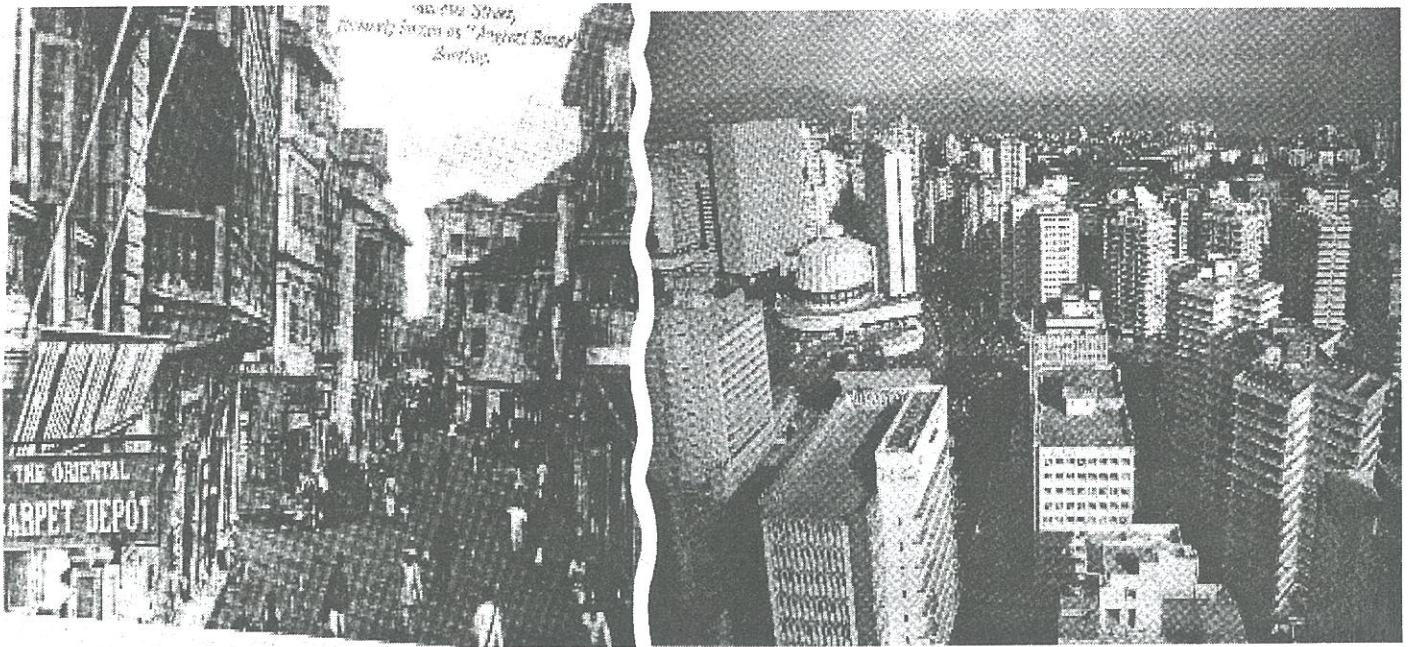
Who is a legitimate "occupant" with the right to form the basis for an FSI computation according to the rules indicated above? Consider this instance opposite the US Consulate on Bhulabhai Desai Road, in the area known as Breach Candy, a very tall and very narrow building is nearing completion. The Breach Candy Residents Association, in a Writ Petition against the Municipality, has succeeded in obtaining a stay on the construction. They have questioned the safety of the construction as well as the FSI that has been permitted. In his affidavit in reply, this is what the Municipal Engineer in charge of giving building permissions has to say:

"...the qualifying criteria is with relation to cessed building of pre 1st September 1940 existence and not tenancy of pre September 1940... the policy or the regulations do not specify or require the tenants also to be of any antiquity or of a specific duration."

The petitioners charged that the so-called tenants of the original cessed building on the plot were bogus, and included the architect of the new construction and his mother, neither of whom had ever lived in



"Congratulations ! for this marvel
of an architecture



"Converting dilapidated buildings into needles in the sky is not the answer"

the cessed buildings. This is what the developer of the property has to say in his affidavit:

"...tenancies relevant...are the tenancies in subsistence as on the date of the application and not any pre-existing tenancies of any antiquity".

In other words, "occupant" can mean anyone inducted into this category as long as that is done before the date of the application. The permissible FSI will then be computed according to the number of occupants and could be 2.5, or existing FSI if it is higher, or even more if the number of occupants is large enough. In addition to which of course a further 50-70% of "incentive" FSI is permitted.

This scheme of Government has now been published and public objections called for. If it goes ahead, it means there will be no limit to the FSI that can be exploited on the plot of a cessed building and no limit on height. We will then see thousands of needles of new buildings suddenly punching vigorously upwards through Mumbai's already active skyline. Currently Mumbai has a mix of buildings of low and modest height, with tall skyscrapers scattered here and there. From this, we will see a transformation into a mass of skyscrapers only, each with a small footprint and of great height, out of all proportion to the size of the base. The buildings will be not, as in New York, spaced far enough apart to allow people and traffic to move freely below. Instead, as in Bhuleshwar currently, streets will be both filthy (because of the sheer numbers of users) and clogged. The FSI,

hitherto restricted to 1.33 in the Island City, will be freed of all limits, and could rise to 9 or 10 or even more on some plots. This change will damage the city beyond recognition.

No Free Lunches

There are no free lunches. Our continuing coddling of tenants is paid for by the remaining citizens, who pay a disproportionately higher amount in taxes. Our free houses to slum dwellers are supposed to be paid out of the free-sale components built out of a hugely enlarged FSI: while the principle of cross-subsidy may seem equitable and sound as far as finances go, the damage caused to the city by the higher FSI is incalculable. And now, landlords of old buildings demand that they too should have at least the same benefits as are accorded to slum dwellers, a demand that seems too reasonable to deny. So once again we are led to a preposterous FSI which the city cannot possibly sustain.

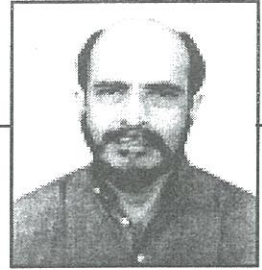
Away with Protectionism

In this climate of protection, is there any hope of turning the tide, and expecting that the Rent Act, at the very least, and as a first step, should be done away with? It need not be abruptly done, there could be a transition period of several years before it is dispensed with altogether. But if that is done and if we can also do away with the notion of providing free housing for anyone-cross-subsidised by all means but supply nothing free-then certainly the problem of reconstructing dilapidated buildings would

be rapidly solved, without requiring absurd changes in FSI. Landlords would find it worth their while to reconstruct their buildings, simply because of the higher rents they could expect, without any increase in floor area, and consequently without permanent damage to the quality of life in the city that our current proposals guarantee.



"Sir ! Invest in a zopadpatti today and become rich tomorrow"



Mumbai turns it back on its Heritage

For all its hyperbole about protecting cultural values, Maharashtra Government turns a blind eye to its most precious heritage the archaeological sites in state. While it may be excused for being preoccupied with dreaming up populist schemes to pay attention to Ajanta and Ellora, which are out of sight and mind, the same can hardly be said of monuments right under its very nose, in Mumbai itself.

Picnic Spot or Historical Legacy

Elephanta, or more appropriately Gharapuri, its original name, is also not within eyesight and remains vulnerable to the encroachment of peddlers and other of their ilk. Indeed, it has unfortunately become more of a picnic ground rather than a monument to visit. The fact that 9 lakh people boat to the Island every year, but only 3 lakh venture into the caves, speaks for itself.

Kanheri too has fallen prey to picnickers. At this time of the year, teenagers cavort

under the waterfalls that cascade down the channels the Buddhist monks carved out of solid rock nearly 2,000 years ago. If you happen to venture further atop the hill which command a magnificent view of the forest beneath and the teeming urban jungle further afield, you will be warned by the Archaeological Survey of India (ASI) guards to be wary of anti-social elements who prowl there. Worse still, cocking a snook at the ASI blue board announcing that it is a protected monument, there is a flourishing Hindu temple cheek by jowl with the viharas, which appears to be growing in acreage and influence. On the Mahashivratri festival, as many as 1.5 lakh people throng to this temple to pay obeisance to the deity installed there. The temple is built on the site of an ancient dam for the monks. Perhaps the worst-maintained site of all is Jogeshwari, which most Mumbaitees are not even aware of, leave alone visit. One has to battle through tiny congested lanes only a few hundred meters east of the railway station to find

the entrance to the caves, all but obscured by shops and dwellings. As Prof. Walter Spink, from Michigan University, who has spent a lifetime studying Ajanta and related caves, observes : The Jogeshwari cave is a monument of crucial importance. It is the missing link between the last phase of Ajanta architecture in the late 5th Century and the Great Cave at Elephanta and is actually the first huge (rock-cut) cave that the Hindus built (in this country). Because of it's Shiva deities, this monument has been appropriated by a family of pujaries, who are alleged to have been there for seven generations. Today, the inner sanctum is surrounded by hideous white ceramic tiles and people stream in at regular intervals to pay homage. On one corner, openly signposted as such, is a Shiv Mandir and, for good measure, a vermilion Ganesh adorns the formal entrance, now a less-used exit. Slums have mushroomed astride the top of the monument, although the ASI writ should extend over 4 acres. Waste water from these tenements streams into the open yard of the caves; detritus from temple offerings occupy corners of the site. The crowing insult to this revered monument is a pissoir, also hewn out of rock, which pujaris can be seen using at will. The ASI has posted a single forlorn-looking guard at the site who, in his unkempt clothes, could well be mistaken for an impecunious devotee. He clocks out at night and the monument remains open to all and sundry, with only the pujaris calling the shots. There is also a somewhat crazed Baba in residence, who claims to have there for 40 years and once tried to stage the Ramayana at the site, in defiance of the police ! Only 3 km away are the Mahakali caves, now better known by a road named after them, a busy corridor connecting the eastern and western suburbs. Neither the state Archaeological Department nor the ASI is in attendance here, and the site is up for grabs. The Mandapeshwar caves, in Borivli, have been appropriated by a Christian institution. The promoters of a new five-star hotel at Bandstand, Bandra, are showing the Department-protected Portuguese Fort as part of their property and claiming FSI on it.

The Conservative Culture

All heritage-lovers are outraged of such desecration of the cultural past of this



Mahakali and Jogeshwari Caves

commercial capital of the country, which is all set to become the world's second most populous city by 2010.

The state authorities are obviously suffering from some form of collective amnesia, although they claim to be proponents of Hindutva. Surely no devout Hindu will tolerate the abuse of these ancient sites. Besides, in any other metropolis in the world which also swears by commerce (recall that Mumbai's best-written biography is titled *City of Gold*), companies and businessmen's associations would have come to the rescue of these monuments, but we seem to have turned our backs on our past. One of the supreme ironies of the city's fledgling heritage movement is that foreign banks and multinationals have been restoring their buildings and sponsoring cultural festivals at sites.

Some conservationists would like to wreak vengeance on the destroyers. Sir Bernard Feilden, a noted British restorer, last year set a cat among the pigeons by threatening to write to UNESCO, asking it to remove Elephanta as a World Heritage site after he found a youth sitting astride one of the murtis for a photograph! This triggered off a chauvinistic reaction from the ASI and others, with the familiar: Who is this

foreigner to tell us how to preserve our monuments? The fact is that all sites, anywhere in the world, belong to humankind, irrespective of nationality or creed, but it is the responsibility of every government to protect them. Instead of knee-jerk responses, we ought to reflect on how surveillance can be so lax as to permit such violations. A familiar refrain from die-hard conservationists is that entry to monuments ought to be restricted, if not banned, in order to protect them from vandals or the sheer pressure of numbers. This smacks of elitism of the worst kind of sense of superiority over ordinary mortals who apparently cannot appreciate what's precious about our past. On the contrary, the more people are exposed to our cultural heritage, the more they will learn to love it and only then will they be disciplined enough to care for it. One has only to see the song and dance made in the US about what can only amount to trivia in archaeological terms to realise how a well-knit nation treasures what may be just two or three hundred years old.

Solutions with Foresight

A far better policy would be to encourage

more people to visit sites and, at the same time, generate resources to manage them better. The ASI's antiquated rules about minimising entry fees ought to be changed to usher them into the 21st century. If a family has travelled several kilometers to visit a site, it can surely afford more than the pittance now charged. In Ajanta, where there is a genuine apprehension about numbers damaging the fragile rock paintings, the simple expedient of issuing different coloured tickets for different caves will automatically reduce visitors. If any one is really interested in seeing more, he can pay for the pleasure. The truth is that funds are not the problem. Money can be sourced internationally. The Japanese are most interested in preserving Buddhist sites (even if some Indians aren't!) and are putting up some \$60 million for the uplift of facilities at Ajanta and Ellora. UNESCO and other agencies are always prepared to pitch in with resources in cash or kind. Commercial organisations in this country have still to be tapped as potential sponsors. To cite only one example, Bajaj, one of the world's biggest scooter manufacturers, is based not far from Aurangabad. It is more a problem of management and, not least, the will to preserve the genuine multi-cultural history of this country.

..... Urban Land Uses *(Cont. from page 7)*

Further two important rail and road connections available in the port from Indira Dock upto Wadala, if made available for city development will considerably ease the burden on the growing traffic in and out of Mumbai every day. It is therefore essential to study the existing land use of BPT and restructure it taking an integrated view of the needs of the Port Trust as well as the city.

The GOM and GOI have also large areas in the island city as well as the suburbs, some of which have been earmarked for various public purposes and infrastructural facilities in the Sanctioned Revised Development Plan (SRDP). Some of these lands have been encroached, but the remaining can be handed over to MCGM which can create its own land TDR bank and use the TDR as per the demand.

Mumbai has 56 textile mills most of which are closed down and the lands are lying unused. In the year 1994-95 the GOM had appointed a Committee under the chairmanship of the well known Architect, Charles Correa who prepared an integrated development plan of the textile mill lands, on the basis of certain principles. Recommendations of the study group are (i) there is necessity of proper land use pattern

within the mills as well as in the adjoining areas (ii) in Mumbai city there is a dearth of basic urban infrastructure. Additional urban facilities are therefore recommended to be provided. (iii) the relevant architectural and urban form of mill areas merged with the surrounding areas needs to be evolved (iv) environmental and heritage aspects of existing mills need be maintained. The Committee has also proposed that since all the mills are located in Central Mumbai, it is possible to create a harmonious and aesthetic land use between the southern and northern parts of the island city. Land use plan of the city has to be integrated with the urban infrastructure plan, traffic and transportation, social activity plan and recreational activity plan. Unfortunately, the land use plans prepared in the past have not looked at this aspect holistically resulting in lack of co-ordination between the different plans. It is well known that presently the office activities are mostly concentrated in South Mumbai - ABC wards which has led to north-south traffic pattern. The Revised Regional Plan of MMR permits the office uses in the island city of Mumbai which was earlier banned. It also emphasizes smaller offices with 5 to 10 employees. The only way by which the flow of traffic can be

balanced is by shifting large organisations employing say more than 200 persons to the northern suburbs or to Navi Mumbai. This should include Mantralaya, GOM/GOI offices, LIC, Railways etc. Similarly other fast growing extended suburbs such as Vasai, Virar, Kalyan and Karjat which have been developed as dormitory areas could also be developed for office purposes. Just as the shifting of the steel, grain and vegetable markets to Navi Mumbai has resulted in a major diversion of truck traffic. Similarly it is now time to think of disbursal of major office users to different areas in MMR so that the traffic pattern gets more evenly balanced.

Conclusion : There are some areas where the Island city scores over the other parts of Mumbai. With a generous and even distribution of gardens, playgrounds, fountains and traffic Islands in populous neighbourhoods, the Island city also houses many shops, commercial establishments, restaurants and eating houses. Even the number of municipal and private markets are comparatively greater in the Island city than in the suburbs. These are times of change and Mumbai will have to chart the course of its economic recovery by exploiting and optimizing its land resources intelligently.

A Meeting of Bombay First - Transport Committee with World Bank MUTP-II/ MURP Mission on 6th October 1998 at The Bombay Chamber of Commerce and Industry

The members of Bombay First Transport Committee met the World Bank Mission of MUTP-II headed by Mr. Harold Hansen, Consultant Infrastructure Sector, South Asia, Ms. Jelena Pantelic, Task Leader MURP, Mr. John Flora, Transport Advisor, Ms. Kim Cuenco, Urban Development Specialist and Mr. P. Ilangovan, Environmental Specialist.

This occasion provided Bombay First members with a unique opportunity to interact with members of the Mission and to present our views and to understand the current status of the project from the perspective of the World Bank Mission. A Memorandum was submitted to the Mission explaining the deteriorating traffic and transportation in the city, our understanding of the situation pertaining to the status of the MUTP-II Project and the importance of an expeditious decision by the World Bank. Some of the issues raised by the Transport Committee members were :

Mr. Krishna Kotak, Chairman of the Transport Committee expressed concern about the inordinate delay in MUTP-II implementation and stated that the corporate sector in Mumbai believes that MUTP-II is presently the only comprehensive transport project aimed at improving the deteriorating traffic conditions in the city and the World Bank should not withdraw from the project under any circumstances. He further stressed that the hardships encountered by employees of the corporate sector affected their efficiency and productivity. We therefore have a major stake in the project and Bombay First will provide any support that may be required in the implementation of the same.

Mr. D.M. Sukthankar added that public transport should be recognised as a priority and users will have to pay for the facilities. He stated that Bombay First understands the importance of the user charges and is ready to help in advocating it to the public. Members of the World Bank Mission expressed their happiness that for the first time a non Govt. organisation such as Bombay

First representing the corporate sector and the citizens of Mumbai have met the Mission and provided a feedback. They made the following comments:

i.) Bombay First should conduct public awareness programmes for MUTP II through TV, Press etc. and the synergy between the Government and Bombay First should be strengthened.

ii.) Government of Maharashtra and Railways should co-operate and co-ordinate with each other directly and strengthen the institutional framework for MUTP-II

iii.) The Mission was informed that the cabinet note on formation of MRVC (Mumbai Rail Vikas Corporation) will be submitted by end of December 1998 and the organisation will be operational soon thereafter.

Mr. Harold Hansen said that they are sensitive to the feelings of the citizens of Mumbai and will carry this message to Washington. He further informed that the sole purpose of the World Bank mission is to review the project, but the decisions will be taken at the board level and the Resident Director in New Delhi will be in close touch with the ongoing developments. Bombay First has subsequently received a letter from Director, World Bank, New Delhi on December 2, 1998 appreciating our interest and anxiety over the delay in

the Project. The letter further adds "as you know we are currently reviewing the request received from the Ministry of Finance (GOI), based on the request of the Government of Maharashtra and Indian Railways for MUTP, as well as the linked Mumbai Urban Rehabilitation (MURP) Project. Together with the authorities, the Bank is trying to identify those project components of MUTP which could be readied for implementation within a relatively short time and which are clearly of high priority and fully justified on economic and financial grounds, and for which sufficient funding would be available. Other components could then be considered for a second phase, with project preparation funds explicitly provided for in the proposed first project. The list of components would be reviewed further if there is a positive management decision to reintroduce the two projects in the active lending program."

'I hope the above will explain our current thinking. We shall keep you informed of any major developments concerning the proposed project. Potential future MUTP project missions will continue to meet with Bombay First, as well as other concerned organisations and institutions, to follow up, as appropriate, on your offer of assistance.'



World Bank Mission in discussion with Bombay First Transport Committee.

Proceedings of the 1st Annual General Meeting Business Partnerships-A dire need in the process of betterment of Mumbai

The First Annual General Meeting of Bombay First was held at Yashwantrao Pratishthan, Mumbai on 9th November 1998. It was a meeting of like minded people with a vision for making Mumbai a better place to live and work. The keynote speakers at the meeting were Mr. Nasser Munjee, Executive Director, IDFC and Mr. Omar Kamil, Deputy Mayor of Colombo Municipal Council. The Chief Guest of the meeting was Dr. Akhtar Badshah, Executive Director of Asia Pacific Cities Forum. It was chaired by Mr. R.K. Pitamber, Director, Mahindra and Mahindra Limited and Chairman of Bombay First.

Visitors, speakers and members of the Bombay First were welcomed by Mr. W.J.N. Danait, Chief Executive of Bombay First.

Mr. Nasser Munjee, emphasised the need to develop Mumbai into a world class city. He said at "we must have a vision on how the city ought to be in next 25 years. The issue of private versus public sector has always been a contentious topic in our country. But the city can progress only if the government sheds the role of the

provider and gives the private sector more opportunities in core sectors like transport, waste management, power and water management". He further added that "The city of London can be taken as a model in this regard. The gross domestic product (GDP) of London is more than that of a country like Portugal or Austria. Most of the civic activities of the city are taken care of by private entrepreneurs".

Mr. Omar Kamil, Deputy Mayor of Colombo Municipal Council, talked about the changes in the city of Colombo once it was handed over to the corporate sector. "The decision-making was done with the least political interference", he said. "the town hall building in Colombo employed 250 employees for maintenance and the government incurred an expenditure of around Rs. 3 lakh every month. But once it was given to the private sector, the same work was done with one-fourth the expenditure employing just 18 workers". He further said:

"Civic bodies in cities all around the world have over the years come to the conclusion that private participation can go a long way in improving the

quality of, as well as speeding up, civil works."

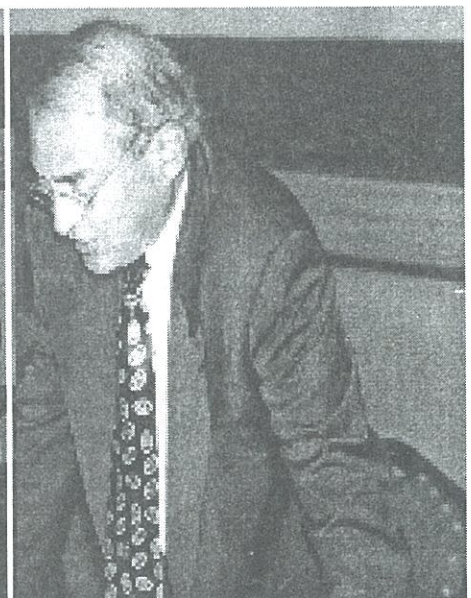
This was also emphasised by Dr. Akhtar Badshah, Executive Director, APCF and the Chief Guest for the AGM meeting. He further said that "a company must be responsible not only to its shareholders but also to society. Corporate sector should not only assist in the developmental process financially, but also inculcate social values". Addressing the partnership concept he added that "Only when corporate executives like us make sacrifices for the city will there be prosperity".

Dr. Akhtar Badshah in his address told members that Bombay First has been doing considerable work in many areas. It is mainly a catalyst in upgrading the city life and has been working with the Government to advocate the right priorities and ensure that certain policy issues are addressed..

The AGM ended with the summing up and vote of thanks by Mr. Ashok Advani, Chairman and Chief Executive of Blue Star Ltd. and Ex-Chairman of Bombay First.



First Annual General Meeting of Bombay First in Progress. (Seated L to R) Mr. Omar Kamil, Deputy Mayor of Colombo Municipal Council, Mr. W.J.N. Danait, CEO, Bombay First, Mr. Ashok Advani, Chairman & Chief Executive, Blue Star Limited, Dr. Akhtar Badshah, Executive Director of Asia Pacific Cities Forum, Mr. Nasser Munjee, Deputy Managing Director, IDFC Limited.



Mr. R. K. Pitamber, Chairman, Bombay First addressing the First Annual General Meeting

Partnerships for a Better India Mumbai, November 6-8, 1998

Association of Youth for a Better India (AYBI), supported by Bombay First organised a National Convention on 'Partnerships for a Better India' in Mumbai in November 1998.

The main objective was to promote a dynamic 3-Sector Partnership between the government, the citizens and the business sector. The 3-sector partnership brings about a synergy which optimizes resource utilization. This partnership brings to the fore creative solutions through the process of group dynamics and interactive processes. The objective of the conference was the joint creation of an agenda for action so as to promote progress and development in all cities that we live in.

The Conference specifically focused on the role of the Municipal Corporations, NGOs as well as other citizens/community organizations, and business. It was attended by participants

from various cities in India and from Sri Lanka. The participating cities included Colombo, Mumbai, Delhi, Pune, Hyderabad, Bangalore, Ahmedabad, Baroda. The participants felt that one of the essentials of any society is good governance. And this is nowhere more important than at the level of the local government. Civic bodies are closest to citizens, not merely in terms of distance, but in terms of activities that are most vital to our daily lives: such as clean water and surroundings, good roads, decent utilities, good education and health facilities, green gardens and recreation. These are more important to an ordinary citizen than foreign policy or defense matters. Questions such as; How can municipal bodies be more responsive to citizens? how can they be more accountable and how can governance come closer to our lives? and how can they influence decisions that affect us and our children all the time? have to be explored. In short, how

can civic bodies be more accountable is the question that the participants tried to address through various sessions focusing on different sectors like education, transport, solid waste management etc.

The Conference was inaugurated by Deputy Mayor of Colombo, Mr. Omar Kamil and the key note address was given by Mr. Akhtar Badshah who is the Executive Director of Asia Pacific Cities Forum, (APCF). APCF is an action partnership promoting corporate citizenship. The PBI conference presented participants with working models where the partnerships have succeeded and made a strong case for them. The Conference concluded with a working agenda and the creation of a network among various sectors in different cities across the country.



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