Bombay First

What It Is And Where It Hopes To Go

Bombay First is an initiative of the Bombay Chamber of Commerce and Industry. It is designed to make the most of opportunities that a new century promises Mumbai, a city sensing its global advantages but needing to strengthen its economic base.

Mumbai's Competitive Advantages

Amid the urban decay, the competitive advantages are often overlooked.

- Mumbai is home to the head quarters of the Reserve Bank of India and of all major scheduled banks, the premier stock exchange and major commodity markets.
- It has a resident culture of leadership in commerce and finance and a considerable supply of diverse and qualified human resources.
- The international business language, English, is widely spoken and understood here.
- It has good air, road, rail links, as well as state-of-the-art telecommunications. It is India's main port.
- It has an immense and diverse hinterland that benefits the city with demand and supply of goods, capital, commodities and services.
- It has an advantageous time zone between North America/Europe and East Asia.

The Need

To make the most of its opportunities Mumbai must continually adapt and re-structure. Its failure to do so underlines its lack of a think and action group independent of government but available to all for facilitation and advocacy. Hence Bombay First.

How It Works

Bombay First catalyses, facilitates, advocates and networks. It does not implement action itself. Seven thrust areas have been selected out of numerous options: Financial Services, Telecommunications, Land Use/Housing, Transport, Education, Solid Waste Management and Research. Expert committees have been set up in each area with prominent personalities as chairpersons and convenors.

The Structure

The initiative has two wings: the Bombay First Society and the Bombay City Policy Research Foundation. The Society is open to Founder, Corporate and Individual membership, by invitation. It conducts the main activities of the initiative. The Society is managed by a Governing Board whose members in 1996-97 are Mr. Ashok M. Advani, Chairman & Chief Executive, Blue Star; Mr. Ram Gandhi, President, Indian Merchants Chamber; Mr. Atul Choksey, Advisor, Asian Paints; Mr. W.J.N. Danait, Chief Executive, Bombay First Society; Mr. S.M. Data, Chairman, Castrol India; Mr. Dilip Dandekar, President, Maharashtra Chamber of Commerce & Industry; Mr. B.G. Deshmukh, Director, Tata Sons; Mr. Cyrus Guzder, Chairman & Managing Director, Air Freight;

Ashok M. Advani
Chairman, Bombay First
Disentangling MUTP-II

Mumbaikars Don't Travel- They Safar

MUTP-II is an acronym that veils a life-and-death matter for the city. It stands for the Mumbai Urban Transport Plan II, a blueprint to keep the city on the move—well into the new millennium. It was evolved under the auspices of the Mumbai Metropolitan Regional Development Authority and is supported by the World Bank.

MUTP-I was the successful, bus-related initiative.

The Transport Committee of Bombay First, chaired by Mr. R.K. Pitamber, Director of Mahindra & Mahindra, and convened by Mr. Arun Mokashi of Tata Consultancy Services, has developed its own strategy and plan of action vis-a-vis MUTP-II. It is based on increasing public awareness of the issues involved. Mr. Krishna Kotak, partner of J.M. Baxi Limited, has provided a grant of Rs. 1 lac to cover start-up costs of this awareness campaign.

What Is MUTP-II?

MUTP-II is a comprehensive plan. It covers railway infrastructure and rolling stock, roads, including flyover and bridges, traffic control, bus transport, including additions to the fleet and improved depots, water transport and pedestrian infrastructure, resettlement and rehabilitation of displaced citizens and technical studies to support proper enactment of the whole vision. Its provisions look ahead to 2011.

It is estimated to cost Rs. 3,500 crores, with Rs. 2,700 crores assigned to the rail component. World Bank loans are meant to cover around 70% of this cost. But the Bank is recently reported to have offered to withdraw. It is concerned by the failure of the Government of Maharashtra (GoM) and Indian Railways (IR) to see eye to eye on how to proceed.

IR have concerns about financing their share of the Plan and the costs of moving shanty dwellers and other displaced citizens to new locations. They have had worries about creating a new railway zone for Mumbai linked to a new and autonomous corporation.

Dire consequences

GoM sees these as necessary prerequisites and the responsibility of IR. But the city's transport is not at the head of the State's priorities for expenditure. Funds are a problem, as is Resettlement and Rehabilitation of displaced populations (on which the World Bank lays great emphasis).

Non action on the MUTP-II front will have dire consequences for Mumbai, given some realities.

In Greater Mumbai alone, the number of private vehicles is slated to treble between 1993 and 2011, from 500,000 to 1.5 million. Ominous signs are already in the congestion on principal thoroughfares and the increasing time taken, to commute from the suburbs into the city.

The suburban train sector carries some five million passengers every day, an astonishing half of the total number carried daily by all of the Indian Railways system. In 1993, it was estimated that the traffic would increase 50% by 2011.

The environmental pollution stemming from traffic emission alone will rise 75% over the 1993 figure by 2011, with Mumbai air already among the world's most polluted.

No more Safar-ing

Recently, Maharashtra Chief Minister, Mr. Manohar Joshi, former Minister for Transport, Mr. Pramod Navalkar and Central Minister for Railways, Mr. Ram Vilas Paswan have all indicated fewer differences in the wake of signals from Lodhi Estate, New Delhi, where the Indian presence of the World Bank is located.

Bombay First plans to assist these and other positive moves. It will organise specialised and public forums to discuss the issues.

An agenda paper on the Plan and what needs doing by whom is being collated. The discussion forums are scheduled later this year.
Improving Traffic Flows

Bombay First To Help Improve Senapati Bapat Marg

Maharashtra's former Minister for Transport, Culture and Prohibition Propaganda, Mr. Pramod Navalkar, has invited Bombay First to help increase use of Senapati Bapat Marg as a north-south arterial highway. Senapati Bapat Marg (formerly Tulsi Pipe Road), goes from the Mahalaxmi Racecourse along the Western Railway line to Mori Road, Mahim. It offers an alternative corridor to the present heavily trafficked Dr. Annie Besant Road-Veer Savarkar Marg and Gokhale Road-Lady Jamshedji Road.

At a meeting convened in Mantralaya, Chief Minister Mr. Manohar Joshi said, "It is heartening to note that city business agencies outside the Government have come forward to help. I assure you full cooperation of my Government in this important task."

Master plan

Mr. Bharat Yamsamwar, Chief Architect and Planner, Mahindra & Mahindra Limited, has prepared an overall design for the road, including concepts for lighting, bus shelters, railings, the central verge and pedestrian crossings, among other items. He has prepared a video presentation highlighting difficulties and opportunities, especially the need to prevent encroachment and re-encroachment.

According to Mr. Arun Mokashi, Systems Manager, Tata Consultancy Services, and Convenor of Bombay First's Transport Committee, the role of Bombay First in this task would be to provide professional support in planning, coordination, mobilising sponsors and assisting concerned municipal and state agencies.

The Transport Committee, chaired by Mr. R.K. Pitamber, Director of Mahindra & Mahindra Limited, is also concerned with a plan to develop the street signposting system for Mumbai. This will involve erection of signboards over carriageways and at key intersections. These are to be sponsored by private firms. Detailed plans are ready for the corridor from Regal Cinema/Gateway of India via Marine Drive upto Santacruz Airport and onward to Dahisar.

"It is heartening to note that city business agencies outside the Government have come forward to help. I assure you full cooperation of my Government in this important task."

Chief Minister of Maharashtra, Mr. Manohar Joshi addresses the gathering in Mantralaya (including, in the first row, left to right) Mr. Milind Deora, Mayor of Mumbai at that time and Mr. Pramod Navalkar, Maharashtra's former Minister for Transport and Culture. The subject was renewing Senapati Bapat Marg.
"Hello! Dharavi?"

Telecom For Mumbai Slums

Mr. M.C. Venkatram, former Chief General Manager, MTNL Mumbai, and a member of Bombay First's Telecommunications Committee, has plans for "telephony for the roofless." This translates into making the inhabitants of Mumbai's countless slums accessible by telephone. "We cannot ensure that each householder shall own a telephone. But he or she can own a telephone number" he says.

Mr. Venkatram, quotes Lord Meghnath Desai, the Labour Party economist and thinker in the UK, who recently visited Dharavi and emerged saying, "The GNP per square metre here must be the highest in India." Higher economic yields come with access to telecom.

The Bombay First project involves routing an incoming call into an installation in a slum area, which activates the subscriber's pager. The equipment may be located at a slum welfare centre or the office of a nearby NGO.

Mr. Venkatram believes that the system would plug a major loophole. "Today," he says, "a citizen in Dharavi can use a public call office to telephone outward. But what does a client do to call an embroiderer or leather worker in the same area? Making them accessible, putting them at the other end of a telephone call, will make a substantial contribution to their income."

Design Of The Bombay First Symbol

The Bombay First symbol has been designed by Mr. Panna Jain, the internationally known designer and exponent of the advertising and graphic arts.

Mr. Jain has worked at one time or other in the leading advertising agencies of India and has spent time in agencies in London and the USA.

He says "Mumbai is an island where millions come to strive for realisation of their dreams. It is this sense of struggle that I have tried to symbolise in the use of a rising sea-wave against a static horizon."

"Graphically depicted, the sea-wave motif is also a spiral suggesting dynamic movement from status quo. To me, this is the spirit of Bombay First."

"Actually, the idea of the sea-wave struck me from watching waves rise and fall. This sight had provided me the inspiration I needed in my struggling days in this metropolis."
Seminar On City Renewal

The Will To Act, The Need To Make Hard Choices

At a Seminar jointly organised by The Corporation of London and Bombay First, speakers identified a role for private business in the city: to foster the will to act in Government and among citizens, laying out the options for policy and executive decisions, then prompting hard choices, if necessary. Speakers also pointed out that current opportunities brooked no delay. Competitors lay in wait. Mumbai must not lose out — and there were signs of this beginning to happen.

The Seminar, "The City: Its Promise - Reality and Renewal", was inaugurated by the Lord Mayor of London, the Rt. Hon. Roger Cork, and the lady Mayor of Mumbai, Ms. Vishakha Raut, who was attending her first public event. The keynote speaker at a well attended function at The Oberoi Hotel, was India's internationally known architect, Mr. Charles Correa. The Seminar's business session was chaired by Mr. Keshub Mahindra, Chairman of Mahindra & Mahindra Limited.

Visitors, speakers and members of the Seminar were welcomed by Mr. Ashok M. Advani, Chairman and Chief Executive of Blue Star Ltd. Ms. Judith Mayhew, Chairman of The Corporation of London's Policy & Resources Committee said that cities like Mumbai would increasingly depend on global business. "If things become too expensive here, business will go elsewhere," she said.

Engines of Growth

Mass public transport is a crucial element in city development. Here was an opportunity for public/private sector partnership. Commenting on a proposal offered by an earlier speaker, Ms. Mayhew said that a triple location central business district would need careful thought. The London and New York examples argued for clustering not dispersal.

She warned that software currently used by 90% of the world's computers had not provided for a turn of the century in calendar terms. "You must lead the effort to cope with this major problem," she said.

Mr. Charles Correa spoke of the importance of cities as creators of skills for growth, as centres of hope and as engines of economic growth. He stressed the need to manage Mumbai better. For instance, short term do-able tasks, could be tackled which would raise morale. He believed that it should be possible to remove certain heritage precincts from provisions of the Rent Act, which would then result in a renewal of those areas. Longer term projects like a tunnel from Colaba under the harbour could deliver people not vehicles or goods at both ends, open up large areas on the mainland and so relieve conditions in Mumbai. "Remember" he said, "that subsidising transport also subsidises housing."

Mr. Dinesh Afzulpurkar, Chief Secretary, Government of Maharashtra, drew attention to eight areas for priority attention: The problem of slums and slum dwellers, dilapidated buildings, traffic and transport bottlenecks, real estate prices and rents, encroachments, solid waste management, reduction of pollution and water supply. He said that revisions in the Rent Act had been taken up by Government and proposals were at the Joint Select Committee stage in the Legislative Assembly.
A Lesson for Mumbai

Ms. Vishakha Raut, Mayor of Mumbai, said that efforts to improve city infrastructure and quality of life were coming not too soon. Unless something was done in the city to exploit current business opportunities in the South-Asia region, employment in Mumbai would suffer.

The Rt. Hon. Roger Cork said that one of the reasons for Britain's advance over the last 15 years "has been the culture of deregulation and economic reform." He said that this, coupled with use of science and technology, had increased trade in and out of Britain and had attracted inward business. He believed there was a lesson in this for Mumbai.

The keys to success, said London's Lord Mayor are investment in infrastructure and innovative ideas. Politics cannot be ignored. "Everything will not be plain sailing," he warned.

Prof. Lalit Deshpande, Convenor of Bombay First's Research Committee, said that if Mumbai does not seize opportunities to increase wealth, it will be a dying city lacking the resources to be a humane one, let alone a financial centre.

Mr. Nasser Munjee, Executive Director, HDFC and Convenor of Bombay First's Land Use/Housing Committee asked, "How does a city expect to respond to its potential if its city fathers insist on freezing vacant land, rigidly controlling rents, outdawing the construction of office space in the island city, requiring over 65 clearances for any real estate development project with an average clearance time of 3 years, driving real estate prices to the highest levels in the world?"

Mr. Girija Pande, of ANZ Grindlays Bank and Convenor of Bombay First's Financial Services Committee, defined the goal of the Financial Services Committee: to create real jobs in service sectors in place of manufacturing jobs. Domestic financial markets have to be re-engineered to measure up to their potential as a regional financial centre. The first priority is to reduce operating costs. He said "We suggest the carving out of a triple-location financial district: Nariman Point in the South for existing financial business, Bandra-Kurla complex coming up in the North for the new entrants, and Belapur-CBD on the other side of the harbour for support services."

Let's clean up Mumbai

Mr. M.C. Venkatram, former Chief General Manager, MTNL, Mumbai and a member of Bombay First's Telecom Committee, outlined the plan to set up a closed user data network for the city's financial services sector.

Mr. Keshub Mahindra, Chairman of Mahindra & Mahindra Limited and a member both of the Bombay First Governing Board and the Bombay City Policy Research Foundation Trust, chaired the seminar's business session. He said Mumbai is virtually a slum city and needs to be cleaned up if it had any ambitions for improvement.

Mr. Girish Gokhale, Municipal Commissioner of Mumbai, said the BMC has given priority to water supply, solid waste management and transport. Bombay First could do a great deal to help especially as the last two sectors fell within their mandate. Increasing the productivity of conservancy workers was an effort showing results and a cleaner Mumbai was evidence of this.

Mr. Colin Wood, Director International Business Development, London First Centre, said that "to kick start improvement in Mumbai, a business-led partnership is necessary with the State and National Governments." Deregulation and privatisation had helped London substantially, especially in the transport sector.
Lessons For Mumbai From Istanbul

Members of Bombay First assembled in the Hindustan Lever Auditorium to de-brief on the U.N. Conference on Human Settlements (Habitat II) in Istanbul.

Among points made were several of special interest:

Bombay First must look at the strategic role of Mumbai in the emerging global market place. What regional groupings are possible? How can Mumbai connect with other cities?

What special managerial services can be offered to transnationals? Where is growth coming from? How is it going to behave? What are the competitive advantages of the city?

Bombay First needs to promote corporate involvement in city issues, determined by citizens.

Some Suggestions

- In the year 2015, Mumbai will be the world's second largest city with a projected population of 27.4 million. What is needed is a vision of how the city will live with a limited supply of natural resources without polluting surrounding areas.

- Mumbai must save energy by, for instance, switching to better insulated buildings, cooled by freely circulating air.

- Mumbai must become compact and "polynucleated" where living and working areas are closely linked.

- It is vital to reduce the citizens' reliance on cars, high consumers of energy and occupiers of space.

- Employers should contribute to the cost of public transport.

- Squatters could be given property rights but should be involved in building their own houses.

- The Bangkok example is also instructive: shops on the ground floor, residences above.

- The right to information must be a civil right. Public secrecy has become a cloak for corruption in public office.

From discussion among speakers and members of the audience some guidelines for future action by Bombay First emerged. The initiative should:

- Foster partnerships among local authorities, government bodies, NGOs, CBOs, industry and other stakeholders in the city.

- Help answer the question "How can children live better in the city?"

- Set up a group of technologically aware industrialists who will tackle problems created by automobiles, energy abuse and solid waste.

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16 Bank Street, P.O. Box No. 731, Mumbai 400 001.
Dr. Douglas Keare, of the Harvard University for International Development, believes that Mumbai's dominance in India's world of commerce and finance is even more pronounced than New York's in the United States.

The city's location on the Europe-Middle East-Asia trade routes makes it an ideal port for international trans-shipment. It is already a major financial centre. In this sense, Keare says, "apart from Singapore, there is no other potential competitor in the region."

But, in fact, Mumbai's role as a financial centre and port are only minor. Ironically, Mumbai is a trans-shipment port for Dubai. "Maharashtra trails on all international benchmarks in infrastructure."

**The Main Problems**

Keare blames "the city's leadership." Existing policies will not serve a city that will have nearly 30 million citizens by the year 2020.

The Government's immediate task should be to satisfy the city's housing and transport needs. Keare says that the rent regulations and the Urban Land Ceiling Act have done the city grave damage.

According to Keare, "Congestion is not the problem here. The deficient transport system is." The trans-harbour link must be closed. Rail infrastructure must improve and people, delivered by train, should be encouraged to move around on foot. There should be dedicated bus lanes. Tax petrol not cars.

The American urban planner says, "If people fear growth of a global financial center in Mumbai, then my answer is that the right planning will create plenty of job opportunities for skilled and unskilled jobs like making the port a 21st century one. Global trends show that services, not manufacturing, are the new job creators."

"In India," says Keare, "the best becomes the enemy of the good. City planners wait till the last millimeter of the regulatory framework is perfected whilst citizens suffer for want of any services at all." If city government acts quickly, private investment worldwide will respond.

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Bombay First Proposes Not-For-Profit Promoter Firm

Computer Connections To Speed Up Transactions

Mumbai handles about half of the nation's financial transactions every day. The city has three stock exchanges, some 3,000 bank branches and the headquarters of all the country's major financial institutions, including the Reserve Bank.

All of these are linked by paper. The computers in one institution cannot talk to those in another. This vastly slows down business, creating massive and unproductive floats. The city cannot become globally competitive unless there is a quantum jump in the speed of transactions. This is only possible by interconnecting the institutions through a modern computer network with high bandwidths and easy accessibility.

The Telecommunications Committee of Bombay First is proposing the establishment of such a closed user data network. It will be managed on a no-profit basis. Analogies are the SWIFT and SITA networks which handle electronic banking and airline/hotel/travel agency bookings.

NAPs

It is estimated that of some 300,000 employees in this sector, about 100,000 will use computer terminals more or less continuously through the day by the year 2000. The network visualised by Bombay First may be built, operated and maintained by a not-for-profit company or it may lease cables from a service provider like MTNL.

The concept involves completion in three phases, totalling 80 Network Access Points. Phase I investment (10 NAPs) is estimated at Rs. 12 crores and annual operating costs at about Rs. 6 crores. Tariffs will be kept low to ensure a high level of utilisation.

Preliminary estimates suggest a potentially profitable operation. Installation charges are estimated at around Rs. 3 lacs and annual costs at Rs. 1 lac for 64 KBPS per subscriber.

A detailed proposal is being prepared by Dr. S. Ramani, Mr. M.C. Venkatram and Mr. V. Babuji of the Telecommunications Committee for submission to concerned regulatory authorities.

Reserve Bank Computer Network

The Reserve Bank of India, in a major effort to update its infrastructure, is to invest around Rs. 30 crores to create a satellite communication hub in Hyderabad. Banks will invest perhaps an equal amount to acquire between 500 and 1000 VSATs (Very Small Aperture Terminals). The VSATs will be able to communicate through the hub in Hyderabad. Banks will be able to locate a VSAT anywhere, regardless of the local quality of the telecom network. Once the system is in place, bank branches can be quickly set up. It takes hardly a month to install and commission a VSAT even at a remote branch.

Satellite communication is not sensitive to distance or terrain so cost savings can be expected. But broadcasting may present security problems.
"Are We One Too Many In Mumbai?"

Deshpande's Study Says "No!"

Professor Lalit Deshpande, recent head of Mumbai University's Department of Economics, and Professor Sudha Deshpande believe that the shortages and "negative externalities" that characterise Mumbai are largely a result of failure of urban management.

In a Bombay First study, "Are we one too many in Mumbai?" the economists say that UN population experts project the city's population at 20 million by 2011. "Is there no last straw on the camel's back at all? Many old residents of the city would protest that we have posed this question four to five decades too late."

In the study they examine population growth trends, fertility, mortality and density of population.

"The city's population is part of the wider state and national problem. But much can be done locally." Those who blame migration for all the ills of Mumbai are "barking up the wrong tree. It is the natural increase in population, not migration, that is the real villain of the piece at least in the 1980s."

They state that increasing access to education and health care, particularly of women, is not only the best way of reducing infant mortality but also of bringing down fertility. Empowerment, autonomy and the status of women are also crucial matters. Such social engineering, they add, "is better left to NGOs"

The professors are against administrative controls to restrict migration to Mumbai. They say: "If the product and factor markets were allowed to work more freely than at present, they would secure a more dispersed distribution of economic activity and population than would bureaucratic controls.

"The worst example of economic irrationality is the Rent Control Act and the worst sufferers are the poor. Unfortunately, rent control is not the only irrationality. False concern for the poor combines with political ambition of the elected representatives to keep prices of most civic services well below their cost of production and deprives the poor of these services forever."

Varsity Vocational Courses Promise New Horizons

The University Grants Commission's decision to introduce vocational subjects at the undergraduate level is set to pay rich dividends. The first batch of graduate students have been interviewed for the posts of management trainees.

Vocational subjects were earlier introduced in 1978 at the 10 +2 level. It was unsuccessful as the students were interested in getting a degree. So the UGC decided to introduce the vocational-cum-degree scheme in 1994. Consequently, seven more colleges introduced vocational subjects in 1995.

More than 209 colleges in the country have started offering vocational subjects in 1994. The scheme is funded by the UGC.

Initially, companies were hesitant in employing undergraduate students, but have changed their mind since The Bombay Chamber of Commerce and Industry voiced its support to the programme. An assurance to this effect was given by the president of the Chamber, Mr. V.S. Palekar in response to a presentation made on behalf of the University and Bombay First by Dr. Indu Shahaní, vice principal of H.R. College. The presentation talked of forming an effective partnership between the university and the industry. Dr. Shahaní said, "We have received tremendous response from the corporate sector."

Dr. Shahaní is convenor of the Education Committee of Bombay First.

By Rajshri Mehta
Mr. W. J. N. Danait takes over as Chief Executive Officer of Bombay First

Mr. W. J. N. Danait has been appointed Chief Executive Officer of Bombay First Society and The Bombay City Policy Research Foundation from August 1, 1997.

Mr. Danait who was General Manager (Powai) with Larsen & Toubro Limited, has 24 years experience in various senior positions in L&T in the fields of Corporate Personnel & HRD, Materials Management, TQM and other management & administrative services. He was earlier Senior Consultant, Administrative Staff College of India Hyderabad for 6 years and Faculty Member of NITIE, Powai for 2 years.

He has been actively associated with Bombay Chamber of Commerce & Industry as Chairman of the Industrial Relations & HRD Committee for 2 years (1994-96) and Chairman of the TQM & HRD Committee in 1996-97. He was also an elected member of the Executive Committee of the Bombay Management Association for 4 years.

Mr. Gerson da Cunha, outgoing Chief Executive, has contributed significantly to the setting up and progress of Bombay First in its initial phase.

Prior to his spell in Bombay First, Mr. da Cunha was head of Lintas India Limited and worked in UNICEF in Latin America and New York.

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Bombay First... What It Is...

Mr. I. Kadri, Director. Kadri Consultants; Mr. Keshub Mahindra, Chairman, Mahindra & Mahindra; Mr. V.S. Palekar, Former Chairman, Johnson & Johnson.

The Foundation is a charitable trust which supports and funds the research and information activities of the Bombay First Society. The Trustees in 1996-97 are: Mr. Ashok M. Advani, Mr. Atul Choksey, Mr. S.M. Datta, Dr. S.A. Dave, Advisor, Industrial Development Bank of India, Mr. Keshub Mahindra, Mr. D.S. Parekh, Chairman, HDFC, Mr. N. Vaghul, Chairman, ICICI and Mr. W.J.N. Danait, Chief Executive.

"To make the most of its opportunities, Mumbai must continually adapt and re-structure."