

6.2 Urban Development

The economy is dualistic mosaic of relatively developed urban sector characterised by industrialisation and urbanisation and comparatively backward rural sector characterised by primary - producing activities. The limited absorptive capacity of the agriculture sector, coupled with seasonality of farming operation, marginalisation of small farmers and resultant casualisation of agricultural labour triggers off migration of labour force to the urban areas from the rural areas.

Urban living is associated with certain positive features like opportunity for non-agricultural employment and a more regular income and thereby a more stable livelihood as compared to the fragile livelihood options in the rural areas. Urbanisation is generally regarded as an indicator of development - the higher the level of urban population in a state higher would be its rank as far as development is concerned. However, the experiences of developing countries caution against positively associating urbanisation with development. Urbanisation often goes hand in hand with slum population characterised by extreme levels of urban poverty and deprivation.

In the country as a whole nearly 28% live in its urban areas and there is a wide variation across states in this regard. Tamil Nadu and Maharashtra have more than 40% of their population in urban areas while Bihar and Orissa are at the other end of the spectrum with less than 15% of population in urban areas. Interestingly, however, the pace of urbanisation had slowed down considerably in the country. During the early 1990s, when the economy was sought to be liberalised, the protagonists of such a policy predicted that due to massive external investments in the industries that would be located in urban centres, work force would be drawn into the urban centres resulting in rapid urbanisation in the country. On the other hand, the critics argued that the roll back policy of the state would impoverish the hinterland and there would be an exodus of population to the urban centres in search of employment. But neither has happened as indicated by Kundu (2003). The paper clearly shows that the urban growth rate has gone down from 3.1 percent to 2.7 percent between 1980s and 1990s. - *from Understanding persistent poverty in India - by J.Jeyaranjan & Padmini Swaminathan for Humanist Institute for Cooperation with Developing Centres, Netherlands.*

Urbanisation is a global phenomenon and Tamil Nadu is no exception in witnessing rapid urbanisation. The trend in urbanisation is not only reflected in the growth of population in urban centres, but also increase in the number of urban centres. The implications of urbanisation for the State are many. The State has little scope for agricultural expansion. The rural area of the State will inevitably shed a part of its population and this will have to be absorbed in urban centres.

Planning for urban development should essentially be supportive of economic development. The provision of urban services such as transport, communication, water supply and sanitation and shelter should have a link with investment in urban services and shelter to coincide with investments in agriculture and industry, mining and commerce.

Major issues in Urbanisation

Attitudes to urban growth may tend to swing between two extremes. Cities are seen either as an unavoidable evil or in a more positive way 'engines of growth'. The former view is held by those who focus on the growth of slum and squatter colonies, the congestion on the roads and environmental degradation. The others, in contrast, focus on the bustling formal and informal sectors in urban areas and the

contribution to the economy, the diversification of occupations away from traditional land-based ones to newer forms of production and services, and the lower levels of poverty as compared to rural areas.

The impact of growth of population on urban infrastructure and services has mostly been adverse. The National Commission on Urbanisation has observed that there is a distorted pattern of investment in the matter of urban development with largest cities cornering the investments at the cost of small and medium towns and it has resulted in large scale migration from rural to urban areas. The smaller cities with less economic growth face inadequacies of financial and other resources to cope with increasing demands on services.

The Census 2001 defines all statutory towns and places satisfying certain demographic and economic criteria as 'Urban'. With the introduction of 74th Constitution Amendment Act in 1994, all Town Panchayats, irrespective of whether they satisfy the demographic and economic criteria, were brought under urban fold along with Municipal Corporations, Municipalities, and Cantonments by 2001 Census. Besides these, certain Village Panchayats, which satisfy the demographic and economic criteria, were also classified as urban christening them as 'Census Towns'. As per this definition, there are 832 urban bodies in Tamil Nadu according to the 2001 Census.

Urban frame in Tamil Nadu - 2001	
Category of ULB	2001
Corporations	6
Municipalities	102
Cantonments	2
Town Panchayats	611
Census towns	111
Total	832

Growth of Urbanisation in Tamil Nadu (Population in millions)			
Item	1991	2001	2011 (projected)
Total Population	55.86	62.11	67.8
Urban Population	19.08	27.24	30.5
Urban Growth rate	19.59	42.79	45.0

Tamil Nadu is one of the States undergoing rapid urbanisation and ranks as the third most urbanised State in India. As per 2001 Census, the total population of Tamil Nadu is 6.21 crores of which the urban population is 2.72 cores, which is 44% of the total population. There are 6 Corporations, 102 Municipalities and 611 Town Panchayats in the State.

In 1991 the level of urbanisation was only 34.15 percent with an urban population of 1.9 crore, when Tamil Nadu was in third place behind Maharashtra (38.7 percent) and Gujarat (41.0 percent). The advance to first place is mainly due to a change in definition. Following the Nagar Palika Act of 1994 all the 611 town panchayats were brought under the category of statutory towns, irrespective of whether they satisfy the demographic criteria of "urban".

Urban Population of Tamil Nadu (by category) 1991-2001					
Category	Number		Population (in lakhs)		Decadal Growth Rate (%)
	1991	2001	1991	2001	
Corporation	3	6	71.35	79.12	10.90
Municipalities/ Cantonments	108	104	72.37	82.46	13.95
Town Panchayats	224	611	37.81	95.75	153.23
Census Towns	134	111			
Total	469	832	190.77	272.4	42.79

Source: Census of India, 2001

As evident from the above table, the inclusion of all the town panchayats resulted in an increase of urban population from 1991 to 2001 of 57.94 lakh in that category alone. The increase in the town panchayat population accounted for about 70 percent of the total increase of 81.64 lakh in urban population from 1991 to 2001. The growth in the other categories, namely, municipal corporations and municipalities was much more modest at 10.90 and 13.95 percent respectively, over the decade - this would barely cover the natural growth of the population. Thus, increase in the proportion of urban population can be considered to be a statistical artifact due to the change in definition.

There are 611 Town Panchayats in Tamil Nadu under Tamil Nadu District Municipalities Act 1920. Of these, 568 Town Panchayats have a population of less than 30,000 and the remaining 43 Town Panchayats have population of more than 30,000. The Government has recently issued orders for downgrading the 566 Town Panchayats as village Panchayats. (In the case of another 2 Town Panchayats, the High Court has granted interim stay on the writ petitions). The reclassification had been done after taking into account the population and revenue generated by these local bodies and considering that the downgraded Town Panchayats would have access to Central funding from Rural Development Programmes. These 568 newly created Village Panchayats are to be presumed as Census Town, there is no variation in urban population in Tamil Nadu. [Subsequently (in July 2004), the Government has issued orders reclassifying four more town panchayats as Grade III Municipalities as they also have a population of over 30,000].

It is expected that within the next few years, more than half the population of Tamil Nadu would live in urban areas. Urbanisation in the form of growth of small and medium towns, metro and mega cities affects the equilibrium between the demand and supply of urban infrastructure facilities. The urban population of Tamil Nadu require a wide range of urban services including water supply, sewerage, solid waste management and streets as well as social infrastructure like schools, hospitals, markets and so on. Provision of these facilities is vested with the local bodies. In view of financial crunch, the local bodies could not take up huge capital investment involving high risk, longer gestation period and uncertainties. The private sector is not forthcoming for want of attractive incentives and concessions. The challenge of re-orienting the urbanisation process thus lies in overcoming the infrastructural deficiencies and taking the best advantage of economic momentum inherent in urbanisation. Keeping the above factors in view, 73rd and 74th Amendments to the Constitution of India gave constitutional status to Local Self Government to impart "certainty, continuity and strength", for devolution of powers to local bodies and for allotment of adequate resources. As per article 243-W of the

Constitution of India (74th Amendment), the State Government has to specify and entrust to the Urban Local Bodies (Town panchayats, Municipalities, Corporations and the Ward Committee or any other committee) with such powers and responsibilities on the 18 subjects included therein. Thus, the Urban Local Bodies (ULBs) have to discharge their duties covering both the obligatory functions as well as discretionary functions.

The positive impact of urbanisation is often over-shadowed by the evident deterioration in the physical environment and quality of life in the urban areas caused by the widening gap between demand and supply of essential infrastructure services, like water supply, sanitation, solid waste management, transportation and development of housing etc. This results from increasing population pressure on urban centres, most of which are financially and organisationally ill-equipped to respond to infrastructural needs. The First State Finance Commission which was set up following the passage of the 73rd and 74th amendments to the Constitution for the period 1996-2002, in its report, assessed the requirements for various urban services, based on the norms and forecast of population for the year 2002. The service gaps were computed on the basis of the existing service levels. It brought out that water supply exceeding 90 litres per day (lpcd), was available in only 16 out of 102 Municipalities, while in 13 others, water supply was as low as 25 lpcd. About 33% of the population had access to safe sanitation, while the efficiency of garbage collection was only about 60% with no safe bulk disposal systems. As regards roads, barely 50% were blacktopped. For the six core services (water supply, sewerage / sanitation, solid waste management, roads, storm water drains and streetlights) the total capital investment needed for both urban and rural local bodies was estimated to be Rs.5249 crores (at 1995-96 price levels) to achieve the improved levels, and the per capita costs to be Rs.176.40 per capita per year. The capital investment would be spread out over 5 years with a cost escalation of 12 percent per year. The operation and maintenance cost was estimated to be Rs.1234.49 crores per year.

Level of Basic Services in Urban Local Bodies of Tamil Nadu, 1995-96

Urban Local Bodies	Water Supply		Sewerage & Sanitation latrine coverage %	Solid Waste Management Collection coverage %	Storm Water drains (Pucca Open) %	Roads -Coverage	Roads -Pucca surface
	LPCD average	Population coverage %					
Town Panchayats	34	16	17	46	23	10	59
Municipalities	48	32	23	70	53	53	67
Corporations	73	57	22	82	23	65	89

Source: State Finance Commission

A second State Finance Commission (SFC II) was set up in 2001 to make recommendations for the period 2002-2007. The Commission went through a similar process of calculating the service gap. However, the Commission also studied the absorptive capacity of the local bodies in terms of their utilisation of funds over the last 5 years, before making their decisions on allocation of funds. In terms of capital investment, the SFC recommended Rs.803 crore for town panchayats, Rs.650 crore for municipalities, and Rs.975 crore for Corporations. Water Supply is the priority service for town panchayats making up half (Rs.403 crore) of the capital allocation.

In the case of municipalities and corporations, roads and storm water drainage have been given sizable allocations. Sewerage and sanitation has been given only 10%.

Recommended Capital Investment 2002-2007			
(Rs. in crores)			
	Town Panchayats	Municipalities	Corporations
Water Supply	403	210	109
Sewerage and Sanitation	8	56	108
Roads	80	150	296
Storm water Drainage	160	72	177
Street Lights	16	39	21
Solid Waste Management	16	26	69
Other	120	65	146
Investments		32	49
Total	803	650	975

Source: Second State Finance Commission Report - Tamil Nadu

Recommended Operation and Maintenance Expenditure (total)			
2002-2007			
(Rs. in crores)			
Category	Town Panchayats	Municipalities	Corporations
General Administration and Taxes	206.88	374.29	366.27
Public Works and Roads	123.01	329.74	761.47
Sanitation and Drainage	--	51.81	179.96
Public Health and Conservancy	133.50	202.80	264.02
Street Lighting	210.88	221.70	271.90
Water	239.96	289.27	218.40
Education and Town Planning	---	18.29	66.55
Miscellaneous Items	155.41	82.34	97.36
Operation and Maintenance for New Investment	144.91	107.55	122.73
Total	1214.55	1677.79	2348.66

The Second State Finance Commission chose to give priority to operation and maintenance expenditure. The operation and maintenance expenditure for the five year period amounts to Rs.5241 crores as compared to the capital expenditure of Rs.1633 crores for the urban local bodies. Public Works, roads, street lights, conservancy and water account for most of the allocation. SFC II also made provision for operation and maintenance of new investment made from 2002-2007.

The features of urbanisation are that the urban centres are distributed at a fairly even distance along the major transportation corridors and there is clustering of

urban areas around metropolitan cities viz. Chennai, Coimbatore, Salem, Tiruchy, Madurai etc.

Tenth Five Year Plan (2002-07) - Approach and Strategy

The challenge of urban development calls for major reforms in both the financing and management of urban infrastructure. The experience from the past Five Year Plans underscores three basic urban sector issues: (i) need for capacity building within City Governments for efficient and responsive urban service delivery, (ii) given the investment requirements, the imperative to access long term debt and eventually create a market of municipal debt, thereby linking urban needs with domestic debt market, and (iii) since debt financed projects require substantial tariff changes, the need for political consensus and participatory project structuring. These three components should form the basis of any future Urban Work Plan.

The urban local bodies should aim at enhancing the efficiency in delivery of the following civic services namely (i) Cleanliness - removal of rubbish and garbage, (ii) Provision of Protected Drinking Water (iii) Usable public toilets - preventing defecation in public places, roads etc., (iv) Proper drainage and sewerage systems (v) Providing Street lights (vi) Usable roads with clear pathways (vii) Avoiding nuisance of stray animals (viii) Prevention of pollution - water, air, noise etc., (ix) Public utilities like markets, bus stands etc., (x) Open spaces and parks- recreational areas (xi) Prevention of new slums and removal of encroachments (xii) Enhancing public trust in civic administration by proper taxation.

The improvement in civic services is possible only through a responsive civic administration. The following agencies are concerned with implementation of most of the developmental and welfare schemes in their respective areas.

- Directorate of Municipal Administration - Municipal Services.
- Corporations of Chennai, Madurai, Coimbatore, Tiruchirapalli, Salem and Tirunelveli.
- Directorate of Town Panchayats.
- Chennai Metropolitan Development Authority.
- Commissionerate of Town & Country Planning.
- Tamil Nadu Water Supply and Drainage Board.
- Chennai Metropolitan Water Supply and Sewerage Board.
- Tamil Nadu Urban Finance and Infrastructure and Development Corporation (TUFIDCO)
- Tamil Nadu Urban Development Fund (TNUDF)

Tenth Five Year Plan Outlay

To carry forward and complete the infrastructure developments and to take up the new projects, an outlay of Rs.5,979.20 crores is envisaged during the Tenth Five Year Plan for the Urban Development sector, out of which the State Government commitment works out to Rs.2,275.00 crores.

The Department/ Agency-wise outlay for the Tenth Five Year Plan for Urban Development is given in the Table below:

(Rs. in crores)

Agency/ Department	Tamil Nadu Govt. Budgetary support	Loan from HUDCO/ TNUDP / TUFIDCO/ TNUDF/ LIC etc.	State Govt., Total Commit- ment	GOI support	Own mobili- sation	Grand Total
[1]	[2]	[3]	[4]=[2]+[3]	[5]	[6]	[7]=[4]+[5]+[6]
1. Chennai Metropolitan Development Authority	489.90	418.00	907.90	123.00	150.00 (Private sector)	1180.90
2. Directorate of Town and Country Planning	1.56	7.00	8.56	3.61	----	12.17
3. Municipal Corporation/ Municipalities	509.56	360.00	869.56	1401.88	920.65	3192.09
4. Directorate of Town Panchayat	348.98	140.00	488.98	550.28	554.78	1594.04
Total	1350.00	925.00	2275.00	2078.77	1625.43	5979.20

The Tenth Five Year Plan outlay for 'Urban Development' was indicated as Rs. 2,275 crores as against the outlay approved by the Union Planning Commission of Rs. 2,375 crores. However, the sectoral outlays will be reviewed and realigned at an appropriate time depending on the resources position, relative needs of the sector in relation to all other sectors and performance and appropriate adjustments made in the Annual Plans and during Mid-Term Appraisal.

Annual Plan 2002-03

An amount of Rs.49,277.56 lakhs was budgeted for the Urban Development Sector for the year 2002-03. Against this, the actual expenditure incurred was Rs.67131.89 lakhs.

Annual Plan 2003-04

An amount of Rs.35131.53 lakhs was approved for the year 2003-04 for the 'Urban Development' sector. As against this, the expenditure is anticipated to be around Rs.29880.61 lakhs.

Annual Plan 2004 - 05

For the Annual Plan 2004-05, an amount of Rs.32782.81 lakhs is proposed. The programme-wise details are given below:

(a) Tamil Nadu Slum Clearance Board (TNSCB)

Tamil Nadu Slum Clearance Board was set up for the clearance and improvement of slum areas. The Board's activities and programmes have been set out in detail in Chapter 6.1. (Housing).

In Urban Development Sector, the Tamil Nadu Slum Clearance Board is implementing the following schemes to make the slum areas habitable and providing basic amenities like water supply, roads, street light.

The Plan programmes proposed during the year 2004-05 are:

Sl.No.	Name of the Programme	Outlay for 2004-05 (Rs. in lakhs)
1.	Slum Improvement Programme in Urban Local Bodies	2711.00
2.	Grants for repayment of loans to financial institutions for providing fire proof asbestos houses in the slums	327.22
3.	Assistance for economic activities for self help groups, a new programme approved for 2004-05 on pilot basis	30.00
4.	Share Capital Assistance to TNSCB for payment of Principal to HUDCO	1005.00
5.	Share Capital Assistance to TNSCB for payment of Principal to financial institutions for providing Fire Proof Asbestos houses in the slums	272.28
6.	Grants to Tamil Nadu Slum Clearance Board for the Entrepreneurial Development Programme for the slum tenements	25.00
Total		4370.50

Thus an amount of Rs.4370.50 lakhs is proposed for the year 2004-05.

(b) Town and Country Planning Department

The Department of Town and Country Planning has been assigned with the responsibility of administering the Town and Country Planning Act 1971. This includes assisting the planning authorities in preparing and implementing the statutory plans with a view to ensure orderly planned development.

Master Plans

Preparation of Master Plans envisages judicious allocation of land/space to different sectors in consideration for a projected population to a stipulated time frame of ten years. The Department has so far prepared 108 Master Plans and six New Town Development plans. Master Plans which were approved earlier are being taken up for updating to suit the latest developments and Government policies.

During the year 2003-04 it was proposed to review eight Master Plans (Tiruvallur, Gudiyatham, Karur, Tiruchirappalli, Thirupuvanam, Udthagamandalam, Kodaikanal and Kanyakumari) and to prepare three New Town Development Plans (Perundurai, Salem Irumbalai Nagar and Kurichi). Preparation of Master Plan for Gudiyatham has been completed and Master Plan preparation for other towns is under progress. Master Plan for 3 more towns viz. Kulithalai, Villupuram and Chidambaram which were not included in the target were also completed during the year 2003-2004.

It is proposed to take up preparation of ten Master Plan/New Town Development Plans during 2004-05.

Detailed Development Plans

Town and Country Planning Act provides for preparation of Detailed Development Plans. The Detailed Development Plan spells out the Land uses for each and every parcel of land, sectoral proposals, etc. These are micro level plans

within the local planning areas. For the purposes of preparation of Detailed Development plan, Chennai City has been divided into 99 planning units. Of these, for 51 units Detailed Development Plans have already been approved by the Government. For the remaining areas, the Detailed Development Plans will be prepared in phases. Outside Chennai City, the Department has prepared 1625 Detailed Development Plans in all the Local Planning Authorities viz. Notified/ Consented/ Approved. 40 Detailed Development plans have been taken up during 2003-04. It is proposed to take up 50 Detailed Development Plans during the year 2004-05.

Traffic and Transportation Plan

The Department has identified 58 small and medium towns for the preparation of traffic operational and management plans (TOMP). Out of these 58 plans, 51 have been completed and the remaining seven are in progress. In addition, comprehensive traffic and transportation studies (CTTS) for 5 Corporations (except Chennai) has been taken up and the same has been completed.

Under a new scheme, financial assistance is provided from the Town and Country Planning Development Fund to a tune of Rs.50 lakhs for each of the following corporations for implementation of projects contemplated in the CTTS.

- | | | |
|---------------|--------------------|----------------|
| 1) Coimbatore | 3) Madurai | 5) Tirunelveli |
| 2) Salem | 4) Tiruchirappalli | |

Further, Rs.25.00 lakhs is provided for each of the following 10 municipalities towards implementation of proposals contemplated in the TOMP:

- 1) Kancheepuram 2) Tiruppur 3) Villupuram 4) Vellore 5) Erode 6) Cuddalore
7) Dharmapuri 8) Dindigul 9) Thanjavur 10) Tuticorin

The fund is proposed to be provided in the ratio of 75% grant from the Town and Country Planning Development Fund and 25% local body's contribution. This programme will be continued to be implemented during 2004-2005.

Heritage Plans

The Government has identified 38 heritage towns aimed at conservation of cultural and historical importance. The preparation of development plan for heritage towns include beautification, regulation of construction, provision of amenities, conservation and preservation of historical areas and urban planning. Development plans for 36 towns have already been prepared and the remaining 2 are in progress. Out of these plans, the Government has selected 16 towns for environmental protection and car parking facilities for which Rs.50.00 lakhs will be provided from the Town and Country Planning Development Fund. Five more towns are proposed to be taken up during 2004-05.

Implementation of statutory plans through Seed Capital Programme

The Government have formulated Seed Capital Programme under the Town and Country Planning Development Fund to provide grant to the local body/ Local Planning Authority/ New Town Development Authority for implementation of projects contemplated in the Master Plan/Detailed Development Plan/ New Town Development Plan. 50% of the cost of the project will be extended as grant subject to a maximum of Rs. 20.00 lakhs and the matching 50% of the cost should be borne by the concerned Local body/ Local Planning Authority/ New Town Development Authority from its own sources. It is proposed to provide funding under this programme for implementation of projects at 5 towns at a total grant expenditure of Rs. 1.00 crore during the year 2004-05.

Improvement of parks and play fields

The Government has formulated a scheme for providing one time grant to Class I and Class II Towns for developing Parks and Play fields. Under this scheme financial assistance is provided for each park as grant from the Town and Country Planning Development Fund subject to a maximum of Rs. 1.25 lakhs with a condition that the concerned local body has to contribute an equal amount for the project. It is proposed to extend this scheme to all the urban local bodies not merely restricting it to the Class-I and Class-II towns. It is proposed to provide funds to improve the parks in 10 urban local bodies during the year 2004-05 at a total cost of Rs. 12.50 lakhs.

Special Schemes

Digitisation of paper based maps

In order to preserve the paper based maps relevant to statutory plans for the purpose of record and to enable development of GIS in future, it is proposed to take up of digitisation of paper based maps by outsourcing at an estimated cost of Rs. 28.00 lakhs under funding from the Town and Country Planning Development Fund.

Geographical Information System for preparation of development plans

Modern techniques like computer based Geographical Information System (GIS) using the aerial photographs, Satellite imageries have been introduced in urban mapping and other planning exercises for better and faster plan preparation. GIS database had already been created for Tindivanam, Rajapalayam and Nagappattinam towns. Incorporation of additional data for these three towns and development of GIS database for three more towns viz., Sathur, Thiruvannamalai and Ranipet were taken up during 2003-2004. It is proposed to continue this task during 2004-05.

With a view to have an integrated urban information database for the country, Government of India (GOI) has proposed to develop National Urban Information System (NUIS) and GOI have proposed to contribute 70% of the cost of digitisation of maps and creation of data base etc. for certain towns in Tamil Nadu. An amount of Rs.1.56 crore has been allocated in the Tenth Five Year Plan for the State's share of 30% of the cost of the project. Formal clearance is awaited from the GOI to commence the project.

Studies through Geographical Information System (GIS) using satellite imageries will be taken up for preparation of development plans for providing infrastructure facilities in the areas lying along the main corridor in between two adjacent major cities/towns where rapid ribbon development is taking place.

Development Plan for Least Urbanised Taluks

Out of 45 taluks for which studies have been conducted on development of medium sized towns in the least urbanised taluks in Tamil Nadu, three Taluks viz. Harur, Perambalur & Ariyalur are to be declared as Planning areas under Town and Country Planning Act in order to upgrade these taluks towards rapid urbanisation. Out of these, 35 development plans for least urbanised taluks have been prepared and the remaining 10 are in progress.

Urban Projects

Financial Assistance was given under Integrated Development Plan for small and medium towns to local bodies and the same is now funded by TUFIDCO.

Similarly loan assistance was extended under Integrated Urban Development Programme.

Urban Mapping Division

The Department has introduced aerial photography mapping techniques early in the year 1979 and procured aerial photographs for 32 towns. Talukwise land use maps have been prepared with the assistance of IRS, Anna University. Further, land use data is being computerised and updated periodically.

Urban Renewal Plans

To decongest inner city areas and to shift the commercial activities to the fringe areas, urban renewable plan studies for 5 Municipal Corporations (except Chennai) have been taken up and the same is in progress.

Special Projects at Mammallapuram

The cost of land acquisition for the Centrally Sponsored Tourism project in Mamallapuram New Town Development Authority is being met from Town and Country Planning Development Fund.

Hill Area Conservation Authority

The Government has declared that hill area conservation and development in the hill areas would be monitored by the Hill Area Conservation Authority. The Secretary to Government, Housing and Urban Development Department is the Chairman and it comprises 17 ex-officio members with the Director of Town and Country Planning as Member-Secretary.

New Schemes 2004-2005

Government has allocated a sum of Rs.10.00 lakhs under New scheme (2004-05) for introduction of E-Governance in this department to provide on-line facility to the public to track information regarding the stage of approval of their applications seeking permission for construction of building/development of layouts etc. which would in turn facilitate expeditious and transparent processing of applications. The programme includes purchase of the required hardware and software and inter connect certain sub-ordinate offices of this department with the head office limiting the cost of the project to a maximum of Rs.10.00 lakhs in the first phase.

This would mean that when an application for building plan approval is submitted by the applicant, details regarding the application will be registered in the system and any further particulars needed for the scrutiny of the application will be automatically floated in the web on the same day of submission of the application. The applicant could access these details online and necessary additional particulars required, if any, could be submitted by the applicant to this department. The outcome of the application will be floated on the web within a stipulated time frame (within a week or two) so that the applicant could know the stage of application on-line. This procedure would pave way to identify the stage of application at any point of time for early transparent disposal of applications than through routine manual correspondence.

The plan programmes proposed for the year 2004-05 are as follows:

Sl.No	Name of the Scheme/Programme	Outlay for 2004-05 (Rs. in Lakhs)
1	Establishment of urban project Division	10.00
2	Town Planning Research Centre	2.36
3	Tamil Nadu Urban Finance and Infrastructure and Development Corporation scheme for Integrated Development of small & medium towns	458.98
4	Transport & Traffic Studies for class I cities	91.60
	Total	562.94

(c) Chennai Metropolitan Development Authority (CMDA)

The Chennai Metropolitan Development Authority has jurisdiction over Chennai Metropolitan Area (CMA) covering 1,177 sq. km. which includes Chennai city, 8 Municipalities, 28 Town Panchayats and 10 Panchayat Unions. The important projects taken by CMDA in recent years are outlined below.

Chennai Moffusil Bus Terminal, at Koyambedu (CMBT)

In order to alleviate the existing traffic problems as well as unmanageable situation prevailing in the existing terminals, the MBT was constructed at the periphery of the Chennai City at Koyambedu. The project was executed in an area of 37 acres at a cost of Rs. 103 Crores. The Chief Minister of Tamil Nadu has inaugurated the project on 18.11.2002.

Tirupporur IT Corridor

Chennai has become a preferred destination for IT industries. Keeping this in mind, an infrastructure plan for IT corridor has been prepared for the stretch along the Old Mahabalipuram road up to Tirupporur.

MRTS - Phase II and extension of Phase II

The MRTS Phase-I from Beach to Tirumylai is already in operation. The MRTS from Tirumylai to Velacherry under Phase-II for a length of 11.17 Kms. at an estimated cost of Rs.720 crores is being implemented through MTP (R). The project which commenced in January 1998 has been partially commissioned upto Tiruvanmiyur in January 2004 and is slated for commissioning upto Velachery by December 2004. It has been decided to extend the MRTS from Velacherry to St. Thomas Mount covering a distance of 5 Kms. at an estimated cost of Rs.378 crores. Tamil Nadu is meeting 67 % of the cost of the project and the remaining 33% is met by Government of India. The State Govt. has also appointed consultancy firm to commercially exploit the air space at the roof of the platform of all the Stations to augment the supply of urban built space and enhance the travel density for operation of the MRTS. The cumulative expenditure since the beginning of MRTS phas II project has been Rs.525.44 cores (till April 2004) and the Government of Tamil Nadu has released Rs.414 crores for the project.

Investment Plan for Chennai Metropolitan Area

Chennai Metropolitan Area extends over an area of 1177 Sq.km consisting of the Chennai City Corporation, 8 Municipalities, 28 Town Panchayats and 10 Panchayat Unions. The population of CMA in 2001 is 6.52 million of which 4.2 million resides in the city. It is estimated that the population of the Chennai

Metropolitan Area will increase to 7.46 million by 2011 of which 4.80 million will be in the City.

Providing satisfactory urban services to this growing population is an important aspect of urban governance, and infrastructure facilities have to be enhanced to cope up with this growth. The present levels of resource mobilisation are far below the level required for meeting the investment and maintenance needs of infrastructure. In order to mobilise resources for provision of urban services, an Investment Plan for the Chennai Metropolitan Area has been worked out.

The major objectives of the Investment Plan are:

1. To identify the infrastructure needs in each sector and work out the projects accordingly.
2. To identify the quantum of finance for execution of these projects.
3. To identify the source of finance.
4. To prioritise the projects by working out the annual programme, medium term programmes and long term programmes.

The infrastructure requirements for the Chennai City, 8 Municipal areas, 28 Town Panchayats and 10 Panchayat Unions in Chennai Metropolitan Area have been collected from the concerned agencies and the Investment Plan for them has been worked out.

The scale of investment required sector wise is tabulated below:

(Rs. in crores)

Programme / Agency	Annual Plan (2003-2004)	Medium Term Plan (2004-2007)	Long Term Plan
1. Traffic and Transportation @	406.14	3460.02	6113.56
2. Housing	222.70	710.41	325.00
3. Water Supply	769.00	907.00	640.00
CMWSSB	769.00	907.00	640.00
4. Sewerage	343.00	587.00	897.78
CMWSSB	315.00	587.00	897.78
CMA (Thiruvottiyur Mpty)*	28.00	-	-
Total	1740.84	5664.43	7976.34

* Rs.5.0 cores will be allocated from the State Budget 2003-04 for prevention of water contamination in the inundated areas of Thiruvottiyur.

@ Rs. 100 crores will be allocated for Railway Projects and Rs.50 Crores for important Traffic and Transportation Projects.

In Chennai Metropolitan Area the development and maintenance of urban services are vested with the specialised agencies. Water Supply is taken care of by CMWSSB and TWAD Board, Electricity by TNEB, Solid Waste Management by the concerned Local Bodies, Roads by Highways and Local Bodies, Storm Water Drains by Local Bodies and PWD, etc. These agencies depend on Central Government, State Government and major Financial Institutions for funding their projects.

An ambitious Infrastructure Investment Plan titled the 'Chennai Metropolitan Development Plan' with an investment of Rs.18,000 crores is being implemented over a period of 10 years.

The essence of the transport strategy advocated in the Master Plan for the CMA is to strengthen and expand the public transport corridors and direct the future

developments along the same. In the light of the above position, investments need to be directed at

- a) strengthening and expanding the urban rail network including MRTS;
- b) improving the capacity of major corridors such as Anna Salai, Periyar EVR Salai, Jawaharlal Nehru Salai by exploiting the potentials of Area Traffic Control (ATC) measures in the initial years including promoting exclusive bus lanes where applicable;
- c) augmenting the capacity of the major arterial road corridors such as Anna Salai, Periyar EVR Salai, Jawarharlal Nehru Salai as a whole by constructing elevated highway along the median of the road;
- d) augmenting the capacity of the major sub-arterial road corridors such as Chennai-Thiruvallur Road corridor, Kodambakkam Road - Arcot Road corridor, Kamarajar Salai-Santhome High Road corridor, Sardar Patel Road corridor, Rajaji Salai-S.N.Street-Ennore Expressway-TPP Road corridor etc;
- e) improving the road density in the peri-urban areas to match with the spatial strategy pursued;
- f) removing bottlenecks in the road / rail corridors such as road-rail crossings, narrow bridges across rivers/canals etc;
- g) increasing the transit options by development of LRT /SKY BUS along selected corridors.

Traffic Congestion

Chennai City has 18 lakhs vehicles and 4000 new ones are being registered every day. Of the 18 lakhs, 75% are two wheelers, growing at the rate of 8.6% every year. Cars form 18% of the vehicle population with a growth rate of 6.4%. Given these facts, finding a suitable parking space is becoming increasingly difficult. The CMDA has engaged an agency to study the supply and demand of parking facilities in the City. In a seminar (April 15, 2004), the suggestions included construction of multi-level parking system, both by private and government agencies at rail and bus terminals, usage of alternative mode of transport and providing parking facilities for visitors within residential premises. The other suggestions were: The area allotted for parking should not be more than 20-25 percent of the road capacity. And the short-stay parkers of duration less than three hours should not be given priority. It was also suggested that the vehicles should be provided parking spaces within the premises as per the standards. New constructions should be monitored so that they implement these regulations. Heavy vehicles should be issued a parking certificate, which will ensure an overnight parking area. It was also suggested that transport terminals could have multi-level /ground-level parking facilities. Multi-modal transport services could be made efficient by linking bus services to nearby railway stations.

Marina Beach Development Plan

In order to give a face lift to the Marina beach, it was decided to go in for mechanical cleaning. The Chief Minister of Tamil Nadu inaugurated the project on 22nd September 2003 to beautify the Chennai Marina Beach for a length of 3.2 kms. from Anna Memorial to Light House in the first phase at a cost of Rs.36 lakhs per annum.

The existing facilities in Marina are to be enhanced to the requirement of the growing visitors, tourists, walkers, etc. To meet the requirements, an amenity plan has been drawn for providing improved walkway, pedestrian plazas, additional parking space for vehicles, children play spaces, swimming pools, High mast Lights, Lawns, police station and police patrolling. The total estimated cost for making

improvements has been estimated as Rs.4.84 crores. Maintenance of the amenities is proposed to be done by public / private partnership.

Outer Ring Road

The Chennai Metropolitan Development Authority (CMDA) is planning the formation of Outer Ring Road (ORR) on the periphery of the Chennai Metropolitan Area (CMA) to ease the traffic congestion in the city. The Government have approved the formation of the Outer Ring Road connecting Chennai-Trichy Road (GST Road), Chennai -Bangalore Road (GWT Road), Chennai-Thiruvallur High Road, (CTH Road) Chennai-Nellore Road (GNT Road) and Thiruvottiyur Ponneri-Panjetty Road (TPP Road). The length of the proposed Outer Ring Road is about 62 km., connecting Vandalur in the South and Minjur in the North at an estimated cost of Rs.450 crores. Land Acquisition for Phase-I covering a length of 29.2 kms. commencing from GST Road (Vandalur Thiruvallur High Road) is almost nearing completion. For Phase-II, 4(1) proposals were sent for 37 blocks out of 46 blocks and enquiry under section 5(a) conducted for 27 blocks. As a pre-requisite for formation of ORR with private participation, a feasibility report for ORR has been undertaken through TNRDC.

Food-Grain Market At Koyambedu Wholesale Market Complex

As a part of decongestion of Central Business District, it has been decided to develop a Food Grain Market within KWMC area in an extent of 50 acres. Project works will be commenced shortly for constructing 500 shops at an estimated cost of Rs.37.00 crores in the financial year 2004-2005 with the loan assistance from TUFIDCO / Self financing by the traders.

Bio-Methanation Plant Project at Koyambedu Wholesale Market Complex to Produce power out of Vegetable Waste

A pilot project to produce power out of vegetable waste is proposed to be implemented in Koyambedu Wholesale Market Complex at a cost of Rs.5 crores. CLRI is the nodal agency for the scheme and work has been awarded for implementation. The project will be completed in 2004-2005. The proposed power generation is 17.2 lakhs units per annum.

Chennai City Contract Carriage Bus Terminus

Within Koyambedu Wholesale Market Complex a Bus Terminal for Omni Bus operators in an area of 4.8 acres was taken up for execution at an estimated cost of Rs.2.75 crores. The work was completed and the bus stand was inaugurated on 25th August 2003.

Truck Terminal at Koyambedu

In Koyambedu Wholesale Market Complex daily 500 Heavy vehicles are coming. Hence, an idle truck parking with allied facilities like washing, repair shops, spare parts shops etc., is required. It has been proposed to construct a Truck Terminal in the land of Koyambedu Wholesale Markt Complex.

Geographical Information System (GIS) Cell

CMDA has been identified as the nodal agency by the Government of Tamil Nadu for development of GIS in CMA. World Bank has extended assistance to the tune of Rs.55.00 lakhs for the purchase of Hardware and Software. GIS for Adyar, Sholinganallur and Alandur area is under preparation by CMDA in co-operation with other agencies. Under this programme information on land use, infrastructure, property tax and land ownership will be made available to the public and other

organisations. The State Government has sanctioned a grant of Rs.16.50 lakhs for this project.

Under plan programmes the following assistance / grant are proposed for the CMDA for the year 2004-05.

(Rs. in lakhs)

Sl.No.	Name of the Programme	Outlay for 2004-2005
1	Assistance for repayment of loan and interest due to HUDCO under Flood Alleviation and Storm Water Drainage System	532.41
2	Assistance for repayment of loans to HUDCO for development of Chennai Moffussil Bus Terminal at Koyambedu	894.56
3	Assistance to CMDA for payment of interest to HUDCO for improvement of Mount Poonamallee Road	57.99
4	Assistance to CMDA for payment of interest to HUDCO for improvement of Radial Roads leading to Chennai City	738.50
5	Share Capital Assistance to CMDA for payment of Principal to HUDCO / TUFIDCO for development of CMBT at Koyambedu	765.72
6	Share Capital Assistance to CMDA for payment of Principal to HUDCO under Flood Alleviation and Storm Water Drainage System	1280.17
7	Capital Assistance for metro rail in Chennai	100.00
8	Assistance to CMDA for payment of principal to HUDCO and TUFIDCO for Improvement to Mount Poonamallee Road	128.52
9	Assistance to CMDA for payment of principal to HUDCO & TUFIDCO for Improvement to Radial Road Project	2100.04
Total		6597.91**

** An amount of Rs.6855.85 lakhs is shown in the Plan Budget 2004-05 document.

(d) Commissioner of Municipal Administration

The overall administration of 6 Municipal Corporations, 102 Municipalities and 611 Town Panchayats is the responsibility of Municipal Administration Department.

The Revenue resources of ULBs are as follows:

Internal		
Land based	Non land based	User charges
Property Tax vacant land tax Land fees (Dev.charges)	Profession Tax V&A Tax Cart Tax Licence fees on Trade and Machineries	Service charges Building licence fees Birth and Death Registration fees etc.
External		
Inter Government Transfers		Borrowings
General purpose Grants Regular transfers Formula based devolution Shared revenue Grants for specific purpose		From Government sources From Financial Institutions Debentures / Bonds.

The various items of General expenditure for urban local bodies are as follows:

1. Revenue Account		2. Capital Account	
i	Salaries	i)	Roads
ii	Pension	ii)	Water Supply
iii	Street Light Maintenance	iii)	Street Lights
iv	Water Supply Scheme Maintenance	iv)	Storm Water Drains / Bridges etc.
v	Roads dMaintenance	v)	Buildings (Commercial complexes, Vegetable markets etc.
vi	Public Health and Sanitation	vi)	Public Health and Sanitation
vii	Other items (Administrative Expenditure, E.B.Charges	vii)	Others (Vehicles)

The Second Finance Commission (2001) has assessed the requirement of funds for covering the deficiency in core sector for the year 2002-2007 as below:

(Rs. in Crores)

Service	Corporation	Municipalities	Town Panchayats	Total
Water supply	506.20	673.38	1409.41	2588.99
Sewerage / Sanitation	409.34	391.28	41.67	842.29
Roads	310.81	204.37	406.51	921.69
Storm Water Drains	747.94	1101.63	684.47	2534.04
Street lights	43.19	43.58	125.50	212.27
Solid Waste Management	115.95	33.75	20.48	170.18
Others	341.68	231.03	282.91	855.62
Total	2475.11	2679.02	2970.95	8125.08

Similarly, the O & M requirement for the major sector has also been assessed by the Second Finance Commission as below:

(Rs. in crores)

Service	Corporation	Municipalities	Town Panchayats	Total
General Administration	366.27	374.28	206.88	947.43
Works Road	761.47	329.75	123.01	1214
PH / Conservancy	264.02	202.80	133.50	600.32
Sanitation / Drains	179.96	51.81	--	231.77
Street lighting	271.90	221.70	210.89	704.49
Water	218.40	289.27	239.96	747.63
Miscellaneous	97.36	82.34	153.41	333.11
Additional O & M for new	122.73	107.55	144.94	375.22
Town Planning	4.64	3.65	--	8.29
Education	61.91	14.64	--	76.55
Total	2348.66	1677.79	1212.59	5239.04

The above estimate of capital and O & M needs does not include the investment / funds needed for other essential functions including those other functions listed in the 12th Schedule of the Constitution of India, as adopted by the conformity legislation of the State.

From the above narration, one can imagine the huge financial input needed to achieve even moderate level of civic services to fulfill the basic needs of the urban citizen.

Reforms to meet challenges

The Urban Sector Reforms undertaken in Tamil Nadu and those that are ongoing may be listed as follows:

- Property Tax Reforms area based tax
- Liberalised profession tax to improve compliance level
- Levy of Advertisement Tax / Cable T.V. Tax
- 8% devolution from State's own Tax Revenue and monthly release of funds.
- Incentive fund for better performance on specific indicators
- Preparing 'Performance indicators' to reward better performance
- Creation of TNUDP-II constitution of Grant Fund for Urban Infrastructure Development
- Computerisation of Municipal Activities.
- E- Governance efforts, network connectivity, launching of web sites
- On-line services including payment of taxes / water charges and issue of essential certificates
- Accrual accounting system introduced - first in the country in all ULBs.
- Privatisation attempted in water supply, SWM, Street lights etc.
- Enhanced share from Entertainment Tax to ULBs from 65% to 90%
- Enhanced share from surcharge on Stamp Duty from 90% to 95%
- Preparation of City Corporate Plan to improve capital input for urban infrastructure
- Public participation in major under ground drainage schemes
- Revision of user charges once in 3 years
- Costing of services to levy appropriate user charges
- Limit on borrowing by ULBs
- 40% ceiling on establishment costs including pension
- Contributory Pension Scheme for new recruits
- Massive training for elected representatives and officials
- Restructuring municipal organisation and responsibilities
- Proposed Municipal Tribunals for local body litigations
- New Accounting Manual, Engineering Manual released, Other subjects under process
- Enhanced administrative and technical powers to ULBs
- Engaging professional Auditors in special cases
- Enhanced penalties for violation of Building Rules, Encroachments etc.,
- Election Reforms - early disposal of litigation, disqualification for non-submission of election expenses.
- Credit rating of ULBs for accessing market including Municipal bonds
- Issue of citizen charters for all ULBs
- Massive Rain Water Harvesting Efforts

The following are the immediate focus areas / thrust strategies:

- Better quality in services and
- Transparency and good Governance

According to the Vision Document prepared by the Commissioner of Municipal Administration, the capital requirement is estimated as follows:

(Rs. in lakhs)

Sl. No	Sector	Municipalities	Corporation	Total
1	Solid Waste Management	9242.37	4345.00	13587.37
2	Education	5296.79	3578.60	8875.39
3	Health Care	1819.27	2377.10	4196.37
4	Bus Stands / Bus shelters	6379.65	1725.00	8104.65
5	Markets	2220.95	920.00	3140.95
6	E-Governance	940.75	375.00	1315.75
7	Street lights	1223.55	1015.00	2238.55
8	Parks and play fields	1505.60	728.00	2233.60
9	Water supply	13048.28	7721.00	20769.28
10	Underground Sewerage scheme	98215.48	35225.00	133440.48
11	Urban Transport sector (Roads)	7308.33	9106.00	16414.33
12	Noon Meal Centres	705.08	283.00	988.08
13	Green Town	438.68	175.00	613.68
14	Graveyard	1922.74	473.00	2395.74
15	Public Convenience	1908.36	778.00	2686.36
16	Slaughter House	895.75	164.00	1059.75
17	Storm Water Drain	4603.86	3864.00	8467.86
18	Rain Water Harvesting	1018.55	143.00	1161.55
19	Acquisition of land	0.00	0.00	0.00
20	Slum improvement	1189.80	206.00	1395.80
21	Remunerative Project	136.00	768.00	904.00
22	Office Building	90.00	290.00	380.00
23	Tourist spots	58.00	710.00	768.00
24	Dobhikana	0.00	150.00	150.00
25	Truck Terminal	0.00	0.00	0.00
26	Bridges	90.00	100.00	190.00
27	Working Women's Hostel	0.00	188.50	188.50
28	Heritage Town	0.00	0.00	0.00
29	Human Resource Development	0.00	22.00	22.00
Total		160257.84	75430.20	235688.04

Management of Municipal Solid Wastes

Urban Solid Waste Management (SWM) is an essential social service for protection of environment and health of the citizens. Out of over 700 M.mt. bio-degradable waste produced every year in the country, the quantity produced in major cities is around 40 M.mt; in Chennai, 3000 tones of solid waste is generated every day.

There are the following stages in waste management: Avoidance, Minimization, Recycling, Treatment and Disposal;

4 Rs: Reduce, Re-use, Recycle and Reject.

The major issues in Solid Waste Management in India which have emerged are:

- Waste collection and transportation
- Development and maintenance of land fill sites

The goal is to collect, treat and dispose in an environmentally & socially satisfactory manner & using the most economic means the solid waste generated to make the urban areas clean.

The modern technology involves

- Waste sanitation treatment by herbal sanitizer
- Inoculant - using microbial culture effective in speedy decomposition of bio- degradable segment of garbage
- Composting - Organic residues of plant and animal origin are rapidly converted by the microbe under aerobic water & moist conditions into organic manure
- Processing by passing of decomposed material through mechanical rotary screen and then enrichment of organic manure

The major barriers for private participation in Solid Waste Projects are high project cost due to environmental issues, high interest rates on term loans and the handling of mixed waste increases cost of processing and the revenue from end product cannot sustain cost of investment and operation fully since the end product has to compete with heavily subsidized chemical fertilizers, and is, therefore, unaffordable to average farmers. Further there was a risk of neighbourhood resistance, public litigation and lack of awareness among the farmers about the usefulness of compost from the MSW. SWM projects should not be looked at from the financial cost of the project alone but from the social cost benefit angle also.

With increasing urbanisation and rising levels of municipal solid wastes, there is an urgent need to evolve scientific approaches to the management of municipal Solid wastes. The Municipal Solid Wastes (Management and Handling) Rules, 2000 have been enacted for the proper management of municipal wastes. Management of Municipal solid waste involves the elements of collection, segregation, storage, transportation, processing and disposal and for each of these elements compliance criteria had been stipulated under the Municipal Solid Waste (Management & Handling) Rules 2000. Commissioners of Municipalities / Corporations and Executive Officers of Town Panchayats have been addressed to comply with the implementation schedule prescribed in schedule I of the rules. The Pollution Control Board is advocating the concept of segregation at source, reduction, recycle and reuse of wastes. Municipal authorities have been asked to segregate the wastes as wet compostable waste, dry recyclable waste, domestic hazardous, inert waste and construction debris.

The SWM involves segregation of waste at source, collection, safe transport and safe disposal, preferably after recycling all recyclable wastes. At present, door to door collection of segregated waste covers 2314 wards out of 3392 wards in Municipalities, and 110 wards out of 319 wards in Corporations. The Urban local bodies face a lot of problems, ranging from availability of limited staff, fleet inadequacy, lack of modernisation, labour issues etc. in handling the solid waste. Privatisation of solid waste management is in operation in the municipalities like Tiruppur, Alandur, Rajapalayam, Theni Allinagaram, Vellore, Sivakasi, Karaikudi, Namakkal and Tirunelveli Corporation and this experiment has been successful. It is also proposed to constitute a technical expert committee to draw guidelines for safe disposal of wastes at compost yards and for 'wastes to energy' programmes. It is proposed to augment the fleet strength of the urban local bodies with financial assistance from TUFIDCO and under XI Finance Commission Grants to enable them to handle the garbage generated cent per cent.

Land is required for the disposal of solid wastes. Most of the Municipalities do not have adequate land for compost yard and their financial position is also poor to

meet the expenditure on land acquisition. Considering the poor financial position of the municipalities, it is proposed to allot funds to the municipalities for the purchase of land to set up compost yards.

Thus, the following steps are being taken for SWM:

- (i) Provision of compost yard in every municipality and transfer of 100% garbage to compost yard
- (ii) Segregation at source and door to door collection of wastes; Segregating wastes by manual devices
- (iii) Segregation of recyclable materials from the garbage collected at transfer station (within cities / towns)
- (iv) Composting at transfer station
- (v) Procurement of fleet for collection of garbage (Mechanised small carts, Tipper etc.)
- (vi) Provision of Automatic Compactors in big cities and
- (vii) IEC Activities such as street plays, dramas etc. to create awareness among the public regarding segregation and door to door collection of wastes

Ban on Plastics

All the Municipalities have passed resolution banning the use of plastics within their jurisdiction.

Integrated Development of Small and Medium Town (IDSMT)

This is a centrally sponsored programme. The cost of the project is being shared by the Government of India and State Government. Under IDSMT, development of various infrastructure facilities are being taken up in the small and medium municipal towns. During 2003-04, assistance to the tune of Rs. 855 lakhs was provided for taking up projects in 6 Municipalities and in 2004-05, it is proposed to take up projects in 20 Municipalities, with a provision of Rs. 4600 lakhs during 2004-05.

Mega City Programme

This is Centrally sponsored programme. The cost of the project is being shared by the Government of India and State Government. This is for improvement of commercial projects, cost overrun projects and service projects are being taken in municipalities and Town Panchayats in Chennai Metropolitan Area. In 2003-04 an amount of Rs. 63.70 crores was provided totally to 8 Municipalities and 9 Town Panchayats around metropolitan area. In 2004-05, an amount of Rs. 144 crores is proposed for 8 Municipalities and 9 Town Panchayats around metropolitan areas.

E- Governance

To provide services with efficiency and quickness computers have been installed at all Corporations and Municipalities. Computer professionals also have been appointed in all Urban local bodies to handle the systems and to provide consumer services.

Using latest information Technology tools, appropriate software modules have been developed for Birth and Death Certification, Property Tax collection, water charges collection, financial accounting system, non-taxable items, trade licenses, building plan approval, personnel management system, Solid Waste Management, Management of movable assets, Immovable assets, collection centre software, bankers modules and for Grievances redressal and they are in operation in all Corporations and Municipalities. Additional software modules covering professional tax, vehicles, inventory management, family enumeration, census and electrol roll

have been developed and are under trial. They will be implemented in all Corporations and Municipalities this year. Additional procurement of computer hardware, software and peripherals for all Corporations and Municipalities including Municipal Administration Department and Town Panchayats including Town Panchayats Department at a cost of Rs. 17 crores has been made for improving the quality of life and providing better service delivery, on line citizen services through service centres and banks are in operation in 3 Corporations and 87 Municipalities and are in implementation stage at other 2 Corporations and 15 Municipalities and will be completed during 2004-05. The target date for the implementation of online citizen services through service centres and Banks in all the urban local bodies was fixed as December 2003.

Tamil Nadu is the first State in the Country which has introduced accrual based accounting system in all the ULBs which includes Corporations, Municipalities and Town panchayats.

Rain Water Harvesting

ULBs have initiated various measures for recharging ground water through Rain Water Harvesting techniques.

Under Ground Sewerage Scheme

It is proposed to take up underground sewerage system in 14 Towns and 2 Municipal Corporations at a cost of Rs. 844.00 crores. These projects will be funded through TNUIFSL, TUFIDCO and financial institutions.

Toilets - Integrated Sanitation Programme

Under VAMBAY - Nirmal Bharath Abhiyan Scheme, it has been proposed to construct integrated sanitary complexes to provide sanitation facilities in the urban slum areas especially for the benefit of the woman and children from the poor households in the Municipalities and Municipal Corporations. The toilet complexes will be handed over to user groups for maintenance. In 2002-03, 905 small sanitary units (10 seater) were taken up at a cost of Rs.36.20 crores @ unit cost of Rs. 4.00 lakhs each with grant from Government of India and loan from TNUIFSL, TUFIDCO etc. During 2003-04 proposals have been called for.

Swarna Jayanthi Shahari Rozgar Yojana (SJSRY)

The SJSRY Scheme provides self-employment and wage-employment to the people below poverty line in the ULBs. Under this scheme, gainful employment is being provided to the people living below poverty line in ULBs i.e. Municipal Corporations, Municipalities and Town Panchayats.

Till March 2004, an amount of Rs. 146.67 crores was released for this programme which includes Rs. 86.31 crores central share and Rs. 60.36 crores state's share. The expenditure recorded by end of march 2004 is Rs. 138.15 crores (Rs.80.16 crores from Central share and Rs. 57.99 crores as State's share).

National Slum Development Programme (NSDP)

The main objective of the scheme is to provide basic amenities such as roads, culverts, water supply, streetlights, construction of community latrines, integrated sanitation and rain water harvesting in slum areas. The programme was taken up in a focussed manner in select districts.

During 2003-04, out of the allotment of Rs. 27.11 Crores a sum of Rs. 22.67 crores was allotted for basic amenities and 10% of allotment, i.e. 2.52 crores was for shelter upgradation, in slum areas to benefit 1510 families by upgradation of their

houses. During 2004-05, an amount of Rs. 24.40 crores is proposed to be spent on basic amenities and Rs. 2.71 crores for shelter upgradation, totally Rs. 27.11 crores.

Tamil Nadu Urban Development Project-II

The Tamil Nadu Urban Development Project-II is a World Bank Assisted project implemented at a cost of US \$ 105 million (Rs. 441 crores). This project comprises of two components, viz. on-line lending component and non-lending component. The Tamil Nadu Urban Development Fund (TNUDF) was provided with US \$ 80 million (Rs. 336 crores) for lending programmes and the Project Management Unit, TNUDF-II was provided with US \$ million (Rs. 105 crores) for non-lending components to meet expenses on Institutional Development and Urban Investment for Integrated Sanitation Programme.

The following activities are taken up towards capacity building of Urban Local Bodies:

- (i) Preparation of City Corporate Plans and 5 years Capital Investment programme.
- (ii) Strengthening the Managerial Financial and Technical capacities of Urban Local Bodies through training to elected representatives and officials of urban local bodies.
- (iii) Study tours for officials and elected representatives.
- (iv) Computer support
- (v) Accrual based accounting system.

Under Integrated Sanitation Programme, construction of 525 Sanitary complexes at a cost of Rs. 52.50 crores is under implementation in all the 102 Municipalities and 5 Municipal Corporations (other than Chennai) with Financial assistance of World Bank under TNUDF-II and Government of India - VAMBAY Scheme. Sanitary complexes at an approximate cost of Rs. 10.00 lakhs each have been taken up for construction by Municipalities and Municipal Corporations at appropriate locations to meet the needs of economically disadvantaged sections of the urban community. Apart from toilet facilities, washing and bathing facilities will also be provided and representatives of the users will be selected and trained to maintain the facilities. 524 units have been completed by the Corporations and Municipalities.

The construction of 720 toilets for women and children at a cost of Rs. 18.72 crores in 611 Town panchayats has been taken up with a share of Rs. 13.10 crores from TNUDF-II and all these units will be completed and put into use.

The following programmes / Schemes / projects are proposed to be implemented under Annual Plan 2004-05:

(Rs.in lakhs)

Sl.No	Name of the programme	Outlay for 2004-05
1	Grants to Municipal Corporations as per the recommendations of the Eleventh Finance Commission	1198.77
2	Grants to Municipalities as per the recommendation of the Finance Commission	1314.78
3	Tamil Nadu Urban Development Project-II	10886.00
4	Capital programmes of Infrastructure development by urban local bodies	1000.68
5	Creation of Institutional Finance Monitoring Evaluation Cell in CMA Office	28.98
6	Formation of perspective Planning Cell	9.71
7	Comprehensive Piped water supply scheme in excess fluoride affected areas	51.13
8	Assistance to urban local bodies for solid waste management	150
Total		14640.05

(e) Directorate of Town Panchayat

I. Assistance to Town Panchayats for provision of Basic Amenities

A sum of Rs.10.00 Crores was sanctioned during 2002-2003 under Assistance to Town Panchayats for the provision of Basic Amenities in Town panchayats. Out of the above grant, Water Supply, Road, Drainage works etc. have been provided to the public living in Town Panchayats. Number of works taken up and completed is 1739. Expenditure is Rs.1130.49 lakhs. For 2003-04 and 2004-05, no provision has been made under basic amenities programmes.

II. 11th Finance Commission Grant

A sum of Rs.1349.41 lakhs was allotted for the year 2002-03 for maintenance of Core Civic Services. Number of works taken up and completed till 31.3.2004. is 3956 and the expenditure incurred is Rs 2059.58 lakhs. For 2003-04, a sum of Rs.1349.40 lakhs was allotted and maintenance of Core Civic Services, out of which 1820 works have been and completed. A sum of Rs.1353.45 lakhs has been provided in the Budget Estimate for the year 2004-05 under 11th Finance Commission Grant for maintenance of Core Civic Service works.

III. Clean Town Panchayat Campaign

A sum of Rs.25.00 lakhs was provided in the Budget Estimate for the year 2003-04 and the entire amount was spent and campaigns were conducted. The provision for 2004-05 is Rs.1000/- as token provision.

IV. New Schemes

a) Water Supply

A sum of Rs.100.00 lakhs was provided in the Budget for 2003-04 for the improvement of Water Supply. The amount has been released to 42 Town Panchayats, out of which 97 works such as bore wells with GLR fitted with Motor, Extension of Pipeline Overhead Tank, New Deep Bore Wells have been taken up and completed and put into use for the public purpose. A sum of Rs.100.00 lakhs was furnished in the Budget Estimate for 2004-05 under Part-II Scheme for water supply.

b) Solid Waste Management

A sum of Rs. 3.00 Crores has been sanctioned during 2003-04 under Solid Waste Management programme for 28 Town Panchayats coming under CMDA areas of Kancheepuram and Tiruvallur.

Centrally Sponsored Schemes

I. National Slum Development Programme

During 2002-03, a sum of Rs.911.40 lakhs was sanctioned under NSDP. 1503 infrastructure works have been taken up in slums and completed. The expenditure incurred is 1531.804 lakhs during 2003-04 a sum of Rs.1169.91 lakhs have been allocated under NSDP and the selection of works is in progress.

II. Swarna Jayanthi Shahari Rozgar Yojana Scheme

This is a Centrally Sponsored Scheme and the funding pattern is 75:25. Under UWEP & USEP, a sum of Rs.293.123 lakhs was allocated for the year 2003-04. In the year 2002-03 the allocation was Rs.347.121 lakhs under UWEP. 80% works have been completed. 22,000 mandays have been generated under Self Employment Programme.

Annual Plan 2004-05

A sum of Rs.1349.41 lakhs and Rs.1353.45 has been allotted for the year 2002-03 and 2003-04 respectively for maintenance of Core Civic Services. The number of works taken up and completed are 3956 and the expenditure incurred so far is Rs.2059.58 lakhs.

A sum of Rs.1353.45 lakhs is proposed for the year 2004-05 under this head for maintenance of Core Civic Services works in town panchayats.

Further, a token outlay is shown for 'Clean Town Panchayat Campaign'.

Thus, an amount of Rs.1353.46 lakhs is proposed for the year 2004-05 for Director of Town Panchayats.

Sl.No.	Name of the Programme	Outlay for 2004-05 (Rs. in lakhs)
1	Grants to Town Panchayat as per the recommendation of XI Finance Commission	1353.45
2	Clean Town Panchayat Campaign	0.01
Total		1353.46

(f) New Tiruppur Area Development Corporation Ltd.

Tiruppur is often cited as a good example of public-private partnership in respect of urban infrastructure. The New Tiruppur Area Development Corporation was formed as a public-private partnership under the Indian Companies Act as a Special Purpose Vehicle (SPV) in February 1995. This is the first Water Sector related project developed under the Public-Private Partnership frame in the country. Under this project, facilities would be created to provide water supply access to the Dyeing and Bleaching industries in Tiruppur and the domestic consumers in Tiruppur Local Planning Area. This project is expected to fill the arising gap in infrastructure.

The Government of India, Government of Tamil Nadu, Tiruppur Municipality, and ILFS as promoters have assumed complete responsibility for implementing the project for over 30 years. The following are the broad components of the project:

- A water supply scheme with River Cauvery as source to supply 185 mld and to serve the Tiruppur Local Planning Area and Tiruppur Municipality.
- Comprehensive sewage collection, treatment and disposal system for Tiruppur Municipality including on-site sanitation facilities for slum areas.
- Industrial waste water collection and disposal system.
- Investment in roads, telecommunication and other urban infrastructure facilities.

An amount of Rs.5000.00 lakhs is proposed for the year 2004-05.

Annual Plan Outlay 2004-05

An outlay of Rs.32782.81 lakhs has been proposed for the Urban Development Sector for the year 2004-05.

Sl. No.	Department	Outlay for 2004-05 (Rs. in lakhs)
1)	Town and Country Planning	562.94
2)	Chennai Metropolitan Development Authority	6855.85
3)	Tamil Nadu Slum Clearance Board (Environmental Improvement of Slums)	4370.50
4)	Tiruppur Area Development Programme	5000.00
5)	Municipal Administration Department	14640.05
6)	Director of Town Panchayats	1353.46
7)	Other Scheme (State participation in establishment of America International Group (AIG) IL & FS)	0.01
Total		32782.81

Centrally Sponsored Schemes

Under Centrally Sponsored Schemes, an amount of Rs.4964.16 lakhs is proposed for the Urban Development sector, which includes State's share also. The Centrally Sponsored Programmes envisaged for the year 2004-05 are (a) Scheme for Integrated Development of Small and Medium towns (outlay Rs.1835.91 lakhs) (b) Mega City Programme (outlay Rs.3026.00 lakhs), (c) Comprehensive Piped Water Supply Scheme in Excess fluoride affected areas (outlay Rs.102.25 lakhs).