



AMDA NEWS

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AMDA

The Association of Municipalities and Development Authorities (AMDA), established in 1983, is an association of 65 municipalities and development authorities in the country. As the name signifies, this institution addresses the issues pertaining to interface between the state, municipal bodies and urban development authorities in the realm of urbanization, urban development and urban governance. It offers (a) a valuable forum for members to exchange ideas of topical interest in the field of urbanisation; (b) information on good practices in the field of urban development through newsletters, workshops, seminars, training programmes, applied research and the kind; and (c) a valuable contribution in the field of planned urban settlements and their development. The Association has emerged as a knowledge-integration and experience exchange platform across the country, besides performing an advocacy and interfacing role to improve efficiency of urban local bodies and development authorities. For over two decades, AMDA has been working on issues of planned development and management of cities by sensitising local, state and central governments.

AMDA NEWS is a bi-monthly publication brought out by AMDA. The Newsletter covers major events in the field of urban development. The Newsletter seeks to promote exchange of information on common urban issues having a bearing on urban governance. It endeavours to provide substantive and well focussed information.

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NATIONAL MUNICIPAL ACCOUNTING TRAINING MANUAL

The Ministry of Urban Development, Government of India released 'National Municipal Accounting Training Manual' in November, 2007. In pursuance of the recommendations of the Eleventh Finance Commission and Guidelines for the Utilization of Local Bodies Grants issued by Ministry of Finance, Department of Expenditure, Government of India, the Comptroller and Auditor General (C&AG) of India was to prescribe the Accounting and Budget Formats for Urban Local Bodies (ULBs). Accordingly, C&AG constituted a Task Force, which submitted its report on Accounting and Budget Formats for Urban Local Bodies to the Ministry of Urban Development (MoUD). The Task Force in its report, inter alia, suggested adoption of accrual basis of accounting by ULBs. The report of the Task Force was accepted by the Government of India and forwarded to State Governments for implementation, keeping in view the local requirements.

In this context, MoUD organized a "National Workshop on Municipal Accounting Reforms", wherein it was agreed that the C&AG, with USAID FIRE-D support, would prepare model national municipal accounts manual and a companion model-training manual and common software for computerization of budget and accounts and these will be provided by the MoUD to the State Governments.

To provide a generic framework of National Municipal Accounting and a simplified tool kit, the National Municipal Accounts Manual (NMAM) was developed, based on the Task Force Report. The

C&AG facilitated the development of the NMAM, which was brought out by the MoUD with the objective of providing support to the State Governments in implementing financial management reforms in the ULBs. The USAID FIRE-D project and National Institute of Urban Affairs (NIUA) have supported the initiative. The NMAM is now following this model termed 'National Municipal Accounting Training Manual' (NMATRAM), that State Governments can customize to meet local requirements.

With a view to providing better financial management, improved governance, accounting and transparency of management, MoUD aims at implementing municipal accounting reforms as a part of the mandatory reform agenda under the Jawaharlal Nehru National Urban Renewal Mission (JNNURM).

This model comprehensively deals with the recommendations of NMAM through modern training methodology. The manual is expected to strengthen the capacity of local governments through the introduction of improved financial management, budgeting, accounting and auditing practices. The manual will support the ULBs in their endeavors in achieving the municipal accounting reforms agenda under the JNNURM.

The manual is accompanied by a separate volume meant for elected representatives and top management of ULBs. The information provided will enable them use improved financial management, MIS, financial indicators and techniques to read financial statements in their decision-making process.

National Municipal Accounting Training Manual (NMATRAM)

NMATRAM is intended for the trainers for use as a background material for training the accounting staff on day to day accounting of transactions. The training manual does not replace the national

municipal accounts manual nor does it intend to be a substitute for the same.

NMATRAM uses a Model Municipal Corporation (MMC) to explain the transactions. It starts with introduction to basics concepts of accounting. NMATRAM then takes the user through the entire process of accounting for transactions covering key revenues, expenditure and liabilities and culminates in the preparation of financial statements. The accounting entries have been explained using practical examples that the user can identify with and a model financial statement comprising Trial balance, Income & Expenditure account, Balance sheet, Receipts & Payments account and Cash flow has been prepared based on the entries provided in all the chapters of the manual.

An exercise is provided at the end of each section that the users can use for testing their understanding of the concepts.

The chapters of the manual are arranged in such a way that a study from the first chapter till the end of the manual will enable the user to understand and appreciate the logical steps involved in preparation of financial statements.

The Manual covers all day to day and routine transactions, such as property and other taxes, octroi, cess, water supply, assigned revenue; rental, fees and other incomes; public works, stores, employee related transactions, health and sanitation, other revenue expenditures, grants, borrowings, special funds, investments, fixed assets, loans and advances etc., undertaken at the ULB and for certain chapters such as special transactions, lease and hire purchase, additions/merger of ULB, inter-unit transactions, etc., which discuss non-routine transactions, the users can directly refer the NMAM.

Source: *National Municipal Accounting Training Manual*, Ministry of Urban Development, Government of India.

1. POLICY AND STRATEGY

1.1 WORLD BANK STUDY ON 'ULBs'

A new World Bank study, the first of its kind in India titled '*Synthesis Study of Public Financial Management and Accountability (PFMA) in Urban Local Bodies (ULBs)*' was jointly released by Shri M. Ramchandran, Secretary, Ministry of Urban Development, Government of India, and Mr. Rachid Benmessaoud, Operations Advisor, the World Bank, India on 15 January, 2008 in New Delhi.

The report evaluates the PFMA environment in ULBs and highlights a number of success stories in budgeting, financial planning and procurement. It outlines innovative practices adopted by various states such as Karnataka, Andhra Pradesh and Kerala. For instance, the small town of Kapra in Andhra Pradesh uses budgets for long-term strategic planning, Kerala promotes citizens' participation in planning; and in Karnataka the PROOF initiative has helped to improve budget allocations as well as the municipality's accountability. In the area of budget execution, Tamil Nadu and Andhra Pradesh monitor ULB budgets with good results.

Releasing the report, Secretary, Ministry of Urban Development, said 'Accrual based accounting system and Public Disclosure Law have been chosen as reforms to be adopted by the states and ULBs under the flagship programme of the Ministry of Urban Development - JNNURM. Findings of this study will be useful since the mission will soon be reaching halfway when the areas needing improvement can be effectively handled'. He further said that 31 cities out of the targeted 63 cities (under JNNURM) had already been rated by the credit rating agencies and their shortcomings had been conveyed to the respective urban local bodies. These local bodies were now working on the shortcomings so as to be able to tap the debt market. There is a need of more 'Ahmedabads and Bangalores' referring to the cities since they were the first to adopt

financial management and accrual accounting in order to tap the debt market among all urban local bodies of the country.

On this occasion the Operations Advisor, the World Bank – India, said that 'ULBs and the public at large will gain from better PFMA practices as this would lead to better value for public money for citizens, improved service delivery, and greater transparency and accountability in the spending of public money. It would also improve the financial positions of urban local bodies and increase their creditworthiness, making it easier for them to leverage funds from the capital market for financing infrastructure needs. In India it is seen that ULBs with effective PFMA have reported increased revenue collections, reduced expenditure and improved public image. Here in lie lessons for others.

Findings of the Report

- *Sporadic achievements of improved PFMA in ULBs scattered across the country*
- **Capacity** - most ULBs face problems due to lack of capacity, improper staffing pattern and lack of standardization
- **Legislative Framework** - most ULBs/ State Acts are not people-centric, promote archaic practices, and focus more on compliance
- **Budget Planning** - not considered as a management tool; input based budgeting in most cases
- **Budget Execution** - characterized by large budget variances, rescheduling of budget heads and insufficient budget monitoring
- **Accounting and MIS** - has got a great impetus through JNNURM but needs more support
- **Cash and Fund Flow Management** - improvement in states implementing NMAM; more emphasis on treasury functions

- **Procurement** - *weak laws allow exploitation of procurement regimes, lack standard guidelines, procedures and formats; concept of 'value-for-money' to be firmly established*
- **Internal Control and Audit** - *weak laws; absence of detailed policy guidelines, procedures, and formats internal audits ; no Audit Committees for oversight in many ULBs*
- **Asset and Liabilities Management** - *lack of updated inventory registers and lists of debtors*
- **External Audit and Oversight** - *public disclosure of audited accounts is desirable. There should be a strong demand for accountability of elected representatives*
- **Improve Procurement Performance** – simplification and standardization of procurement norms, improve quality of technical specifications, enhance monitoring, and move towards electronic procurement
- **Staffing and Capacity Building** – revise staffing practices and build capacity of municipal staff through training and hiring as per qualifications
- **PFMA Report Card and Meeting Minimum Fiduciary Standard** – define minimum Fiduciary Standard that all ULB participants in JNNURM should meet
- **Ensuring Compliance** – penalties for non-compliance and delays and incentives for compliance with mandated legislative requirements
- **Improving Public Oversight** – Financial performance of all ULBs should be available to the public; annual performance report and a management discussion and analysis section should be prepared by ULBs within 6 months of year-end

The main constraints to strong PFMA in ULBs are the weak legal framework, low demand for accountability, lack of incentives for compliance or penalty for non-compliance with existing rules, and limited use of available guidelines. The report analyses the linkages that exist between the legislative, budgeting, implementation, reporting and oversight process in urban local bodies and recommends the following:

Recommendations

- **Improving ULB Budget Preparation** – include realistic and participatory frameworks for budget estimation and establishment of appropriate linkages with other state organizations and metropolitan plans
- **Support for Accounting Rules and Manual** – review for international best practices; support ULBs to adopt and implement National Municipal Accounting Manual
- **Review and strengthening of ULB Audit** – strengthen the audit function in urban local bodies through technical guidance and supervision

The report ties in its recommendations with the ongoing urban reforms initiative of the Government of India. In fact, the strengthening of public financial management and accountability (PFMA) systems of ULBs is key to the success of JNNURM.

Source: www.worldbank.org.in, *The Financial Express*, 16 January, 2008 and *IIPA Newsletter*, Vol. LII, No. 2, February, 2008

1.2 AFFORDABLE HOUSING FOR ALL: HIGH-LEVEL TASK FORCE CONSTITUTED

The Government has set up a High Level Task Force, in January 2008, to look into the various aspects of providing 'Affordable Housing for All' under the chairmanship of Shri Deepak Parekh, Chairman, HDFC. As per the notification issued

by the Ministry of Housing and Urban Poverty Alleviation, the terms of reference for the Task Force are as follows:

- Developing innovative financial instruments for bringing flexibility in the housing market;
- Recommending ways and means of enhancing accessibility of EWS/LIG groups to housing with suitable governmental support;
- Examining the framework of Regional Planning and Master Planning with a view to enhancing the supply of developed land;
- Recommending measures for promotion of low-cost building technologies;
- Suggesting steps for enhancing the supply of rental housing;
- Recommending legislative measures for accelerating the supply of housing units for the urban poor;
- Examining various fiscal and spatial incentives for increasing supply of houses to economically weaker sections and low income families;
- Assisting the Ministry in devising an integrated strategy for in-situ slum upgradation with a view to improving the quality of habitat as well as providing the urban poor with places to work and sell; and
- Advising the Ministry about various types of programme initiatives with the aim of achieving the goal of 'Affordable Housing for All.'

The Task Force shall submit its report to the Government within a period of four months from the date of constitution.

Source: *Spatio-Economic Development Record*, Vol. 15, No. 1, January-February, 2008

1.3 'ADB' REPORT ON WATER UTILITIES

The '2007 Benchmarking and Water Utilities Data Book of Water Utilities in India' developed by the Asian Development Bank (ADB) in collaboration with the Ministry of Urban Development covers 20 cities (15 municipal corporations, 2 city boards, 1 municipal council, 1 local autonomous body and 1 private operator). The data book analyses efficiencies of the service providers across thirteen parameters. A summary of the findings based on five parameters is given in Table 1. The table reveals that:

Water supply coverage

Two of the 20 utilities have 100 per cent coverage (Chandigarh and Mumbai) of water supply. Four others have more than 90 per cent, namely, Rajkot (98.1 per cent), Bangalore (92.9 per cent), Nashik (92.6 per cent), and Nagpur (91.5 per cent); Visakhapatnam (49.2 per cent) has the lowest followed by Mathura, Vijayawada, Jamshedpur, and Ahmedabad. The average is 81.2 per cent with 12 utilities falling below 80 per cent coverage. It is no surprise that Visakhapatnam also has the third lowest availability at one hour supply per day. It is noted that those with the highest coverage also have the highest tariffs indicating that people are willing to pay for piped water.

Water availability

It is alarming that the longest available supply is only 12 hours a day (Chandigarh) followed by Amritsar (11 hours), Kolkata (8.3 hours), Varanasi (7 hours), and Jamshedpur (6 hours). The average is only 4.3 hours per day. The shortest supply duration per day belongs to Rajkot (0.33 hour) followed by Indore (0.8 hour), Visakhapatnam (1.0 hour), and Bhopal (1.5 hours). Supply of less than 24 hours poses a health risk and affects metering as well as the ability to reduce unaccounted-for water (UFW) levels. The urban poor are the most affected as they cannot afford the cost of dual systems with individual storage and pumping systems in the home.

Table 1: Efficiency Parameters of Water Utilities in India

S. No.	City	Water coverage %	Water availability (hours)	Consumption (l/c/d)*	Unaccounted for water (%)	Connections metered (%)
1.	Ahmedabad (Municipal Corporation)	74.5	2.0	171.0	-	3.0
2.	Amritsar (Municipal Corporation)	75.7	11.0	86.0	57.0	4.0
3.	Bangalore (Water Supply and Sewerage Board)	92.9	4.5	74.0	45.0	95.5
4.	Bhopal (Municipal Corporation)	83.4	1.5	72.0	-	0.0
5.	Chandigarh (Municipal Corporation)	100.0	12.0	147.0	39.0	79.0
6.	Chennai (Metropolitan Water Supply & Sewerage Board)	89.3	5.0	87.0	17.0	3.5
7.	Coimbatore (City Municipal Corporation)	76.1	3.0	109.0	41.0	100.0
8.	Indore (Municipal Corporation)	77.3	0.8	87.0	-	0.1
9.	Jabalpur (Municipal Corporation)	75.2	4.0	139.0	14.0	0.0
10.	Jamshedpur (Utilities & Services Company, Ltd.)	74.4	6.0	203.0	13.0	0.9
11.	Kolkata (Municipal Corporation)	79.0	8.3	130.0	35.0	0.1
12.	Mathura (Municipal Council)	70.0	2.0	-	-	0.0
13.	Mumbai (Municipal Corporation)	100.0	4.0	191.0	13.0	75.0
14.	Nagpur (Municipal Corporation)	91.5	5.0	100.0	52.0	40.0
15.	Nashik (Municipal Corporation)	92.6	3.5	93.0	60.0	80.0
16.	Rajkot (Municipal Corporation)	98.1	0.3	101.0	23.0	0.4
17.	Surat (Municipal Corporation)	77.4	2.5	-	-	1.9
18.	Varanasi (Jal Sansthan Board.)	77.7	7.0	147.0	30.0	0.0
19.	Vijayawada (Municipal Corporation)	70.5	3.0	158.0	24.0	6.0
20.	Visakhapatnam (Municipal Corporation)	49.2	1.0	124.0	14.0	1.3
Average		81.2	4.3	123.3	31.8	24.5

* l/c/d = litres per capita per day

Consumption

Consumption of around 100-120 litres per capita per day (lpcd) seems reasonable. The high consumption areas are Jamshedpur (203 lpcd), Mumbai (191 lpcd), Ahmedabad (171 lpcd), and Vijayawada (158 lpcd). By contrast, there are a number of low consumption areas, such as Bhopal (72 lpcd), Bangalore (74 lpcd), Amritsar (86 lpcd), Indore and Chennai (87 lpcd), Indore and Chennai have source constraints, Amritsar and Bangalore have high UFW. The average consumption comes to 123.3 lpcd.

Unaccounted-for water

The best performers in terms of low UFW are Jamshedpur (13.0 per cent), Mumbai (13.0 per cent) Jabalpur (14.0 per cent), Visakhapatnam

(14.0 per cent) and Chennai (17.0 per cent) The worst performers are Nashik (60.0 per cent), Amritsar (57.0 per cent), Nagpur (52.0 per cent), and Bangalore (45 per cent). The average figure stands at 31.8 per cent. Metering is a critical component for determining UFW. Only Coimbatore claims to have both production and service connections fully metered. Bangalore and Mumbai have fully production metering but consumption metering levels are 95.5 per cent and 75.0 per cent respectively. Four other utilities have fully metered production but virtually nil to only 40 per cent consumption metering. Hence, UFW figures should be interpreted with caution. Given low coverage and low water availability in some utilities, steps need to be taken to reduce UFW levels. These include 100 per cent metering of production and consumption, repair of visible

leaks, elimination of illegal connections, and identifications and repair of invisible leaks.

Connections metered

Those with high levels of consumption metering are Coimbatore (100 per cent), Bangalore (95.5 per cent), Nashik (80 per cent), Chandigarh (79 per cent), and Mumbai (75 per cent). Except for Nagpur (40 per cent), the rest have less than 10 per cent metering with Bhopal, Jabalpur, Mathura, and Varanasi with no metering at all. The average stands at 24.5 per cent. For Indian water utilities, this is perhaps the single most important area requiring improvement.

Source: *2007 Benchmarking and Data Book of Water Utilities in India*, Asian Development Bank report and *Indian Infrastructure*, Volume 10, No. 7, February, 2008

1.4 STATE OF FOREST REPORT 2005

The 10th 'State of the Forest Report 2005' of India, was released by the Forest Survey of India, Ministry of Environment and Forests, Government of India on 12 February, 2008. This report showed that the forest cover stands at 20.60 per cent of the country's total land area, which is 0.11 per cent less than the last survey conducted two years ago. A comparison from the last survey has shown a 'marginal' loss of 728 sq. km. of country's forest cover.

The forest cover of the country as per the present assessment with help of remote sensing technology, which emerged as an important tool for assessing forest resources, is 67.71 million ha (20.60 per cent of the total geographical area). Of this, very dense forests cover 1.66 per cent of India's geographical area, moderately dense forests cover 10.12 per cent and open including mangroves 8.82 per cent. Contrary to the trend seen in the last survey, there is a marginal increase in very dense forest and a fall of nearly 1,500 sq. km. loss in moderate dense forest.

The report records changes in forest cover between 2002 and 2004. The main threats to

forest cover in this period has been the tsunami in 2004 that devastated large tracts of forests in Andaman and Nicobar Islands, submergence of forest land due to construction of dams in Madhya Pradesh and Chhattisgarh and shifting cultivation as well as bamboo flowering in the North East (Nagaland and Manipur). Some states, such as Arunachal Pradesh, Tamil Nadu and Jharkhand, have shown that plantations and better protection led to an increase in forest cover.

According to the 2005 report, Madhya Pradesh has the largest area under forest cover - 7.6 million hectares, which is 11.22 per cent of the country's forest cover. Other states with large forest cover are Arunachal Pradesh (10.01 per cent), Chhattisgarh (8.25 per cent), Orissa (7.15 per cent) and Maharashtra (7.01 per cent). The hill areas lost 255 sq. km., mainly due to shifting cultivation. Though tribal areas are borne to 60 per cent of all forests, there was a loss of 635 sq. km. in these areas. Nagaland and Manipur saw the maximum loss in forest cover.

The report points to one major area of concern - the Government's own policy says the country's 124 hill districts should have two-thirds of their area under forest cover. However, only 38.85 per cent of the area of these districts is under forest cover. The report shows that apart from forests, another 9.17 million ha which constitutes 2.8 per cent of India's total area - is under tree cover.

Source: *The Indian Express*, 13 February, 2008 and www.fsi.nic.in

1.5 ZERO-WASTE TOILETS

The Environmental Engineering Department of IIT Kanpur has developed a toilet that will reuse the water that goes into flushing rather than discharging it along with the excreta. This will be possible by not allowing water and solid waste to mix. So recycling water will be easy.

According to Dr. Vinod Tare, the brain behind the toilet, the most feasible alternative is not to use

fresh water in toilets because it does not matter what kind of water is used for flushing. This will bring down fresh-water consumption to a large extent, considering that each flush consumes 5-10 litres of water. Indian Railways has approved the design developed by Dr. Tare and his students, and going to experiment with the toilet first on a Chennai -Thiruvananthapuram train. UNICEF has also approached IIT Kanpur for using its innovation for community toilets.

The Mechanism - When these toilets are flushed the vortex movement of water cleans the pan surface and pushes the solid waste downwards into a tank at the centre. While the centrifugal force - acting outwards from a centre of rotation - presses water to the surface of the pan, the geometric design of the surface guides it through a circular path downwards towards the separator. At the separator, the water is guided into pipes in the sides that take it to another tank. The separation is close to 99 per cent.

The pipes are fitted with micro-filters made of high quality poly vinyl chloride which clean the liquid. The micro-filters do not cost more than Rs 100 and last at least a year. Smell traps fitted in pipes and tanks ensure that the toilet does not stink. While the collected solid waste is used for making compost, the filtered water is pumped back into the overhead tank.

In community toilets where electricity may not be available, hand pumps can be used to take the water to the overhead tank. It needs to be pumped twice or thrice a day. After five-six days the tank will be refilled and the waste water - mostly urine, which is rich in nitrogen, potassium and phosphorus - can be evaporated to recover fertilizer. Thus the waste water is discharged.

Solid Treatment - The tank containing solid waste will have exit points that could be connected to pipes. The solid waste can be sucked out and transferred into containers or trolleys. In the railways, once the train moves into the yard, pipes

could be attached to these exit points and the tanks emptied.

The trolleys will dump the waste into a unit identical to a concrete mixer, which will already have some compost in it. Once it is mixed properly, it is dumped outside and allowed to decompose for sometime on its own. This pre-compost is further added to the fresh load of solid waste and the process repeated. After several cycles, the concentrated compost is processed by worms to make vermi-compost.

Using faecal matter in vermi-composting is tricky. The compost currently being produced at the IIT campus, is of good quality and can be bought for Rs 10 a kg. The entire process of taking the solid waste out from the tank, into the trolleys and making the vermi-compost will be done automatically. These toilets are not only environment-friendly but also economic. A basic toilet will not cost more than Rs 5,000.

Source: *Down to Earth*, Vol. 16, No. 17, Jan. 31, 2008

2. STATE INITIATIVES

2.1 HARYANA REHABILITATION POLICY

The Haryana Revenue and Disaster Management Department has notified the policy for Rehabilitation and Resettlement of Land Owners-Land Acquisition Oustees. As per the policy, the land owners would be paid an annuity of Rs 15,000 per acre per annum over and above the usual land compensation for 33 years. The same would be increased by a fixed sum of Rs 500 every year.

In respect of land acquired for setting up of Special Economic Zones, Technology Cities and Technology Parks, in addition to rehabilitation and resettlement package, a sum of Rs 30,000 per acre per annum would be paid for a period of 33 years by private developers and this annuity would

be increased by Rs 1,000 every year. The policy of paying annuity would be applicable to all cases of land acquisition by government, except land acquired for defence purposes. For allotment of plots by Haryana Urban Development Authority (HUDA) and Haryana State Industrial Infrastructural Development Corporation (HSIIDC), the allotment would be made to each cosharer depending upon his share in the land acquired for HUDA and HSIIDC as per the scale mentioned in the entitlement. Plots would be offered if the land proposed to be acquired is under the ownership of oustees on the date of publication under section 4 of Land Acquisition Act, 1894 and if 75 per cent or more of the total land owned by the owner in that Urban Estate is acquired.

Only one time benefit of this policy would be given to the land owners whose land is acquired in pockets at different times. In case, the land owner becomes entitled for a bigger size plot due to subsequent acquisition of his land then differential of the plot already allotted to him should be allowed to him.

Source: *The Indian Express*, 1 January, 2008

2.2 GLOBAL ECONOMIC CORRIDOR IN HARYANA

The Haryana Government has proposed to develop a 'global economic corridor' along the six-lane Kundli - Manesar - Palwal expressway for development of new urban and industrial townships. The Haryana State Industries and Infrastructure Development Corporation (HSIIDC) has decided to set up industrial estates and infrastructure projects in the state. These projects included the Kundli-Manesar-Palwal Expressway, industrial model townships in Rohtak, Faridabad and Jagadhari, and expansion of IMT Manesar, Bawal, Barhi, Rai, Karnal and Saha industrial estates.

The state government has already developed Gurgaon as a mega corridor to the National Capital Region (NCR). Furthermore, the Metro railway services would be extended up to Gurgaon,

Faridabad and Bahadurgarh. The government also proposed to develop Panchkula and adjoining areas in the Chandigarh Capital Region with emphasis on IT and related sectors. A petro-chemical hub is also being set up in Panipat to utilize the capital feedstock from the Indian Oil refinery for downstream units.

Exports from Haryana had exceeded and the major export items were software, automobiles and auto-components, garments, rice, handloom products, scientific instruments, electrical appliances, pickles and guar gum.

Under the new policy initiatives, the state had already attracted investments worth Rs. 28,000 crore in 2006-07 and investments around Rs. 68,000 crore were in the pipeline. There were proposals for setting up 91 Special Economic Zones (SEZs) in Haryana and the Central Government had already approved 57 of these.

Source: *The Hindu*, 10 January, and 15 February, 2008.

3. CITY INITIATIVES

3.1 50 YEARS OF 'DDA'

The Delhi Development Authority (DDA) celebrated its Golden Jubilee in December, 2007. DDA was created in 1957 under the provisions of the Delhi Development Act 'to promote and secure the development of Delhi'.

Delhi became the focus of government activity in 1911 when the British shifted the capital from Kolkata to Delhi. Renowned town planners Edward Lutyens and Herbert Baker planned the city of New Delhi in the year 1912. In 1922 a tiny Nazul Office, the first authority to regulate the planned development of the city was set up. In 1937, the Nazul Office was upgraded to an Improvement Trust, to control building operations and regulate land usage. India's Independence in 1947 and resultant migration increased Delhi's

population from 7 lakh to 17 lakh by 1951. Open spaces were occupied by migrants. Civic services virtually collapsed. Delhi Improvement Trust and Municipal Body, the two local bodies at that time, were not adequately equipped to cope with the changing scenario. In order to plan Delhi and to check its rapid and haphazard growth, the Central Government appointed a Committee under the Chairmanship of Shri G.D. Birla in 1950. This Committee recommended a single Planning and Controlling Authority for all the urban areas of Delhi. Consequently, the Delhi Development (Provisional) Authority (DDPA) was constituted promulgating the Delhi (Control of Building Operations) Ordinance, 1955 and replaced by the Delhi Development Act, 1957 with the primary objective of ensuring the development of Delhi in accordance with a plan. Then, on 30 December, 1957, Delhi Development Authority acquired its present name and its role as the builder of the grand city of Delhi.

Delhi Development Authority, since its inception and during the last 50 years of its existence, has been following the policy of large-scale acquisition of land, which meant that the land identified under the Master Plan for urban extensions was acquired and developed for various purposes so as to ensure integrated development of the city. At the time of inception, DDA had a land bank of 6,648 acres and another 691 acres was transferred by the Ministry of Rehabilitation to DDA.

DDA has acquired 69,907.50 acres of land and developed it for residential, recreational, industrial, commercial and institutional purposes. The process of land acquisition and development ensured that the urban extensions were developed to accommodate the ever increasing population of Delhi and that its development was planned to provide all facilities and amenities.

To accommodate more numbers and to ensure speedy development, this policy was reviewed and is being augmented through private participation of assembling and disposal of land in the Master Plan for Delhi -2021 (MPD-2021).

Hon'ble President of India released a commemorative first-day cover to mark the completion of 50 years of Delhi Development Authority on 13 December, 2007 at the Rashtrapati Bhawan. The President stated on this occasion that every citizen should have access to basic services and liveable habitat, and called for 'efficient management' of civic amenities like water, electricity, sanitation and transport. She said that Delhi was a growing city that demands the modernising of its infrastructure and the provision of basic facilities to all.

Seeking better living conditions for the poor, she said that healthy cities and urbanisation which are sustainable should be more inclusive and equitable. One of the greatest anomalies of growing cities is the co-existence of massive modern structures and sprawling urban slums. A civilised society will look after the interests of each of the citizens especially the weakest and the poorest.

The President suggested encouraging energy efficient and eco-friendly practices and said good governance was a hallmark of safe and secure cities. Transparency in governance and administrative processes should be seen as a tool for effectively curbing the menace of corruption and healthcare systems and education should be emphasized upon.

In conclusion, she remembered the vision of the first Prime Minister Pandit Jawaharlal Nehru and said that while setting up the DDA to make the Master Plan for the Capital of India, Panditji had envisaged a modern capital city that embodied the qualities which he most valued: democracy, secularism, economic development and scientific and technological prowess. That Vision must continue to guide DDA in its work.

Source: *The Hindu*, 14 December, 2007, *Hindustan Times*, 17 January, 2008 and www.dda.org.in

3.2 COMMUNITY PARTICIPATION LAW IN DELHI

The Delhi Government has moved a note for cabinet approval for enacting a 'Community Participation Law' that will make it mandatory for the government and its agencies to get the views of citizens, mainly Resident's Welfare Associations (RWAs) and other citizen's groups, before starting any project.

The move may prove to be as significant as the Right to Information Act in empowering citizens. The cabinet note, currently with the city government's legal department, is in accordance with the norms under the Jawaharlal Nehru National Urban Renewal Mission (JNNURM).

According to, the JNNURM norms there should be municipal committees, ward committees and below ward committees to ensure public participation in the process of decision making. *Bhagidari* exists in Delhi and where there is a very strong presence of RWAs. So there is a need to formulate a law that will give RWAs and other citizens' groups a say in projects taken up in their areas.

Once the cabinet gives its approval and the law is passed by the assembly, for every infrastructure project, the department or agency concerned would need to give a presentation to RWAs who would then be asked to submit their objections or suggestions within a stipulated period of time.

Source: *The Times of India*, 26 February, 2008

3.3 WATER CRISIS IN GHAZIABAD AND GURGAON

The groundwater level in Ghaziabad and Gurgaon is depleting at an alarming rate. In Ghaziabad due to massive extraction and little recharge, the underground water level has fallen by 60 feet in the past one decade. One of the biggest reasons for little recharging is encroachment on waterbodies, which act as water recharging zones.

According to a study, out of 123 ponds and *pokhars* in the municipal limits of Ghaziabad, 82 have either been encroached upon or have been filled up. According to a Supreme Court ruling in 2003, the status of waterbodies like ponds, streams, *pokhars* and *johads* cannot be changed.

On the other hand in Gurgaon large-scale construction activity has resulted in alarming rate of depletion of groundwater. According to Haryana Hydrology Department the groundwater level has gone down by seven metres (approximately 22 feet) in Gurgaon during the last four years between 2003 and 2007. This rate at which the water table has depleted, approximately 4.5 metres per year in four years, is highest when compared to the earlier figure of 22.5 metres in the last 27 years between 1980 and 2007. The factors for decline in water table were over-exploitation of water resources, less forest cover and taming of Sahibi River, among others. Sahibi is a seasonal river which flows from Rajasthan to Narnaul, Bhindawas, Jhajjar. Patoudi and other areas of Gurgaon and Rewari districts. But over the years, people in Rajasthan have constructed bandhs on the river.

A study by Central Ground Water Board has already cautioned that there would be no groundwater left in the next 10 years in Gurgaon if the water level were to go down at this rate. A total of 62,000 hectare metre was being extracted for construction and other purposes in Gurgaon, while the recharge of groundwater was just 47,000 hectare metre.

Source: *Hindustan Times*, 21 Jan. and 20 Feb., 2008

3.4 NEW SYSTEM OF PROPERTY TAX IN 'NDMC'

The New Delhi Municipal Council (NDMC) has amended House Tax Bye-Laws and invited public objections. Privately owned, properties will have the option of paying through this simplified self assessment scheme. Property owners in NDMC

Buddha Nagar (Noida), Bulandshahr, Badaun, Shahjahanpur, Fatehgarh, Farrukhabad. Hardoi, Unnao, Rae Bareli, Pratapgarh, Allahabad, Sant Ravidas Nagar (Bhadoi), Mirzapur, Varanasi, Chandauli and Ghazipur.

- It will connect highly backward UP with the developed western region close to Delhi; lessen the traffic burden of National Highway 24, which connects Varanasi and Delhi.
- Conceived as a toll road, entrepreneurs will also be given rights to develop commercial hubs on the allotted land, which would be in four segments of 250 km each.

Source: *Hindustan Times*, 18 January, 2008

4.3 NEW TOWNSHIPS IN DELHI BY 2021

Five new townships will come up in Delhi by 2021. These will be self-contained sub-cities with hospitals, universities, markets, amusement parks, exhibition centres, art galleries and a modern public transport

system. The first such township is proposed in north Delhi, the second township in south Delhi near Vasant Kunj, the third in west Delhi in Nangloi, the fourth township is proposed in Najafgarh area and the fifth township in north-west Delhi between Rohini and Haryana border.

The Delhi Development Authority, has approved the draft plan of the five new townships. These townships are in keeping with the Master Plan for Delhi – 2021, which provides for two ways to accommodate the growing population within the existing urban units: re-development and extension of the present urban limits. The proposed townships will come up on a total area of. 60,000 hectares and can together accommodate about 73 lakh people of the 230 lakh population by 2021 in Delhi. They will have an estimated 14 lakh dwelling units. Thirty-five per cent of the dwelling units will be reserved for people from the economically weaker sections. Private developers will play a major role in developing these townships.

Source: *Hindustan Times*, 7 January, 2008

AMDA NATIONAL SEMINAR

on

IMPROVING THE QUALITY OF URBAN LIFE WITH SPECIAL REFERENCE TO THE URBAN POOR

on

2-3 May, 2008

India Habitat Centre, New Delhi

Organised by Association of Municipalities and Development Authorities (AMDA)

The Context

Urbanization in India is a critical phenomenon with a dynamic impact not only on rural and urban settlements but also on the economy and society. India has the second largest urban system in the world with 329 million people living in urban areas (2007). It is projected that in 2041, 50 per cent of India's population will be living in urban areas. Urbanization is a catalyst for economic and social change that can result in growth of employment opportunities and improved quality of urban life. Although cities are centres of production, employment and innovation, the rapid urbanization also manifests itself in the form of congestion, inadequate infrastructure, housing shortage, poor access to basic urban services and proliferation of slums with degraded environment. The rise in the total number of urban poor in spite of a consistent decline in its proportion to the total urban population is also a matter of serious concern.

There is an increasing interest around the world on issues relating to quality of life in cities. The main factors which make a city livable include economic and employment opportunities, access to basic services, good educational and health facilities, roads and public transport, affordable housing, recreational facilities, and a healthy environment. The said infrastructure and services are vital for improving the quality of life in cities. Presently, cities in India are marked by a glaring disparity between the lives of the poor and those of the better-off. The poor suffer from lack of employment opportunities, degraded housing, lack of security of tenure and inadequate access to basic services such as water supply, sanitation, health care, education and social security. There is, thus, a need to examine the various policy issues in the specific context of improving the quality of life in cities. Against this background, the National Seminar on 'Improving the Quality of Urban Life with Special Reference to the Urban Poor' is being organized by AMDA to discuss the key aspects of urban employment, urban poverty alleviation, urban and regional planning, urban infrastructure and services, urban environment management and good urban governance. It will also discuss the framework of policies directed towards improving the quality of life in urban areas by promoting and facilitating economically efficient, environmentally sustainable, socially just, politically participatory and culturally vibrant process of urbanization.

The Objectives

Within the above context, the broad objectives of the Seminar are as follows:

- To focus on generation of employment opportunities as the fulcrum of urban poverty alleviation for promoting equitable urban growth and developing inclusive cities.
- To deliberate strategies for enabling urban areas to become engines of economic development by meeting the enhanced demand for urban infrastructure and access to affordable housing with secure tenure and concomitant basic services for the urban poor combined with convergence of social services relating to education, health services and social security.
- To promote the regional planning approach, taking into account the holistic nature of human settlement systems, rather than just rural or urban development policies in isolation by developing a Regional Plan at the state level.
- To discuss critical urban environmental problems and mechanisms for making cities better places to live by developing Master Plans, Zonal Plans and Local Area Plans; promoting public transport systems; and systematically integrating environmental concerns into policy and governance frameworks for enhancing the sustainability of cities.
- To promote good urban governance through decentralization, integration of the poor and marginalized groups, environmental protection and meaningful participation of citizens in the development process.

Seminar Sub-themes

The National Seminar will have five Sub-themes. These are as follows:

- 1) Generation of Urban Employment Opportunities as a means of Poverty Alleviation
- 2) Development of City Infrastructure, Housing and Basic Services for the Urban Poor in the context of JNNURM
- 3) Urban and Regional Planning for Sustainable Urban Development
- 4) Urban Environmental Management
- 5) Urban Governance

GUEST HOUSE AND CONFERENCE FACILITIES

AMDA has a Guest House in its building at 7/6, Sirifort Institutional Area, August Kranti Marg, New Delhi 49. The basic aim of running the guest house is to provide accommodation facilities to the officers of Member organizations who visit Delhi. The Guest House has 10 Air-Conditioned rooms i.e. 3 single bedded, 5 double bedded, 1 tripple bedded and 1 four bedded. All the rooms have attached bathrooms with 24 hour hot/cold water supply. There is one common sitting/dinning lobby where a Colour T.V. has been provided. The Guest House also has one Kitchenette to provide bed tea/coffee to the occupants. Breakfast / lunch / dinner can be arranged on request. Good quality restaurants are situated at 5-minute walkable distance. The **REVISED TARIFF** for the Guest Rooms (w.e.f. August 1. 2006), is as under :-

GUEST HOUSE TARIFF

S. No.	Category of Members	Occupancy			
		Single	Double	Triple	Quadraple
1	External Guests (subject to availability of accommodation)	650	900	1050	1170
2	AMDA members and their staff on duty and authorised guests	325	450	525	585
3	ASRTU members (while on official duty)	490	675	790	880

CONFERENCE ROOM TARIFF

S. No.	Category	Full day (09.00 hrs to 19.00 hrs)		Half day (09.00 to 14.00 hrs) or (14.00 hrs to 19.00 hrs)	
		Working days	Holidays	Working days	Holidays
1	Non-member organisations	Working days	2,000/-	Working days	1,335/-
		Holidays	2,500/-	Holidays	1,670/-
2	AMDA members	Working days	1,000/-	Working days	675/-
		Holidays	1,250/-	Holidays	835/-
3	ASRTU	Working days	1,500/-	Working days	1,000/-
		Holidays	1,875/-	Holidays	1,250/-

CONFERENCE ROOM FACILITY

Overhead Projector : Rs. 500/- per day, L.C.D. Projector : Rs. 2,000/- per day

Not : The damages, if any, caused to OHP Projector and the LCD Projector will be got rectified by the user/organisation concerned.

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