

13. URBAN DEVELOPMENT

The technological advancement and industrialization during the 20th century has created large scale employment and concentration of economic activities in the urban centers. This has put urban infrastructure and services under severe strain and has thrown up challenges in providing the basic amenities. The State has been implementing numerous programmes to provide good quality of life to its citizens and the housing needs of all the sections of the society.

The infrastructure needs of the State such as water supply, roads & storm water drains, lighting, health measures, solid waste management etc. come under the purview of the Urban Local Bodies. The Chennai Corporation, Tamil Nadu Water Supply and Drainage Board, Chennai Metropolitan Water Supply & Sewerage Board looks after the provision of safe drinking water, roads, street lights, treatment of disposal of waste water, maintenance of parks etc. The financial assistance for the implementation of urban infrastructure scheme in the State is provided by Tamil Nadu Urban Development Fund and Tamil Nadu Urban Finance and Infrastructure Development Corporation Ltd.

The housing needs of the people of Chennai city are met through the activities of the Tamil Nadu Housing Board. The needs of weaker sections have been specifically addressed through the Tamil Nadu Slum Clearance Board, Co-operative Housing Societies and Tamil Nadu Co-operative Housing Federation. For effective use of land and preparation of proper layout, regulatory action is taken by the Directorate of Town & Country Planning. In order to transform Chennai into a world class metropolitan city in the context of globalization, Chennai Metropolitan Development Authority undertakes planning for the metro area.

Tenth Plan Performance of the Urban Development Sector:

An outlay of Rs.5979.20 crores was earmarked to carry out the infrastructure developmental activities during the 10th Five Year Plan, of which the total commitment of the State Government was Rs.2375 crores (including Rs.100 crores inevitable additional requirements for the other sectors).

1. State Government budget	: Rs.1350.00 Crores
2. Loan component – Extra budgetary support	: Rs. 925.00 Crores

Total State Commitment	:Rs. 2275.00Crores

3. Government of India	:Rs. 2078.00 Crores
4. Own mobilization and private sector participation:	Rs. 1625.43 Crores

Total	:Rs.5978.43 Crores

Table-1 : Expenditure met by the Urban Development Sector during the 10th Plan period (Rs. in Crores)

Sl. No.	Year	State Government commitment	*Shared by State & Centre
1.	2002-03 (A)	671.32	8.69
2.	2003-04 (A)	485.49	45.41
3.	2004-05 (A)	533.23	63.54
4.	2005-06 (A)	327.47	11.70
5.	2006-07 (A)	939.52	10.31
	Total	2957.03	139.65

*- Share of Centre alone as the State share is already included under State Plan.

Source: Annual Plan – Budget link of 2004-05 to 2008-09.

Against the State Government's Commitment of Rs.2375 crores, an amount of Rs.2957.03 crores was spent during the 10th Five Year Plan period. This has worked out to an additional utilization of 24.5 percent of funds budgeted by the State. In addition to the above funds, an amount of Rs.139.65 crores was shared by the Centre for the special schemes sponsored by the center such as Mega City Programme and Integrated development of Small and Medium towns. Table presented below gives a detailed picture of funds utilized by the different schemes under different categories.

Table - 2: Broad Category of 10th Plan Expenditure under different Schemes (Rs. in lakhs)

Sl. No.	Nature of the Scheme	Total Expenditure	% to total
1.	Assistance to local bodies other than Chennai	93122.79	31.49
2.	Corporation of Chennai including CMDA	83264.78	28.16
3.	Town & Regional Planning	4054.08	1.37
4.	Environment improvement of slums	26791.73	9.06
5.	Direction & Administration	775.38	0.003
6.	Special Component Plan	3089.00	1.04
7.	Other expenditure	84604.19	28.61
	Total	295701.95	100.00

Source: Annual Plan – Budget link of 2004-05 to 2008-09.

Out of the total expenditure of Rs.2957.02 crores a higher proportion of 31.49 percent was spent towards providing assistance to local bodies. Corporation of Chennai and CMDA together incurred around 28.16 percent of the total expenditure. Other expenditure, which accounted for 28.61 percent of the total expenditure was normally met towards Tsunami Emergency Assistance Project (TEAP).

Performance of Urban Housing Sector during the 10th Plan period:

For the housing sector, the State Government envisaged an outlay of Rs.1000 crores during the 10th Plan period and 97.9 percent of the funds were utilized during the 10th Plan period including the Central share of Rs.2.21 crores.

Table - 3: Performance of Urban housing sector

(Rs. in lakhs)

Sl. No.	Name of the Scheme	Total Expenditure	% to total
1.	Government residential buildings constructed by Chief Engineer	401.81	0.41
2.	Other investments	58382.86	59.79
3.	Police housing schemes	22729.94	23.28
4.	Other expenditure	16127.32	16.52
	Total	97641.93	100.00

Source: Annual Plan – Budget link of 2004-05 to 2008-09

More than 50 percent (59.79) of the fund was spent towards other investments of the housing sector such as construction of houses under Government Servants Rental Housing Schemes, Loans to government servants for construction of houses, etc. Police housing scheme took up a share of 23.28 percent of the total expenditure.

Performance of Water Supply and Sanitation Sector during the 10th Plan period:

The access to safe water supply still remains as an eluding factor due to over exploitation of surface and sub-surface waters. In spite of the numerous programmes implemented by the government in this sector, the problem of water scarcity needs more attention. Sanitation, which is equally important like water supply also needs greater attention. The Tenth Plan emphasized at ensuring sustainability of the services provided and improving the quality of the services.

The outlay fixed for the Water Supply and Sanitation Sector during the 10th Plan period was Rs.4800 crores, of which a total expenditure of Rs.3820.17 crores had been spent during the period of 2002 to 2007 under various schemes mentioned in the table below.

Table - 4: Performance of Water Supply and Sanitation Sector

(Rs. in lakhs)

Sl. No.	Name of the Scheme	Total Expenditure	% to total
1.	Sewerage Scheme	4256.31	1.11
2.	Urban water supply scheme	89477.51	23.42
3.	Rural water supply scheme (Executed by TWAD Board)	205167.13	53.71
4.	Other programmes	17049.77	4.46
5.	Special component plan (Rural water supply)	65075.00	17.04
6.	Hill area development programme	990.96	0.26
	Total	382016.68	100.00

Source: Annual Plan – Budget link of 2004-05 to 2008-09

It may be noticed from the above table that only 79.59 percent of the total funds earmarked had been utilized. Funds to the extent of Rs.979.83 crores was not utilized. In the total expenditure, the percentage share of urban water supply scheme was 23.42 percent. Apart from the above, Rs.60.84 crores had been sponsored by the Central Government towards rural water supply schemes and Rs.31.94 crores towards urban water supply schemes.

Creation of housing stocks during the 10th Five Year Plan period:

The table presented below shows the housing stocks created during the 10th Five Year Plan period by the major housing corporations. Tamil Nadu Co-operative Housing Federation Ltd. achieved 16.57 percent of the total targets fixed in physical units (3,30,000) with the utilization of 32.82 percentage of funds. Tamil Nadu Police Housing Corporation accomplished around 29 percent of targets fixed in physical units and 25 percent in financial terms. It is the Tamil Nadu Slum Clearance Board that had accomplished the highest achievement of 91 percent of slum tenements targeted with the utilization of more than the targeted funds.

Table:5: Housing Stocks created during 10th Plan period

(Rs. in crores)

Name of the Institution	Targets (2002-07)		Achievements (2002-07)		% achieved	
	Physical	Financial	Physical	Financial	Physical	Financial
Tamil Nadu Co-operative Housing Federation Ltd.	330000	2827.50	54691	927.94	16.57	32.82
Tamil Nadu Police Housing Corporation Ltd.	10114	458.51	2897	115.28	28.64	25.14
Tamil Nadu Slum Clearance Board	40024	312.00	36612	318.75	91.47	102.16
Total	380138	3598.01	94200	1361.97	24.78	37.85

Source: Data provided by the concerned departments.

Revenue and Expenditure of Urban Local Bodies (ULB):

The total number of Corporations is increased to seven by including Tiruppur and Erode Municipalities from 1.1.2008. The Government has sanctioned a sum of Rs.1045.75 lakhs to Tirupur Municipal Corporation and Rs.1019.00 lakhs to Erode Municipal Corporation for taking up infrastructure development works during the year 2008-09.

In order to empower these Local Bodies with more administrative and financial powers to speed up the sanctioning of various schemes, the government has revised the administrative sanction ceiling of the municipalities according to the grades.

Table- 6: Administrative Sanction Ceiling of ULBs:

(Rs. in lakhs)

Sl. No.	Municipalities	Existing administrative ceiling	Revised administrative ceiling
1.	Special grade	Upto 10	Upto 40
2.	Selection grade	Upto 10	Upto 35
3.	First grade	Upto 7	Upto 30
4.	Second grade	Upto 5	Upto 25
5.	Third grade	Upto 2	Upto 15
6.	Regional Director of Municipal Administration	-	Upto 50
7.	Commissioner of Municipal administration	Upto 100	Upto 500
8.	Government	Above 100	Above 500

Source: Policy note 2008-09 of Municipal Administration and Water Supply Dept.

The table presented below gives a comparative picture of the receipts and expenditures of the urban local bodies during 2005-06, 2006-07 and 2007-08. The receipts of all the local bodies have considerably increased during 2006-07 and 2007-08 compared to that of 2005-06. Similarly the expenditure met by the local bodies also had increased proportionately during 2006-07 and 2007-08 compared to 2005-06. The provisional figures of the Corporations during 2007-08 indicated a revenue deficit of Rs.96.51 crores, while that of Municipalities and Town Panchayats indicated a revenue surplus of Rs.251.85 crores and Rs.211.90 crores respectively.

Table - 7: Revenue and Expenditure of ULBs (Rs. in crores)

ULB	2005-06 (A)		2006-07 (RE)		2007-08 (Provisional)	
	Receipts	Expn.	Receipts	Expn.	Receipts	Expn.
Municipalities	1029.17	935.21	1114.90	1100.97	1420.93	1169.08
Corporation (including Chennai)	1231.82	1213.46	1255.95	1255.59	1552.21	1648.72
Town Panchayats	521.70	414.01	592.16	432.13	726.14	514.24

Source: Performance budget of Municipal Administration and Water Supply Dept. 2006-07 and 2007-08.

Performance of ULBs during 2006-07 and 2007-08:

The Government aims to rehabilitate the existing infrastructure by interlinking various schemes such as laying and relaying of roads into cement concrete / bituminous roads, provision of storm water drains, street lights, modern bus stand, underground sewerage, health care facilities, water supply, etc. Table below presents the details of basic amenities provided during 2005-06, 2006-07 and 2007-08 by the ULBs.

Table - 8: Details of Basic Amenities Provided during 2006-07 and 2007-08

(Rs. in crores)

Basic amenities	Year	Municipalities		Corporations		Town Panchayats	
		Physical	Financial	Physical	Financial	Physical	Financial
Roads laid / Relaid (km)	2005-06	1748.49	176.03	1015.91	145.13	2534.69	114.89
	2006-07	2060.76	298.40	919.81	111.17	2100.22	159.68
	2007-08	1910.94	216.37	1601.30	254.31	1839.81	145.99
Street lights (Nos.)	2005-06	9430.00	6.06	7553	9.65	4576	2.68
	2006-07	13620.00	7.06	9398	7.24	15357	19.73
	2007-08	21134.00	16.19	10994	17.98	16726	16.17
Vehicles purchased (Nos.)	2005-06	1190.00	14.35	33	4.09	215	2.68
	2006-07	976.00	23.83	127	7.13	1032	20.29
	2007-08	955.00	50.19	191	12.18	698	10.24
Water supply: a)Extension of pipe lines (km)	2005-06	448.09	11.05	128.37	4.2	272.06	3.86
	2006-07	1102.00	27.18	225.34	6.61	3521	12.71
	2007-08	655.19	16.16	82.28	3.26	3291	16.85
b)Other works (Nos.)	2005-06	473.00	9.51	103	2.15	261	2.98
	2006-07	551.00	9.78	48	1.42	1103	25.54
	2007-08	608.00	1339	336	8.75	2401	33.00

* - Includes other pipe lines works also.

Source: Performance budget of Municipal Administration and Water Supply Dept. 2006-07 and 2007-08.

During the fiscal year of 2006-07, the Government released Rs.8.00 crores to 16 Municipalities and Rs.10.00 crores to 100 Town Panchayats in the Chennai Metropolitan area for the improvement of infrastructure facilities. A total length of 87.52 kms of roads was converted into cement concrete / bituminous roads in the year 2006-07 and in 2007-08 a total road length of 467.97 kms was taken up for conversion. An amount of

Rs.172.76 lakhs was sanctioned to 12 Third Grade Municipalities for procurement of land for compost yard. Other than the five Municipalities of Theni Allinagaram, Tiruvallur, Perambalur, Nagapattinam and Nagercoil, all the District Head Quarters Municipalities have been taken up for execution of Under Ground Sewerage Schemes and during 2006-07, Rs.3.70 crores was released to construct modern slaughter houses in 32 Municipalities and 5 Corporations. A sanction of Rs.7.60 crores for the Gasifier crematoria in 33 Municipalities and 5 Corporations and an Eco-friendly crematorium in 4 Town Panchayats at Rs.90.00 lakhs was accorded during 2006-07. Works at Erode Corporation and Thoothukudi Municipality have been completed. In 15 ULBs works are nearing completion and in the rest of the ULBs works are under progress and are expected to be completed during 2008-09.

Restoration of damaged roads numbering 236 had been taken up and completed during 2006-07 and in 2007-08, out of the 301 works proposed 227 works were completed.

New bus stands with modern facilities such as Reservation counters, shops, restaurants, cloak room, Ramp for physically challenged persons, etc. have been constructed at Nagercoil, Rajapalayam and Krishnagiri municipalities and existing facilities in Kovilpatti and Tiruvannamalai Municipality bus stands were upgraded.

The Government issued an order vide G.O.Ms.No.59, MA&WS department to regularise the unapproved layouts in urban local bodies. Under this scheme, 61,812 plots in the Corporation areas (except Chennai) and 1,12,095 plots in the Municipal areas have been regularised and together fetched an income of Rs.87.97 crores. Under Town Panchayats 26413 unauthorised plots have been regularized till 2007 and generated an income of Rs.675.19 lakhs. A new scheme was introduced to construct individual household toilets with the Government incentive of Rs.1000/- per toilet during this fiscal year. Around 9000 toilets were constructed under the scheme. The government has increased the devolution of funds from 8 percent to 9 percent of State's Own Tax Revenue, which in turn has resulted in an increase of Rs.178.72 crores of SFC devolution to the ULBs.

Solid Waste Management (SWM):

Scientific disposal of solid waste and 100 percent source segregation is the aim of the SWM scheme. Keeping this in mind, 90 per cent of the wards in ULBs are involved in the segregation of approximately 11,000 MT of garbage generated every day in all the Municipalities and Corporations and 4171 MT of garbage generated every day in the Town Panchayats. The 12th Finance Commission granted a sum of Rs.41.15 crores to all the Municipalities and Rs.16.05 crores to Town Panchayats in 2006-07 for infrastructure development under the SWM scheme. In Town Panchayats, 781 SWM works have been taken up at a cost of Rs.16.75 crores during 2006-07. Madurai Corporation and Thoothukudi Municipality have received ISO 9001-2000 certification for solid waste management practices. *Namakkal Municipality was the first ULB to get ISO - 14001 certification in 2006 for the best SWM practices.*

Water Supply:

The ultimate aim of the government is to provide 24 hours of water supply to all the Corporations and Municipalities and assured protected water supply of 70 LPCD to all the Town Panchayats. During 2006-07 under Phase-I, 10 Municipalities were covered under Urban Infrastructure Development Scheme for Small and Medium Towns (UIDSSMT) water supply scheme at a cost of Rs.81.68 crores. Proposal has been made for 14 Town Panchayats at a cost of Rs.25.55 crores during 2007-08. Tables- 9 & 10 presented below gives the details of maximum protected water supplied to the Town Panchayats and their sources of supply.

Table - 9: Protected Water Supply to Town Panchayats

Sl.No.	LPCD	No. of Town Panchayats
1.	Less than 40 lpcd	18
2.	40 – 69	193
3.	70 and above	350
	Total	561

Source: Performance budget of Municipal Administration and Water Supply Department, 2007-08.

Table -10: Source-wise Supply of Water to Town Panchayats

Sl.No.	Source	Numbers
1.	Bore wells	21969
2.	Open wells	6190
3.	Overhead Tanks	4062
4.	Ground level reservoir	2099
5.	Public taps	104065
6.	House service connection	644162
7.	Power pumps	8357
	Total	790904

Source: Performance Budget of Municipal Administration and Water Supply Department, 2007-08.

Urban Water Supply Scheme:

There are 718 urban towns in Tamil Nadu excluding Chennai city. During 2007-08, 55 urban towns comprising two Municipalities and 53 Town Panchayats have been provided with water supply at a cost of Rs.75.58 crores. Table presented below indicates the performance of water supply schemes in all the 718 urban towns.

Table - 11: Performance of Water Supply Schemes

ULBs	Performance in numbers			
	Good	Average	Below on average	Total
Corporation	1	6	-	7
Municipalities	37	99	14	150
Town Panchayats	350	193	18	561
Total	388	298	32	718
Percentage	54.04	41.5	4.46	100.0

Source: Policy note 2008-09 of Municipal Administration and Water Supply Dept

Water supply in and around 54 percent of urban towns are graded as good, as these towns are receiving more than the standard norm of 70 lpcd of water. 41.5 percent of the towns are graded as average and the rest 4.46 percent as poor.

Urban Poverty Alleviation Programme:

Swarna Jayanthi Shahari Rozgar Yojana (SJSRY) Scheme aims at reduction of urban poverty. During 2006-07, the Central Government and the State together sanctioned a sum of Rs.25.21 crores to implement the SJSRJ scheme. For 2007-08, the Centre alone had sanctioned a sum of Rs.26.50 crores. Under the self-employment scheme, 3565 women were assisted for group venture under the Development of Women and Children in Urban Areas (DWCUA) scheme and urban poor numbering 3880 were given skill development training at Rs.2000/- per trainee. Proposal was made to assist 5000 members of SHGs for group ventures and 10000 urban poor for skill training. A proposal has been sent to implement the SJSRY scheme in Town Panchayats in 2007-08 for the empowerment of Urban Self-Help Groups (USHGs).

The GOI has allocated Rs.82.30 crores annually for 158 Municipalities and six Corporations in the following manner for the 5 year period ending 2009-2010.

- i. 50 percent for solid waste management schemes through PPP.
- ii. 25 percent for maintenance of roads and storm water drains.
- iii. 25 percent for miscellaneous works.

Jawaharlal Nehru National Urban Renewal Mission (JNNURM):

JNNURM was launched by the Government of India by the end of 2005 to develop infrastructure facilities in the major cities and to provide basic services to the urban poor. Sub-mission on urban infrastructure and governance replacing the Mega city programme and sub-mission on basic services to the urban poor are the two sub-components of the scheme.

As a pre-requisite, City Development Plans for Madurai Corporation and Coimbatore Corporation have been prepared for Rs.2458 crores and Rs.3186 crores respectively. In total the Centre has sanctioned seven projects at Rs.1202.136 crores for the implementation of water supply and solid waste management schemes under JNNURM.

Under the sub-component of provision of basic services for the urban poor, the centre has released a sum of Rs.82.99 crores to carry on nine projects during 2006- 07. These projects were implemented through Tamil Nadu Slum Clearance Board, Commissionerate of Municipal Administration and Directorate of Town Panchayat For the above scheme Rs.78.86 crores was released by the State as its proportionate share. For 2007-08, the Centre has released a sum of Rs.125.23 crores for the four projects out of the total sanction of Rs.1303.85 crores for five projects.

Three schemes costing Rs.1.12 crores were sanctioned during 2006-07 for the Town Panchayats abutting Chennai, Madurai and Coimbatore Municipal Corporations under JNNURM.

The State has drawn a fresh project proposal worth Rs.1437.93 crores under JNNURM to implement various schemes such as drinking water, sewage network, storm water drains and waterways network. To provide adequate shelter to the urban poor, the Centre has sanctioned nine projects worth Rs.830.26 crores for the construction of 45633 new houses and upgradation of 685 houses during 2006-07.

To provide all basic amenities to all the 561 Town Panchayats, the Anaithu Peruratchi Anna Marumalarchi Thittam (APAMT) was implemented in 2007-08 for a four year period of 2007-08 to 2010-2011 at an estimated cost of Rs.280.50 crores. During 2007-08, 1492 works at a cost of Rs.70 crores were implemented in 140 Town Panchayats. Apart from this, 4584 works at a cost of Rs.266.25 crores were taken up under convergence.

Urban Housing:

The State is playing a catalytic role in providing housing stock to different categories of urban population. The Tamil Nadu Housing Board, Co-operative Housing Federation and Tamil Nadu Slum Clearance Board are playing a major role in the creation of housing facilities for different income groups in Tamil Nadu.

Tamil Nadu Housing Board is catering to the housing needs of various categories of people such as economically weaker section, lower income group, middle income group and higher income group by providing houses / house sites / flats at affordable costs. Under Tamil Nadu Government Servants Rental Housing Scheme (TNGRHS) it is also constructing, maintaining and allotting apartments exclusively for the Government employees of the State. Till 2007-08, it has created 395,381 dwelling units and developed plots at a cost of Rs.2,763 crores. In order to fulfill the increasing demand for the dwelling units, the Government has implemented number of other schemes through TNHB.

The Board had the proposal to create satellite towns in Chennai and Madurai within a limit of 7000 acres and 1000 acres respectively during 2006-07. Initially it had planned to cover an area of 1500 acres at an estimated cost of Rs.500 crores. It was proposed to create 318 multi-storied dwelling units at Chennai, Salem and Coimbatore for Rs.30.50 crores and 600 individual houses at Rs.60 crores. IT Parks in Chennai are about to be established in 250 lakh sq.ft. area at an estimated cost of Rs.55.00 crores. Under the JNNURM Scheme, the Board had proposed to create 86,000 developed plots and dwelling units near Chennai at a cost of Rs.2031 crores within a period of seven years starting from 2006-07. In order to meet the international standards of housing, the Tamil Nadu Housing Board Act 1961 was amended in 2007-08 to facilitate the Board to take up projects through Joint Venture / Public Private Partnership model.

The Tamil Nadu Co-operative Housing Federation has so far extended loan facilities to the members of the Primary Co-operative Housing Societies for the construction of 11,61,427 houses with the financial assistance of Rs.4698.74 crores. Around 1034 Primary Co-operative Societies comprising of 197 Taluk Co-operative Housing Societies and 837 Urban Co-operative Housing Societies are affiliated to the Tamil Nadu Cooperative Housing Federation.

Table – 12: Housing Scheme under Co-operative Housing Federation

Sl. No.	Name of the Scheme	Houses constructed as on 31.3.07	% to total	Loan issued (Rs. crores)	% to total
1.	Rural Housing Scheme (EWS, LIG & MIG)	802769	69.12	1097.93	23.37
2.	Urban Housing Scheme	358660	30.88	3600.81	76.63
	Total	1161429	100.00	4698.74	100.00

Source: Policy note 2008-09 of Housing and Urban Development sector.

Till the period of 2006-07, around 31 per cent of houses under urban schemes were constructed with 77 per cent of the total funds earmarked whereas with the rest 23 percent of total funds around 69 percent of the houses were constructed under rural scheme. It had been proposed to construct 12000 houses at an estimated cost of Rs.200 crores for the economically weaker sections and 10000 houses at Rs.100 crores for the LIG & MIG group of rural poor during 2007-08.

Under the Fishermen Free Housing Scheme, free houses were constructed for the fishermen from the inception of the scheme in 1975-76. Till 2005-06, 51926 houses were constructed. For the year 2006-07, the State had sanctioned 2000 houses at a cost of Rs.740 lakhs under the same scheme and all the houses have been allotted. The proposal made for the year 2007-08 by the State Government is under examination. Further a proposal of the construction of 3000 houses, 10 Community Halls and 100 Tube wells under the centrally sponsored shared scheme is awaiting the release of funds from the Centre.

The Tamil Nadu Police Housing Corporation Ltd., undertakes the construction of Police Quarters / Barracks and housing under the 'Own Your House' Scheme from the year 1992 onwards. So far, the Corporation has constructed 23332 quarters for the benefit of the police personnel. A total of 5000 quarters have been sanctioned during the period 2006 to 2008 at a cost of Rs.260.73 crores. Of this, construction of 2525 quarters are under progress.

Apart from the implementation of the above schemes, the Government also provides house building advances to the Government Servants and the All India Service Officers at the rate of Rs.6.00 lakhs and Rs.7.5 lakhs respectively. The Government had sanctioned a sum of Rs.102 crores as House Building Advance.

Slum Improvement Schemes by the Tamil Nadu Slum Clearance Board:

Slum improvement and slum clearance schemes had been implemented by the TNSCB from its inception in 1970. It has constructed 70146 storied tenements at a cost of Rs.275.16 crore in the major districts of the State till 2005-06. During the two year period of 2006-07 and 2007-08, it has constructed around 12,877 tenements under various schemes. Under the scheme of rehabilitation and resettlement of the slum families, it has constructed 21348 tenements and have successfully resettled all of them. The mega city programmes of the Board have been financed by the Central Finance Commissions. The 10th Finance Commission has granted a sum of Rs.54 crores and 11th Finance Commission Rs.49 crores for the resettlement of 11672 slum families in the mega cities (viz) Chennai, Madurai and Coimbatore.

Under the 12th Finance Commission, the Government of India had sanctioned Rs.250 crores for the construction of tenements and slum development works during the period 2005-10 as detailed below.

Table – 13: Slum Improvement Schemes by the TNSCB

Sl. No.	Name of the Town	Activity	No. of tenements	Project cost (Rs. crores)
1.	Chennai	i. Construction of tenements	9023	150.10
		ii. Dovetailing	-	23.40
		iii. Reconstruction of dilapidated tenements	606	8.95
2.	Other City Municipal Corporations	Construction of tenements	2750	41.25
3.	Other towns	Construction of tenements	1000	15.00
4.	Other towns	i. Slum development works	32000	8.00
		ii. Guided urban development	-	2.00
5.	Community development activities	-	-	1.30
	Total			250.00

Source: Policy Note on Housing and Urban Development 2006-07.

Of the above tasks, construction of 6311 tenements in Chennai and other towns have been completed and the work of 2242 tenements is under progress.

Under Urban Renewal Scheme, it was proposed to construct 363 houses at Rs.9.02 crores. To augment the resources for the maintenance of the tenements, the Board has constructed commercial complexes and MIG flats in Chennai and other major towns of Tamil Nadu. The surplus income generated through this programme is utilised as maintenance expenditure. During 2007-08, the Board had proposed to construct 182 houses at Rs.7.24 crores and 2 commercial complexes at Rs.32.60 crores.

TNSCB is also involved in the construction of houses for Tsunami affected families under Rajiv Gandhi Tsunami Rehabilitation package I & II. Under package-I, construction of 71 houses had been completed during 2007-08 and the construction of 748 houses are in progress. Under Phase-II, houses numbering 221 are under construction. Apart from the above TNSCB had proposed to construct 6391 houses additionally at a cost of Rs.223.69 crores during the period 2007-08 and 2008-09.

With the special grant of JNNURM, the State has aimed to create slum free Chennai by 2017. The Board had got the approval from the Government of India to construct 15342 tenements in Chennai, Madurai and Coimbatore at a cost of Rs.394.68 crores. A fresh proposal has been made by the State during November 2007 to construct 47513 houses at a cost of Rs.1437.93 crores.

For the benefit of urban slum dwellers, the GOI started a new scheme '*Integrated Housing and Slum Development Programme*' (IHSDP) by merging the erstwhile National Slum Development Programme and Valmiki Ambedkar Awas Yojana (VAMBAY). Under this scheme, during 2006-07, the Centre had sanctioned a sum of Rs.121.45 crores for the construction of 10125 new houses and for the upgradation of 483 existing houses. Seven projects had been sanctioned by the Centre during 2007-08 for the construction of 4995 new houses and the upgradation of 1637 existing houses at an

estimated cost of Rs.77.92 crores. These schemes have been implemented in 14 Town Panchayats at an estimated cost of Rs.50.66 crores for benefiting 4762 families.

Slum Development in Town Panchayats:

Apart from the mega cities and the municipalities, the Board was looking after the slum development activities in the Town Panchayats by classifying the slums as notified and unnotified slums.

Of the total 561 Town Panchayats, the State has identified 3116 slum tenements with a population of 1457666. This slum population is around 19 per cent of the total population of the Town Panchayats.

Table – 14: Slums in Town Panchayats

Notified		Unnotified		Total		Total TP population	% to TP population
Number	Population	Number	Population	Number	Population		
1128	560684	1988	896982	3116	1457666	7646386	19

Source: Performance Budget of Municipal Administration and Water Supply Department, 2007-08.

Tsunami Relief Works:

The Government has taken special initiatives to provide shelter and infrastructure facilities to the Tsunami affected families in the seven coastal towns (Thiruvottiyur, Kottivakkam, Cuddalore, Nagapattinam, Vedharanyam, Colachel and Kayalpattinam Municipalities) under the two programmes viz. Tsunami Emergency Assistance Programme (TEAP) funded by Asian Development Bank and Emergency Tsunami Reconstruction Project (ETRP) funded by the World Bank. The infrastructure facilities were provided by the Government in 45 packages in six municipalities. A sum of Rs.36.60 crores was released in two instalments as Rs.4.00 crores in the year 2005-06 and Rs.32.60 crores in the year 2006-07. Works on 34 packages have been completed and the rest would be completed during the fiscal 2008-09. Around 3387 Self Help Groups were involved in the creation of livelihood support programmes for the Tsunami affected families with a total grant of Rs.12.44 crores. With the World Bank assistance of Rs.13.50 crores, 8 packages out of 30 packages have been completed.

The Government of India granted Rs.20.88 crores through XII Finance Commission to construct 1392 tenements for the Tsunami hit slum families. The above work has been completed and the allotments were to be made in the year 2007-08. Besides this, the TNSCB and the BSNL has also programmed to construct 2920 and 264 dwelling units respectively for the urban slum families affected by the Tsunami disaster. A sum of Rs.57.89 crore was released by the Government to take up livelihood activities in 19 Tsunami affected Town Panchayats. Of this Rs.37.48 crore has been spent till February 2008 for 20 packages.

Development Plans:

To ensure sustainable development and to create pleasant environment for the people at all levels of urban population, Town and Country Planning Department prepares development plans for metropolitan cities, towns and Local Bodies. Master Plan / New

town development plans for six areas viz., Nellikuppam, Gummidipoondi, Thiruchengode, Kagidhapuram, Kulithurai and Padmanabhapuram and detailed development plans for 100 locations covering the above areas were prepared during 2007-08. Development plans were also prepared for 38 heritage towns out of the 50 towns identified by the Government and an amount of Rs.8.79 crore was released to the local bodies concerned in 25 heritage towns for carrying out the projects. As a means of improvement and beautification of parks, financial assistance to a maximum of Rs.2.25 lakhs per park has been provided by the Town and Country Planning Department.

Master Plan I & II of CMDA:

Chennai Metropolitan Development Authority (CMDA) is a statutory body constituted under the Tamil Nadu Town and Country Planning Act 1971 and was constituted by the Government in 1975. Chennai Metropolitan area is extended around 1189 sq.kms. and includes Chennai City, 16 Municipalities, 20 town panchayats and 214 villages in 10 panchayat unions. Chennai being the fourth largest metropolis in India is growing at a faster pace in terms of economic growth, density of population, industrialisation etc. To make this metropolis more livable and of international standards the CMDA formulated Master Plans which laid down policies and programmes for the overall development of the Chennai Metropolitan Area.

The first Master Plan prepared in 1975 was approved by the Government in 1976. It laid down policies and programmes on distribution of future population, location of economic activities, physical developments, traffic and transportation, developments of land use zoning sectoral developments and development control regulations. All the requirements have been translated as land use plans and implemented through zoning and development control regulations. The infrastructure needs of the CMA was implemented through Madras Urban Development Projects (MUDP) I & II and Tamil Nadu Urban Development Projects (TNUDP). While decongestion projects were implemented by CMDA, the infrastructure projects were implemented by the agencies / departments concerned such as local government, Tamil Nadu Housing Board, Madras Transport Corporation, Tamil Nadu Electricity Board, Chennai Metro Water Supply and Sewerage Board, Tamil Nadu Slum Clearance Board, Public Works Department, Highways Department etc. During the first master plan the city was divided into 96 planning zones of which 56 plans have been completed and the remaining 40 needs to be finished. All the 96 zones have to be updated for the incorporation of second master plan policies.

Recent trend shows the multi-dimensional growth of the economic structure of the city with higher contributions by the IT / ITES / BPO industries. Tamil Nadu is the second largest software exporter in the country next to Karnataka with more than 90 per cent of the exports from Chennai alone. Chennai city alone accounts for 10.94 per cent of the State income. Including Kancheepuram and Thiruvallur, which fall in the jurisdiction of CMA, Chennai city accounts for 16.21 per cent of the State income from all the sectors. The city's population is expected to be 10 million in the next ten years and by 2026, it would touch 12.5 million. Since the density of population needs to be regulated, it calls for the development of the Chennai Metropolis through land use and development regulations.

With the need to plan for the next 25 years, the CMDA had initiated the discussion on draft second Master Plan. The draft second Master Plan 2011 was prepared

with the perspective year 2026 by considering the latest census information, demand in various sectors, future needs of the metropolis in transport, water supply, housing, sanitation and infrastructures, economy and employment generation, and various land development activities. The revised draft was submitted to the Government in December 2005 and received the consent by the Government in March 2007.

The draft SMP aimed at providing adequate and decent work opportunities, eradicating poverty, reducing disparities and also improving the quality of people in general. The major objectives of the plan are listed below.

- Optimum utilisation of land by recognising the existing growth trends and by suitable allocations of land uses;
- Preservation and conservation of the ecologically sensitive areas in CMA;
- Adequate housing with recognised infrastructure for all categories of people;
- Wide scope for employment generation and economic development;
- Efficient road and transport networks integrating the land use patterns for balanced developments; and
- A conducive climate / environment to make Chennai a prime metropolis.

Achievement of the above objectives needs an integrated approach of various agencies involved in urban development and the approach of Management by Participation (MBP) at the local body lands.

Salient Features of the Plan:

For optimum utilisation, lands have been earmarked as industrial use zones, commercial use zones and mixed residential use zone. The table presented below shows the requirement of land use in 2026 as compared to 2006 under different categories of land use zones in Chennai city and rest of CMA.

Table - 15 : Land Use in Chennai City

Sl. No.	Land Use Zones	2006		2026		% decrease or increase (Col.4/2)
		Extent in ha.	%	Extent in ha.	%	
1.	Residential	9523.18	54.25	8343.25	47.36	(-)12.39
	a. Primary residential use zone			5916.35	33.58	
	b. Mixed residential use zone			2426.90	13.78	
2.	Commercial	1244.81	7.09	714.24	4.05	(-)42.62
3.	Industrial use zone	908.42	5.17	691.83	3.93	(-)23.84
4.	Institutional use zone	3243.39	18.48	2868.97	16.28	(-)11.53
5.	Open space and recreational use zone	366.43	2.09	1000.65	5.68	173.08
6.	Non urban	82.46	0.47	113.31	0.64	37.41
7.	Special and hazardous industrial use zone	-	-	130.67	0.74	-
8.	Agricultural	99.29	0.57	-	-	-
9.	Others (Roads, water bodies, hills, red hills, catchment area, vacant etc)	2086.93	11.89	3754.79	21.32	79.92
	Total	17554.91	100.00	17617.70	100.00	

Source: CMDA Website on Master Plan.

The requirement of land for Residential, Commercial, Industrial and Institutional use would considerably be reduced over the period of 25 years. Some of the residential use zones would be converted to mixed residential zones with the inclusion of commercial activities. Land for sports, recreational activities and other activities would be expanded. Special and hazardous industrial use zones would be formulated by prohibiting agricultural activities. More land space would be used for recreational purposes. CMDA has relaxed some of the building regulations by setting new norms for floor space index, cancelling the height restrictions of the Multi Storied Buildings etc..

Table below presents the existing and projected land use pattern in the rest of Chennai city (i.e. Kancheepuram and Thiruvallur) which falls within the jurisdiction of Chennai Metropolitan Area.

Table -16: Land Use in Rest of CMA

Sl. No.	Land Use Zones	2006		2026		% decrease or increase (Col.4/2)
		Extent in ha.	%	Extent in ha.	%	
1.	Residential	22876.51	21.87	42097.28	41.55	84.02
	a. Primary residential use zone			29705.21	29.32	
	b. Mixed residential use zone			12392.09	12.23	
2.	Commercial	390.04	0.37	746.08	0.74	91.28
3.	Industrial use zone	6563.40	6.28	6678.86	6.59	1.76
4.	Institutional use zone	3144.35	3.01	3238.50	3.20	2.99
5.	Open space and recreational use zone	200.26	0.19	416.45	0.41	107.95
6.	Non urban	2433.30	2.33	11019.60	10.88	352.87
7.	Special and hazardous industrial use zone	-	-	3355.09	3.31	-
8.	Agricultural	12469.65	11.92	-	-	-
9.	Others (Roads, water bodies, hills, red hills, catchment area, vacant etc)	56506.60	54.03	31864.54	31.46	(-)43.61
10.	Urbanisable	-	-	1882.01	1.86	
	Total	104584.11	100.00	101298.42	100.00	

Source: CMDA Website on Master Plan.

The land used for agriculture only and the land used for other activities such as water bodies, hills, vacant and catchment area would be utilised for other purposes such as creation of special and hazardous industries, creation of open space, recreational activities and non-urban zones. Around 2 per cent of the total land would be urbanised. Land for the purpose of residential, industrial and institutional activities would be expanded.

An overall analysis of the above tables 1.15 and 1.16 predicts that more land space from the rest of CMA would be utilised for the creation of residential, mixed residential, industrial, urban and non-urban zones.

As the total employment potential is expected to increase in two folds by 2026, the additional jobs to be created will have to increase in three folds. To meet the needs of employment generation in future, following strategies would be adopted.

- Government departments and agencies concerned should focus on the promotion and development of small scale industries;
- Labour intensive industries such as small and medium industries, construction, IT, tourism etc. should be encouraged;
- Vocational education of training should be adopted for the creation of extensive work force;
- Service sector such as health, education, recreational facilities and municipal / local body services which would improve the standard of living of the metropolis should also be considered for employment generation;
- The most competing areas such as bio-technology, IT, tourism etc. should be strengthened; and
- Private sector will have to generate substantial employment.

To meet the future travel demand, transport projects such as urban rail network including MRTS, road network, bus system and goods transport would be strengthened and expanded. The core idea of decongesting the city should be adopted.

While the phase I and phase II of MRTS projects have been fully completed and the services are provided in full fledge to the public, the Government of Tamil Nadu has planned to implement the phase II Extension Project (Velachery to St. Thomas Mount) at a cost of Rs.416 crores with the devolution of funds by both the Centre and the State in the ratio of 66.67:33.33.

The projected increase in population would result in a five fold increase in housing requirements during the year 2026 (in 2006 – 103638 units and in 2026 – 12,37,482 units) which needs proper planning of land use by the housing sectors. Factors such as growth of households, vacancy rate, demolition rate of old buildings and replacement rate are considered for the estimate. TNHB would provide housing for LIG & MIG categories and the Slum Clearance Board would take care of the Economically Weaker Sections (EWS) by cross subsidies. While the private sector would look after the high and middle income groups, developments by way of multi-storied buildings are welcomed.

Chennai consumes very less quantum of water of 90 LPCD compared to other major cities of the nation. This consumption is expected to increase to 165 LPCD in the forthcoming years. Strategies such as Chennai Water Supply Augmentation Projects, Sea Water Resalination Plan, Recycling of Waste Water, Rain Water Harvesting etc. would

be adopted. Underground sewerage system would be provided in the Municipalities, Town Panchayats and Village Panchayats in the rest of CMA in a phased manner. Governance through small local bodies would be replaced by amalgamation of local bodies into new corporations in the rest of CMA.

Criticisms:

Notifications of the draft second master plan is subject to the following criticisms.

- Road network is not fully identified;
- North Chennai suburbs have been neglected;
- More importance given for IT / ITES/ BPO industries;
- The Plan lacks the green touch;
- Role of street vendors and hawking policy for the future is missing;
- Absence of integrated flood control plan; and
- Citizen Consumer & Civic Action Group (CAG) a non-governmental organisation is of the opinion, that a specific time frame for the implementation of various projects is absent in the document. It has also proposed the formation of a grievance redressal system for the citizens.

Space Exploitation and Beautification of Chennai City:

Developing Chennai as one of the International Metropolitan city is one of the major aims of the Government. In this context master plans have been prepared by the government and are under consideration for implementation. Following development activities have been carried on by the Chennai Metropolitan Development Authority in this regard.

- i. Mass Rapid Transit System (MRTS) one of the international development activity in the lines of transport had been implemented in two phases. Phase I proposal covering a distance of 8.55 km from Chennai beach to Thirumayilai at a cost of Rs.269 crores had been completed. Phase-II of the project from Thirumayilai to Velacheri covering a length of 11.166 km at an estimate of Rs.733.39 crore has been completed and commissioned to operate from November 2007. The administrative sanction for the extension of Phase-II to St. Thomas Mount (5 km length) has been accorded by the government in the proportion of 66.67 : 33.33 of the total cost (Rs.496 crores) by the State and the Centre respectively;
- ii. Chennai Metro Rail Ltd. (CMRL) a limited company was formulated as a Special Purpose Vehicle (SPV) from November 2007 to implement the project of Chennai Metro Rail System, which was designed to reduce the traffic congestion. A sum of Rs.50.94 crore was released by the government for this project during 2007-08.

- iii. Administrative sanction has been accorded by the government for the construction of 'Double level Basement parking' for two wheelers in a total floor area of 65,000 sq.ft. (two floors put together) with a capacity of 3000 two-wheelers at Chennai Mofussil Bus Terminus.

Special Economic Zone (SEZ) Policy:

Special economic zone policy was announced in the year 2000 through a revision in the EXIM policy 1997-2002 and was notified in February 2006 by the Union Government. These SEZs are oriented towards export production and so are exempted from the rules and regulations governing imports and exports. They are emphasized towards attracting Foreign Direct Investments (FDI) with nil Tax facility. They are considered as foreign territories with regard to trade operations, duties and tariffs.

Investment and Employment in SEZs:

In India, so far formal approval has been granted to 362 SEZs of which 136 are notified. In-principle approval has been granted to 150 SEZs. An amount of Rs.45377 crore had been invested in these notified SEZs and are providing direct employment to over 38405 persons. In the present SEZs set up prior to the SEZ Act 2005, 1087 units were in operation providing direct employment to over 1.85 lakh persons with a total investment of Rs.5661 crores. By the end of December 2009, these notified SEZs are expected to invest Rs.259159 crores with an employment generation of 1743530 jobs. For the operation of all the 341 formally approved SEZs, an investment of Rs.300000 crores is expected to generate 4 million additional jobs. Around 60 percent of the SEZs would focus on IT sector. In Tamil Nadu the State Agency, Tamil Nadu Industrial Development Corporation Ltd. has taken the initiative to set up SEZ at Nanguneri in Tirunelveli district.

Table -17: Exports from the functioning SEZs during the last three years

Year	Value (Rs. in crores)	Growth Rate (Over previous year)
2003-04	13854	39.00
2004-05	18314	32.00
2005-06	22840	24.70
2006-07	34787	52.30
2007-08 (projected)	67088	92.90

Source: Sez India, nic.in.