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FROM THE DESK OF CHIEF EDITOR

India is launching her campaign for good urban governance at one of the most radical turning points in the demographic history of mankind. The entire developing world is witness to an unprecedented shift of human settlements to the cities. While India's population remains substantially rural, she is emerging as one of the fastest urbanizing countries in the world, and has already a staggeringly large urban population, around 285 million. It is estimated that by the middle of this century or probably earlier, she would reach the same milestone that the world reached at the beginning of this century - of becoming more urban than rural. The economic base of the nation through expanding industries, trade, commerce and services has already shifted to the urban centres. Cities have strongly emerged as the prime engines of the Indian economy and generators of national wealth. It is time that the nation perforce invests in the destined social and economic functions of cities and ensures that cities deliver a quality of life that would enable them to become national assets and engines of economic growth.

Urban India is facing daunting challenges. Cities must cope with greater numbers, plan to provide them services, find resources to meet needs of maintaining and augmenting infrastructure, respond to the urbanization of poverty, preserve their environment and retain their competitive edge. Enmeshed in the web of rigid, inflexible working cultures and erosion of all round capacity, they must reengineer themselves to face these enormously complex challenges.

That reengineering precisely is the goal of the Good Urban Governance. It envisages improving the quality of life in cities through improved local governance by reinventing a city as an inclusive city. Such a city provides space and voice to all its stakeholders through inclusive decision-making, since such decision-making is at the heart of good governance. The inclusive city allows full flow to women's thoughts and initiatives, since women are one of the biggest levers of positive change in the society. The strategy for achieving the goal and vision is to advocate the norms and country-specific issues of good urban governance and promote inclusive decision-making processes.

The present issue of our Journal consists of papers on various aspects of urban management. It attempts to throw a light on various facets of urban development besides highlighting many of the concomitant problems. I hope this issue of Urban Panorama will attract the readers from both academics and practitioners in the field.

Lucknow
December, 2012

Prof. Nishith Rai
Director

FROM THE DESK OF EDITOR

Urbanization is critical for development of a nation however; urbanization in India has been changing the face of existing cities. Over the last decades, many countries in Asia have experienced rapid economic growth, resulting in increase in urban population however; urbanization in India has been haphazard and unplanned. Urban centres are characterized by squatter settlements, traffic congestion, and deficient of urban basic civic services. While the national governments pursue the goals of economic development, it is generally left to the local governments to manage rapidly growing urban centres and provide basic services to its residents. Most of the urban local governments do not have adequate resources to provide the basic civic services and perform responsibilities effectively. In order to strengthen urban local governments, Government of India, under JNNURM Mission has provided massive resources and support to the local governments in selected cities. Urban management and governance has assumed and increasing importance for achieving the development goals of the nation. The papers in journal suggest a range of issues which require suitable attention.

Sri Ratna Narayan Pandey and Hriday Narayan Pandey in their joint paper entitled Training Need Assessment: A Case Study of Allahabad Municipal Corporation in Uttar Pradesh discuss the need of good urban governance, and human resource development and highlights the specific capacity gap at the apex level. They examine the present status of set of skills that the HR personnel of Allahabad Municipal Corporation possess and their adequacy in delivery of civic services at all levels.

The Municipal Solid Waste Management has become a major environmental issue and the present practices of unscientific disposal of wastes are resulting in environmental degradation. The Greater Hyderabad Municipal Corporation (GHMC) is generating about 4000 MT per day and has huge expenditure of Rs. 897 Crores over the past five years, The available manpower, tools, infrastructure is underutilized due to which the problem is aggravating. Dr. S. Vasanth Kumar suggests certain measures to scientifically identify the quantum of solid waste generated as constancy of purpose, instituting leadership to achieve stakeholder convergence following the TQM principles in his paper.

Mr. Rama Rao in his paper entitled Poverty Appraisal – A Case of Gulbarga City aims at formulating at formulating strategies for prevention of new slums. This paper suggests a systematic approach to slum free city planning and implementation of future policies on poverty alleviation in India. This paper also discusses about the “RAY”

programme which has been initiated by Ministry of Housing and Urban Poverty Alleviation in 2009 for addressing poverty settlements in India. In this context, this paper presents the background of RAY programme, its objectives and the methodology to make slum free cities. This paper analyzes various parameters like Housing, Physical infrastructure, Social Infrastructure and livelihood conditions of the slum dwellers and provides appropriate recommendations.

Sri S. Vivek in his paper on Urban Poverty Alleviation Policies and Programmes highlights the UPA policies and programmes initiated by Government of India and suggest some issues in the implementation of UPA Programmes.

Dr. Kamal Kumar Singh in his paper elaborates the genesis and concept of good governance. He defines how the draft development plan for people especially the poor of Pujali especially the poor of Pujali provides the scope to examine the present situation and plans for the need based improvement of infrastructure, livelihood opportunities and governance to serve the people of Pujali effectively.

Migration has become an important livelihood strategy for many poor groups across the world. Dr. Y. Sreenivasulu analyzes the impact of seasonal circular migration on asset structure and in the alleviation of poverty. The result of the analysis revealed that unequal access to resources induces seasonal or temporary migration for survival among the rural poor. Households owning resources have free movement among the different multiple forms of labour, as well as bargaining capability.

Dr. Rakesh Dwivedi in his paper entitled A Study of Knowledge and Awareness level of Corporators towards 74th Amendment of Constitution and JNNNURM assess the knowledge of corporators on 74th amendment of constitution and awareness of their powers, roles and responsibilities in their wards on different policies, schemes and national programs provisioned for urban development and their planning and performance with community

Smt. Gauravi Dwivedi in her paper on status of Awareness of Urban Couples about Female Foeticide raises the issue in increasing imbalance and assess the leve of awareness and attitude of urban couples about female foeticide and the factors which accelerates female foeticide.

Ms. Anvita Verma in her paper entitled Emancipation of Adolescent Girls analyses the situation of adolescent girls in India especially in urban areas. She assesses the level and factors of stress among adolescent girls and emphasizes on uploading their positivism and inner strength which can motivate and mobilize them towards overall development even in stressful condition.

The urban local bodies are dependent on grants and transfers from state and central governments as their own sources of income are grossly inadequate to perform their assigned functions and responsibilities. Ms. Sangeeta Verma traces the pattern of Revenue income and expenditure of ULBs in U.P. and suggests some important issues to be considered

Ms. Padmini Ram in her paper on Market Solutions for Affordable Housing: An attempt to correct the inequality skew describes that urban growth is achieved by all urban actors, which will in turn compel the society to accept the workings of the poor as part of the mainstream economy.

This will lead to the poor being viewed as active participants in the processes of planning, production, consumption and the market in general. Their active participation in the economy will entail a fairer re-distribution of the gains which in turn will help correct the inequality skew.

Dr. A. K. Singh in his paper entitled Assessment of Municipal Finances: A Case Study of Guwahati Municipal Corporation recommends reducing dependence of local bodies on government budgetary support. They should effectively exploit the revenue potential through rationalization of assessment norms, simplification of procedures; rebate on timely payment, revision of old levies and taxes.

Dr. R. Venkatamuni Reddy in his paper on Fiscal Revolution in India: An overview suggests that balanced regional development has been desired and targeted objectives of the national policy. The main drive of development strategy has to focus on removing the regional disparities with introducing special regional policies, develop the physical and social infrastructure for attracting public (national as well as international) investments.

Sri. T. Aishwarya in his paper entitled Reform Initiatives in Financing and Cost Recovery of India's Urban Infrastructure identifies key issues in pricing & cost recovery of urban services and outlines the institutional, fiscal and financial reforms initiatives by the Government of India to encourage private sector participation and empowering urban local bodies with financial resources to deliver the urban services at municipal level.

Lucknow
December, 2012

Dr. Anjali Mishra
Deputy Director

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I, Nishith Rai, declare that the particulars given above are true to the best of my knowledge and belief.

Nishith Rai

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Financing of Urban Local Governments in Uttar Pradesh

Sangeeta Verma

As we approach 21st century Indian polity has been striving for establishing democratic Goals through modernizing its political and administrative institutions. With a change in development paradigms, the focus of development planning has shifted to participatory development with social justice and equity. It called for decentralized administration, ensuring people's participation in decision making and giving priorities to their local needs. Importantly, with the change in the orientation and structure of development planning from growth to redistribution with growth aimed at increasing the productivity and incomes and providing the minimum basic needs to the population and also raising the living standards of persons living below poverty line, decentralization became a subject of intense debate and alternatives paradigms from imposed to participatory, ensuring people's participation in decision making at the grass-root level of democratic governance. Decentralization literally means the action of reducing or undoing centralization or concentration. In the political sense, complete or total

decentralization would mean 'the withering away of the state' In the development context, it refers to the transfer of authority to plans, make decisions and manage public functions from the national level to any organization or agency at the sub-national level. Thus, decentralization refers to a situation in which lower ranking also have decision units, acquire all powers and responsibilities and also have control over determination of their goals and targets. The forms of decentralization are: decentralization, delegation, devolution of funds and financial decentralization. In the deconcentration form of decentralization, selected functions are taken over by the field officers of central-state hierarchy. Delegation may be defined as transfer of responsibilities to regional or national and usually semi-autonomous government such as states, provinces, districts, municipalities and Panchayats who are obliged to act on the basis of national policies. Financial decentralization refers to the deregulation of centralized state control, the pursuit of strategies to strengthen the private sector and the promotion of

partnership between state officers and private voluntary actors. Interestingly, there are four major dimensions of decentralization, i.e. functional, financial, administrative, and political.

The 73rd and 74th Constitutional Amendment Acts 1992 made the provision for ensuring local self governance through empowering local bodies. Thus, the units of the local self-governments were given the mandatory provisions for establishing Panchayats at three tiers. Importantly, the local bodies have become the units of the government to have a share in decision making and active participation in development process for socio-economic development of the region. Though, the provision of local bodies particularly, Panchayats may be traced out in the historical text, monuments and excavation sites. The role of Panchayats in development has been found praiseworthy in ancient period; however, the credit for strengthening of Panchayats in modern period goes to Britishers. Due to lack of financial and functional autonomy, the Panchayats could not perform well, and had because of non-statutory status of Panchayats, state governments had no mandatory powers to establish the units of local self government. With the enactment of state conformity amendment act 1994, the process of functional and financial devolution to the local bodies was initiated by the state governments.

The Constitution of India has demarcated the responsibilities/ functions of the Centre and states in three distinct lists under the Seventh Schedule (Government of India, 2005). Similarly, the Eleventh Schedule under Article 243(G) of 73rd Amendment specifies 29 broad subjects to be transferred to PRIs by the states (Government of India, no date). As far as the latter is concerned, not all the states have implemented this in letter and spirit. However, the states, by and large, have entrusted the PRIs with the responsibility of providing essential services such as provision and management of drinking water schemes, streetlights, drainage and sanitation, roads, maintenance of community assets and implementation of some rural development and poverty alleviation programmes. Intergovernmental transfers play an important role in fiscal federalism. In the traditional approach, since higher level governments have a comparative advantage in carrying out redistributive and stabilization functions, they should levy all broad based redistributive taxes. On the other hand, for efficiency reasons considerable expenditure responsibility is properly assigned to lower level governments. The resulting vertical imbalance between expenditures and revenues at each level is generally corrected through transfers from the higher to lower levels. Within each level of sub national government, some jurisdictions will inevitably suffer some fiscal disability owing to factors such as below average revenue capacity

and higher unit costs of providing public services. Until the 74th Constitutional Amendment Act, the structure of urban governance in India essentially evolved from the compulsions of urbanization. In principle, the primary responsibilities are vested in the executive Mayor chosen by the elected representatives, and local officials are charged with implementing the decisions taken by the Executive. In addition, governance in smaller municipalities often suffers from inadequate administrative capacity to plan, effectively regulate, raise revenues and implement spending decisions. Moreover, both State and central politicians, in varying degrees in different regions, often interfere in the functioning of municipalities.

Urbanization in the state of Uttar Pradesh is increasing significantly. In order to provide the basic civic services to the urban dwellers, 630 urban local bodies have been set up in the state along with a separate Directorate of urban local bodies for their administration. There are 13 Municipal Corporations, 194 Nagar Palika Parishads and 423 Town Panchayats in the state which have been set up in larger cities, small and medium towns, and transitional towns, respectively. Besides, there are 12 Jal Sansthan, 28 Development Authorities and 71 Zila Panchayats (Table 1).

Revenue income of ULBs during 2009-10 is shown in Table 2 Grants constituted 43.54 per cent in total income

Table: 1
Number of ULBs in Uttar Pradesh
During 2010

Type of ULBs	Number
Nagar Nigam	13
Nagar Palika Parishad	194
Nagar Panchayat	423
Zila Panchayat	71
Development Authorities	28
Jal Sansthan	12
Total	741

Source: Directorate of Economics and Statistics, Govt. of U.P.

of all the local governments during the year while non-tax revenue accounted for 46.54 per cent during the year. Tax revenue of local governments constituted only 9.70 per cent. In case of municipal corporations, general grants constituted 58.79 per cent while non-tax revenue accounted for 22.74 per cent. Thus, tax revenue in the municipal corporations accounted for 18.48 per cent only. Similarly, in case of Nagar Palika Parishad, the share of general grants constituted 81.02 per cent in total income while non-tax revenue accounted for 11.65 per cent only. General grants also accounted for 79.80 per cent in total income of Nagar Panchayats while non-tax revenue of Nagar Panchayats accounted for 12.24 per cent. The share of general grants in total income of Zila Panchayats was also reported significantly high (86.28 per cent). However, the share of general grants was reported low in case of Development Authorities (6.63 per cent).

Table: 2
Revenue Income of ULBs During 2009-10

(In Rs. Lakh)

Name of ULBs	Tax Revenue	Non-Tax Revenue	General Grants	Total Income
Nagar Nigam	36741.70	45202.79	116917.92	198862.41
(%)	18.48	22.74	58.79	100.00
Nagar Palika Parishad	8820.11	14034.03	97588.76	120442.90
(%)	7.32	11.65	81.02	100.00
Nagar Panchayat	3494.15	5370.84	35014.43	43879.42
(%)	7.96	12.24	79.80	100.00
Zila Panchayat	2223.78	10290.67	78695.76	91210.21
(%)	2.45	11.28	86.28	100.00
Development Authority	17019.31	289525.27	21755.41	328299.99
(%)	5.17	88.19	6.63	100.00
Jal Sansthan	10084.60	11639.98	3623.01	25347.59
(%)	39.79	45.92	14.29	100.00
Total	78383.65	376063.58	353595.29	808042.52
%	9.70	46.54	43.54	100.00

Source: Directorate of Economics and Statistics, Govt. of U.P.

Growth of revenue income of local governments in the state is shown in Table 3. Overall, revenue income of local governments has shown an increase of 54.35 per cent during 2006-07 to 2009-10. However, revenue income grew by

146.25 per cent in case of Nagar Nigam. Similarly, the significant growth of revenue income was reported in Zila Panchayats (69.6 per cent) followed by Jal Sansthan (67.75 per cent) and Nagar Panchayats (46.25 per cent).

Table: 3
Growth of Revenue Income of ULBs in U.P.

Types of ULBs	Revenue Income (In Rs. Lakh)			
	2006-07	2007-08	2008-09	2009-10
Nagar Nigam	80754.31	169926.11	205620.73	198862.41
Nagar Palika Parishad	85015.69	112548.11	129603.62	120442.90
Nagar Panchayat	30003.25	55235.94	39173.86	43879.42

Zila Panchayat	53951.29	71831.34	119535.89	91210.21
Development Authority	258692.22	296007.80	368467.25	328299.99
Jal Sansthan	15110.16	18019.38	22832.81	25347.59
Total	523526.92	723568.68	885234.16	808042.52

Source: Directorate of Economics and Statistics, Govt. of U.P.

Pattern of revenue expenditure of ULBs is shown in Table 4. During the year 2009-10, out of total expenditure of local governments, general administration and revenue collection expenditure accounted for 11.30 per cent. Public construction expenditure constituted for 40.61 per cent while miscellaneous expenses accounted 33.65 per cent. In case of municipal corporations, establishment expenses accounted for 9.82 per cent while expenditure for public construction accounted for 37.56 per cent. Miscellaneous expenses

constituted 22.36 per cent during the year. In case Nagar Palika Parishads, more than 1/3rd expenditure was incurred for public construction, miscellaneous expenses constituted 21.48 per cent. In case of Nagar Panchayats, 46 per cent expenditure was incurred for public construction while about 18 per cent expenditure was reported under general administration. Significantly, more than 81 per cent expenditure was reported under public construction in Zila Panchayats while administration expenses constituted only 5.79 per cent.

Table: 4
Pattern of Revenue Expenditure of ULBs
During 2009-2010

(In Rs. Lakh)

Head of Expenditure	Nagar Nigam	Nagar Palika Parishad	Nagar Panchayat	Zila Panchayat	Development Authority	Jal Sansthan	All ULBs
General Administration and Revenue Collection	22306.08	20341.22	7586.94	4960.80	29171.26	13788.27	98154.57
(%)	9.82	16.50	17.88	5.79	8.02	52.36	11.30
Public Health	38838.65	22895.34	5541.96	419.81	5754.18	1899.23	75349.17
(%)	17.09	18.56	13.06	0.49	1.58	7.21	8.67

Safety and Convenience	28470.48	10376.28	3463.05	188.10	1474.97	16.73	43989.61
(%)	12.53	8.41	8.16	0.22	0.41	0.06	5.06
Education	1454.06	320.11	248.39	53.80	0.00	0.00	2076.36
(%)	0.64	0.26	0.59	0.05	0.00	0.00	0.24
Public Construction	85350.05	42928.36	19534.87	69683.69	134017.23	1268.48	352782.68
(%)	37.56	34.80	46.05	81.35	36.84	4.82	40.61
Miscellaneous	50795.17	26496.31	5970.59	10323.41	189411.90	9364.96	292362.34
(%)	22.36	21.48	14.07	12.05	52.07	35.56	33.65
Total	227214.49	123357.62	42345.80	85629.61	359829.54	26337.67	8647.73
(%)	100.00	99.99	99.82	99.96	98.92	100.00	99.53
Repayment of Loan	0.00	10.68	77.29	31.46	3923.45	0.00	4042.88
(%)	0.00	0.01	0.18	0.04	1.08	0.00	0.47
Total Revenue Expenditure	227214.49	123368.30	42423.09	85661.07	363752.99	26337.67	868757.61
(%)	100.00	100.00	100.00	100.00	100.00	100.00	100.00

Source: Directorate of Economics and Statistics, Govt. of U.P.

Growth of revenue expenditure of ULBs in U.P. is shown in Table 5 Overall, revenue expenditure grew by 95.18 per cent during 2006-07 to 2009-10. However, growth of revenue expenditure was reported significantly high in case of

Municipal Corporations (200.14 per cent) followed by Zila Panchayats (103.42 percent), Jal Sansthan (85.74 per cent) and Development Authority (82.87 per cent).

Table: 5
Growth of Revenue Expenditure of ULBs in U.P.

Types of ULBs	Revenue Expenditure (In Rs. Lakh)			
	2006-07	2007-08	2008-09	2009-10
Nagar Nigam	75690.64	111410.77	187826.71	227214.49
Nagar Palika Parishad	86419.45	96765.30	115694.95	123368.30
Nagar Panchayat	27778.79	46116.48	39819.04	42423.09
Zila Panchayat	42110.16	56350.13	124788.60	85661.07
Development Authority	198914.62	250379.82	401744.31	363752.99
Jal Sansthan	14179.89	16934.39	17348.31	26337.67
Total	445093.55	577956.89	887221.92	868757.61

Source: Directorate of Economics and Statistics, Govt. of U.P.

Growth of capital expenditure is show in Table 6. During the year 2006-07 to 2009-10, capital expenditure in local governments grew by 80.05 per cent. However, growth of capital

expenditure was reported significantly high in case of Municipal Corporations (341.46 per cent) followed by Development Authorities (96.41 per cent).

Table: 6
Growth of Capital Expenditure

(In Rs. Lakh)

Types of ULBs	2006-07	2007-08	2008-09	2009-10	Growth
Nagar Nigam	21070.73	30961.48	57347.51	93018.26	341.46
Nagar Palika Parishad	44573.80	50621.86	61972.58	51099.47	14.64
Nagar Panchayat	17712.37	30761.41	20032.03	21900.16	23.64
Zila Panchayat	43275.15	42971.93	94342.47	66342.27	53.30
Development Authority	109506.78	148097.46	202105.89	215078.72	96.41
Jal Sansthan	3199.33	3209.48	2592.45	2647.27	-17.26
Total	239338.16	306623.62	438391.93	450086.15	80.05

Source: Directorate of Economics and Statistics, Govt. of U.P.

The amount transferred to PRIs on the recommendations of State and Central Finance Commission has been shown in Table 7 It is evident from the table that this is a buoyant source of funds as increased in the state's tax revenue automatically leads to higher

devolution of funds to Gram Panchayats. There has been also increasing trend of fiscal devolution from State and Central Finance Commission to the ULBs in the state. The devolution fund constitutes a lion share in the municipal income of the state.

Table: 7
Fiscal Devolution to PRIs and ULBs

(Rs. Crore)

Year	State Finance Commission to PRIs	Central Finance Commission to PRIs	State Finance Commission to ULBs
1996-97	20.00	189.88	—
1997-98	225.00	189.88	415.83

1998-99	300.00	189.88	404.22
1999-2000	328.00	189.88	537.89
2000-01	362.33	233.42	628.92
2001-02	382.00	233.42	628.31
2002-03	393.00	233.42	765.74
2003-04	550.00	233.42	825.00
2004-05	585.00	00	877.00
2005-06	675.00	585.60	1012.25
2006-07	1174.66	292.80	—
Total	5024.99	2571.60	6095.16

Source: 11th Five Year Plan, Government of Uttar Pradesh.

The overall analysis simply demonstrates that PRIs and urban local bodies are depend on grants and transfers from state and Central governments as their own sources of income are grossly inadequate to perform their assigned functions and responsibilities. In case of PRIs, the resources of Kshetra Panchayats are mainly related to

development programmes while Village Panchayats and Zila Panchayats have some sources of revenue generation. However, share of tax revenue is reported low in PRIs. The share of non-tax revenue in total income of ULBs has been found significant in the state however; resource mobilization through user charges in ULBs is still low in the state.

Market Solutions for Affordable Housing : An Attempt to Correct the Inequality Skew

Padmini Ram

Introduction

“The Inclusive City promotes growth with equity.”¹ The idea of need for social integration and inclusion probably began in October 2001, with the Fourth International Forum on Urban Poverty, held in Marrakech. A series of workshops on Inclusive Cities were organized around four thematic areas, namely information and communication technologies; employment policies and finance; housing and social integration policies; and urban governance. The final Report of these workshops organized as part of the forum, was the 'Introductory Report on the Inclusive city'. A decade later, UN Habitat - World Urban Forum 5² still talks of "Cities for all - bridging the urban divide". This in some ways goes to show the sheer scale and magnitude of the issue at hand.

The issue here is clearly of social justice and inclusion. The fact that urban growth which has been off-late been hailed as the 'engine of growth' in India, has been achieved by all urban actors including – and probably at the cost of – the informal sector needs to be acknowledged. This acknowledgement can then form a basis for delivering the

concept of the Inclusive City.

The UN Habitat's Inclusive City initiative is an “emerging network of cities and their development partners committed to practicing and championing inclusive urban governance.” The approach has been envisioned in the following steps – the cities will 1) document their experiences in promoting inclusive urban governance; 2) develop and test indicators for an Index of Good Urban Governance; test innovative approaches and tools to further improve the quality of urban governance in their city; share their experiences with other cities through city-city exchanges, internships, technical co-operation and disseminate their State of the City Reports.

UN-HABITAT report 'State of the World Cities 2010/2011: Bridging the Urban Divide' shows Beijing is the “most equal” city in the world, with a Gini value as low as 0.22 in 2003. The equality in cities is measured by consumption-based Gini coefficients (with a range of 0.27 to 0.37), where zero represents perfect equality and 1 represents absolute inequality. But the report warns that in many developing world cities

“most equal” cities can often mean “equally poor” cities, displaying poor social indicators. It further outlines the action needed to increase equality and inclusiveness as follows:

“Cities wanting to design and implement plans for inclusiveness can only succeed if they fully understand how the social, economic, political and cultural rights can, together, best be integrated into the daily lives of the public. Indeed, viewing economic opportunities in conjunction with other forms of political, social and cultural rights in societies is what builds capable social capital in developing countries. Therefore, to achieve these aims, inclusive cities need to conduct in-depth reviews of their systems, structures and institutions in a bid to improve procedures that would lead to real institutional change.”

It is in keeping with the words of Berner (2001), that the manifestation of social exclusion is “not a clear-cut choice between a regulated and an irregular environment, but one between different sets of constraints”. When the regulatory framework is basically a 'system of extra-legal norms'... “outside interventions are then unlikely to succeed if not accompanied by changes in the formal and/or informal regulatory framework.”

Davis (2007) brings forth the point about the fundamental re-organization of metropolitan space, with “fortified networks being connected to

each other through high speed express lanes.” These “fortified networks” are the gated communities now on the rise in India, especially in the big cities. These up and coming communities are an escape from the “sights of severe poverty” and well equipped with their own retail centres, market place, nurseries, spa-health clubs and restaurants. They are protected by their own 24-hour security with panic buttons. The exit to the community is through a high lane expressway, where the car need not stop. If not the gated communities, the other middle class living is also built on an “architecture of fear” with high walls topped barbed wire, iron bars on all windows and grilled enclosures for balconies.

In spatial terms there is no “informal” city. Every city has a form. As Hanson (2004) mentions from “a design point, the 'holy grail' is seamless travel” where everyone has access to every public place and can “move effortlessly from origin to destination.” However the current 'built' environment is hardly such! Barely these infrastructure, coupled with the high costs of public travel – in places where there is public travel – are only some of the issues to be overcome in terms of inclusive growth and development.

However in reality, one might agree with Captain Troy Thomas when he says, “Rapid Urbanization in developing countries, results in a battle space environment that is decreasingly

knowable since it is increasingly unplanned.” With every passing day, it is becoming harder to define the uncontrolled urbanization - “As housing crisis worsens in most cities, Mumbai slums are invading so far into the Sanjay Gandhi National Park that they are now routinely being eaten by leopards (10 in June 2004 alone) Davis (2007)”. As late as April 2009, as per the Protected Area Update (Vol. XV No. 2), even after the Bombay High Court Order, and Supreme Court written non-interference into the issue, the encroachments still exist. The slum dwellers are demanding a stay on the demolitions.

The geographical, political, economic and practical implication of such a large unplanned landscape is substantial. The Report of the Working group on Strengths and Weaknesses of new urban forms generated by informality and illegality, ESF/N-AERUS Workshop 'Coping with informality and illegality in human settlements in developing cities', Leuven, 23 - 36 May, 2000 has the following recommendations for championing urban governance issues of inclusive city:

“A strategic approach to planning is the only viable option. Strategic planning has to rest upon a consensus of non-negotiable principles that reinforce the public realm, while allowing the flexibility and adaptivity to the dynamics of the city. The inclusive city requires the revision of the official standards and regulations. Norms need to be re-

established to correspond to the needs and capacities of the population...In order to be legitimate they need to be clear, enforceable and enforced in order to limit exclusionary practices.”

The idea that needs to be highlighted here is that the planning of the city must facilitate business of the city in order to encourage the economic patterns of growth. For example, the hawker who serves on the railway platforms for the 4.00 am train needs to get to work by 3.00 am. He is serving an important economic function, which requires him to stay close to the railway station. Proximity to work in this case, as in most, is an important condition for his shelter needs. It also then becomes an important criterion in spatial planning that takes into account the 'dynamics of the city'. Strategies thus need to be based on acceptance of realities. Likewise building codes and planning regulations need to be more attuned to local contextual practices. Having unrealistically high standards that are unaffordable by most of the urban poor would serve little cause. When approaches are based upon acceptance of realities, the tools happen to be – negotiations, adaptations and compromise. These have been the age old tools for restoring social order, which is how the issue of housing needs to be perceived. It is a question of 'who needs to take the heaviest responsibility regarding the illegality of informal settlements' – should it be the urban poor directly, or the organized sectors

(public/private) that engage them for profit and do not pay enough for them to be able to afford homes, or the government perhaps who tolerates an informal society and fails to enforce its regulations of minimum wages. It is a shared responsibility and hence the need for negotiations, adaptations and compromise.

Undeniably cities have become the driving force for the national economies. However, as Nigel Harris (2002) in his Comparative Urban Studies Project Policy Brief viewing cities as Economic Development tools, points out, most managers do not know their city well enough. Hence the economic policy tends to be “reduced to trying to woo outside investors with tax breaks and free land – without much attention to whether the cost of these 'incentives' are greater than any benefits.” This probably also reinforces the belief of the entrepreneurs that their only 'responsibility' is providing employment with or without enough wages for the workers to enable a decent quality of life. Employment perhaps is a glorified word, as it entails minimum benefits of insurance and leave; what is often provided is an opportunity for labour.

He mentions the efforts of the Indian Planning Commission, being aware of the ignorance of role of cities sponsored a whole series of studies³ which however had no effect on the Master Plans. According to Harris it was only the Calcutta Metropolitan Planning

Organization which considered both 'the economy and the physical layout' while drawing the master plan. The plan however, as he reports and as is evident had 'little effect on practice'. The aspirations for an economic development strategy for the city has been so lost, “that the policy of helping the poor can mean little more than assessing what benefits the city can deliver to the poor, the passive recipients of the municipal largesse.” Even when they are involved it is perfunctory. And sadly it is so in the largest democracy in the world.

The Urban Poor – Passive recipients or active participants?

Colin Marx (2006) in his brilliantly written paper, 'Conceptualizing 'the economy' to make urban land markets work for the poor' argues that the popular theories of economic growth and poverty studies depict the poor as non-contributing passive recipients in an economy. It begins with the economy being studied in formal and informal terms, where formal markets are directly related to processes of economic growth. Studies, theories and practices of urban poverty since 1980⁴, according to Marx have “invested in a specific binary understanding to the society”, whereby “the poor are perceived by policy makers to be divorced from the formal markets that comprise the 'real economy'.”

Different land uses have differing potential to contribute to economic

growth. The land market “encourages developers to develop sites to their highest economic potential, picking that use and building at that density that will yield the highest residual land value. Any bid to buy land to be used for a lower intensity use will lose out to bidders who will be able to make a higher offer” (Dowall 1993, 7). As a consequence, the market will be unable to work for the poor. In sum, land markets are considered integral with the dominant view of economic growth processes of the city...Activities that do not contribute to economic growth are therefore held aside until the criteria of efficient land use is perceived as being satisfied. If poor people's economic activities are not considered by policy makers as contributing to economic growth then they will not be addressed as a priority that policy makers make in determining the rationale for the allocation of land (Marx, 2006).

While in reality, there is always a possibility that cheap labour is probably the single most important source of high profits. As discussed under the section 'Inclusive cities', if urban growth is achieved by all urban actors; who decides the equitable distribution of the gains and how? Either their contributions are not counted for lack of appropriate data⁵ or even when “recognized and counted, they remain locked in a subordinate position in relation to the formal economy.” The effect being that the “poor are disabled from making

immediate claims on the results of economic growth and divorced from participating directly in arenas that (re)distribute such results (such as access to land) as may be produced....The consequence for those not regarded as contributing to societal progress, is that the state, elites and indeed poverty researchers are introduced to adjudicate on which of the claims made by poor people are legitimate.”⁶

In most government policies, the need for housing the poor is with the goal of reducing poverty, not to augment economic growth. As argued earlier, it is an economic blunder of the highest order to not consider all of its citizens as part of the human capital. Considering them capital would mean investing in them. Everyone, even the poor need to be seen as contributing to the overall economic growth. Housing the poor would then be an investment than 'meeting an (infinite) consumption need'.⁷

“Economic growth was considered to possess an inbuilt, organic logic that will inevitably increase the standard of living and welfare of the general population (Marx, 2006)” It was supposed to have a trickledown effect. When it came to making claims on gains the 'sieves' were highly absorbent and the projected trickledown never happened. In terms of housing, informal economy is only served by informal markets.

Developing Pro-poor Markets

Boudreaux (2008) in her paper on 'Urbanization and Informality in Africa's Housing Markets', concludes that, "informal housing markets...should not be viewed as the result of market failure, but instead as market response" to the institutional constraints in the affordable housing sector.

Sandhu (2004) talks positively of the "indispensable and significant support" that informal markets have provided to the urban low-income groups in the developing world in terms of "flexible options to access land" and housing. She criticizes the formal markets as being "highly rigid and inflexible, land suppliers being constrained by bureaucratic hassles, lengthy procedures, inappropriate structures, incompetent cadastral systems, inappropriate land use regulations and adjunction processes, and inequitable or poorly developed valuation and tax systems" While mentioning this, she applauds the informal markets for their "ability to deliver according to the economic capacities of the poor".

A market may or may not already exist. In either case, it is certainly not an acceptable solution. The need here is for the market to work in the affordable housing sector within certain regulations/standards of adequate housing provision. As established elsewhere⁸, studies have revealed that at

least a section of the urban poor are capable of and "generally willing to pay for services provided they receive the kinds of services that they need and regard [the exchange] as good value for money."

By examining the formal and informal constraints and thereby restructuring its institutions, the government as the regulatory authority needs to come up with culturally realistic standards of adequate shelter options, involving various tenure and incremental development options. With this backdrop, a stage could be set for the 'market' to operate within the affordable housing sector. Drawing a parallel to the automobile industry which is government regulated, the parameters within which the private sector needs to 'produce and sell' cars are set – the brakes need to work, the safety bags have to be in place etc. The federal/national and state governments regulate auto manufacturing, repair, maintenance, recycling, sales and dealerships. It has to comply with environmental, safety, and import regulations and standards.

There is a need to explore the capability of the market to operate within the affordable housing sector. The study hopes to promote the idea that the poor as citizen deserve to have a choice and a say in what they rightfully demand.

Conclusion

To conclude let us try answering the question, 'how do we correct the

inequality skew?' The starting point has to be acceptance of the fact that urban growth is achieved by all urban actors, which will in turn compel the society to accept the workings of the poor as part of the mainstream economy. This will lead to the poor being viewed as active participants in the processes of planning, production, consumption and the market in general. Their active participation in the economy will entail a fairer redistribution of the gains which in turn will help correct the inequality skew. This of course is easier said than done. It requires change not only at regulatory and institutional level, but also in terms of attitudes and behavior of people – a redefining of the inter-relationships. But it could very well begin in the words of Colin Marx by re-conceptualizing the economy.

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Assessment of Municipal Finances: A Case Study of Guwahati Municipal Corporation

Dr. A K Singh

Introduction

Indian polity since the beginning of 21st century has been striving for establishing democratic goals through modernizing its political and administrative institutions. With a change in development paradigms, the focus of development planning has shifted to participatory development with social justice and equity. It called for decentralized administration ensuring people's participation in decision making and giving priorities to their local needs. The 73rd and 74th Constitutional Amendment Acts, 1992 made the provision for ensuring local self governance through empowering local bodies. Thus, the units of the local self governments were given statutory status and state governments were given the mandatory provisions for establishing three tiers of local governments both in rural and urban areas. Importantly, the local bodies have become the units of the governments to have a share in decision making and active participation in development process for social-economic development of the region. The constitution of 74th Amendment Act, 1992, has marked the beginning of a

historical reform to decentralize power at the grass root level in urban areas of the country.

This Act has provided a constitutional form to the structure and mandate of municipalities to enable them to function as an effective democratic institution of local self government. One of its important objectives is to promote people's participation in planning, provision and delivery of civic services. It introduced some fundamental changes in the system of municipal governance with a new structure, additional devolution of functions, planning responsibilities, new system of fiscal transfers and empowerment of women and the weaker sections of the society. There have been significant changes in the institutional structure for the financing and management of basic services in the post decentralization period. Prior to 1994, the central government was not involved in any transfer of resources to the ULB's. This provision was made by 74th Constitution Amendment Act.

Provision of basic services such as water supply, sewerage, sanitation, solid waste disposal and street lighting has traditionally been the responsibility of

the local governments. These services are being provided through state government departments, state level boards, corporations etc. Public Health Engineering Department, Public Works Department, Urban Development Department, Housing Boards, Department of Local Self Government, Water Supply and Sewerage Boards etc. are some of the departments of the state government which performs municipal functions.

With the passing of 74th Constitutional Amendment Act, Metropolitan Planning Committee and District Planning Committee have been formed to take up developmental activities in the concerned region in place of the parastatals. The ULB's have also been empowered to take up development functions. States have responded in diverse manner with regard to the status of parastatal agencies in the post decentralized period. Many state governments like Kerala and Karnataka have recommended the abolition of the parastatals while some have recommended for a change in their functional role like in Tamil Nadu, Uttar Pradesh, Maharashtra, West Bengal and Andhra Pradesh. Government of India has also recommended modifying the Municipal Act of the states in the lines of Modern Municipal Act, incorporating the Nagar Raj Bill. Bihar is the first and only state who has adopted Modern Municipal Act in toto in order to ensure complete decentralization process. The parastatal

agencies have also been merged with Urban Development Department.

The centrally sponsored schemes like JNNURM, UIDSSMT, Rajiv Awas Yojana, and IHSDP like infrastructure development schemes of Government also focus on financial and functional aspects of decentralization. The schemes aimed at strengthening ULBs through provision of mandatory and obligatory municipal reforms agenda. World Bank in India is mainly contributing in urban water and sanitation project. The Bank has also initiated training programmes in Tamil Nadu, Karnataka and Uttar Pradesh with focus on developing the basic capacity of the staff of ULB's and the state governments. Asian Development Bank has developed its urban lending operation by supporting state-wise urban development projects and credit lines for housing and urban infrastructure through domestic financial intermediaries.

Municipal Financing

In order to strengthen the fiscal base of the urban local bodies, the 74th Amendment empowers the state legislature to enact law in order to:

1. authorize an urban local body to levy, collect and appropriate taxes, duties, tolls, and fees;
2. assign to an urban local body taxes, duties, tolls and fees levied and collected by the state government; and
3. Provide for making grant in aid to

the urban local bodies from the Consolidated Fund of the state.

The principles which shall govern the above fiscal resources have been left to be recommended by the State Finance Commission. The commission shall lay down principles which should govern:

1. the distribution between the state and the urban local bodies of the net proceeds of the taxes, duties and fees leviable by the state, which may be divided between them and the allocation between the urban local bodies at all levels of their respective shares of such proceeds;
2. the determination of the taxes, duties, tolls and fees which may be assigned to or appropriated by the urban local bodies; and
3. the grants in aid to the urban local bodies from the Consolidated Fund of the state.

Urban local bodies derive finances from tax and non tax sources. They also receive funds from the state governments in the form of grants in aid as also a share in taxes collected by the state government. There is some variation among the states in the matter of taxation powers entrusted to the ULB's. However, significant variations exist across states in the application of taxation powers and the rate structure of taxes. Octroi is levied only in a few states while professions tax is limited to few others.

The Constitution of India does not lay down the revenue base for municipalities. The powers to determine their revenue base are tax authority, tax base, tax rate setting, local tax autonomy, or even the grants in aid and other forms of transfers rests with the state governments. Within this framework, the state governments have specified the taxes that the municipalities can levy and collect, which historically have comprised of taxes on land and buildings; taxes on entry of goods into a local area for consumption, use or sale therein; taxes on advertisements other than advertisements published in newspapers; taxes on professions, trades, callings and employment, and taxes on entertainment. In addition, there are charges, fees and fines forming the non-tax base of municipalities. Taxes on property and taxes on the entry of goods into a local area for consumption, use or sale therein (octroi) form the backbone of municipal tax base in India. The revenue base of municipalities in Indian states has shown little change. Octroi, a major source of revenue for municipalities has been abolished without being substituted by any other local source and has substantially shrunk the revenue base of municipalities in such states as Haryana, Orissa, and Rajasthan. However, many states have changed the system of property taxation and are in process of shifting from a single entry, cash based system to an accrual based accounting system. Some corporations have raised funds in the capital markets for financing city based infrastructure activities by using

credit enhancement instruments.

Most common revenue sources available to the municipalities to discharge various local government functions in India can be divided into the

following broad categories: (i) Taxes; (ii) Non-Taxes; (iii) User Charges, fees and sale % hire purchase; (iv) assigned revenues; (v) grants and contribution; (vi) debt and (vii) other revenues (Chart1)

**Chart-1
Revenue Assignment of Urban Local Bodies**

Category	Particulars
Taxes	Property Tax, Advertisement Tax, Tax on Animals, Vacant Land Tax, Taxes on Carriages and Carts, Octroi
Non Taxes, User Charges & Fees	Water Charges, Water Supply Donations, Trade Licensing Fee, Building Permit Fees, Development Charges/Betterment Charges, Mutation Fee, Magisterial Fines, Market Fee, Slaughter House Fee, Encroachment Fee, Parking Fee etc.
Sales & Hire Charges	Sale of Rubbish, Certificate Fees, Sale of Forms, Staff Raters Rents, Shop Room Rents
Assigned Revenues	Entertainment Tax, Surcharge on Stamp Duty, Profession Tax, Motor Vehicles Tax, Entry Tax
Grants & Contributions	
(a) Non Plan Grants	Animal and Vehicle Tax Compensation, Toll Compensation (Octroi Compensation), Property Tax Compensation, Per Capita Grant.
(b) Plan Grants	Road Grants, School Building Grants, Master Plan Grants Integrated Development of Small and Medium Towns (UIDSSMT), SJSRY, NSDP, ILCS, EIVS, UBSP, JNNURM, IHSDP etc.
Debt	Water Supply Schemes, Sewerage Schemes, Roads, ILCs, UIDSSMT, IHSDP, JNNURM, other civic Infrastructure Projects and Capital Works.

Source: P.K. Mohanty, 2005

Property tax is the most important source of taxation in majority of the urban local bodies in the country. A few states like Maharashtra and Gujarat do still have octroi, considered to be an

obnoxious tax and needed to be phased out. The major sources of municipal user charges and fees levied by selected municipal corporations in the country are shown in Chart-2).

Chart-2
Major Sources of User Charges and Fees of Municipal Corporation in India

State	Municipal Corporation	User Charges and Cess
Maharashtra	Greater Mumbai	Water charges, sewerage charges, Building License Fees
West Bengal	Kolkata	Planning Fees, Car Parking Fees, Mutation Fees
Karnataka	Bangalore	Betterment Charges, Building License Fees, Penalty for late Tax Payment
Orissa	Bhubaneswar	Building License Fees, Market Fees, Water Charges, Building related Fees
Gujarat	Surat	Water Charges, Building related Fees, Betterment Charges
Tamil Nadu	Chennai	Building License Fees, Market Fees, Other License Fees, Parking Fees
Andhra Pradesh	Hyderabad	Dangerous and Offensive Trade License Fees, Market Fees, Slaughter House Fees
Uttar Pradesh	Kanpur	Building License Fees, Market Fees

Chart-3. shows the major sources of assigned or shared revenues in selected municipal corporations in the country.

Chart-3
Shared Municipal Revenue in India

State	Municipal Corporation	Shared Municipal Taxes
Maharashtra	Greater Mumbai	Non-agricultural Assessment Tax, Entertainment Tax
West Bengal	Kolkata	Motor Vehicles Tax, Entertainment Tax
Karnataka	Bangalore	Entertainment Tax, Surcharge on Stamp Duty
Tamil Nadu	Chennai	Surcharge on Sales Tax, Duty on Transfer of Property, Entertainment Tax
Gujarat	Surat	Transfer of Immovable Property Tax, Professional Tax, Entertainment Tax

The major sources of grants in aid provided to municipalities are octroi compensation, development grants and urban infrastructure projects based grants (Chart-4).

Chart-4
Major Sources of Grants in Aid to Municipal Corporations in India

State	Municipal Corporation	Grants in Aid to Municipal Corporation
Maharashtra	Greater Mumbai	Primary Education Grant, Secondary Education Grant
West Bengal	Kolkata	Dearness Allowance Grant, Grant to Implement Recommendations of Pay Commission, Water Supply, Sewerage and Drainage Grants
Karnataka	Bangalore	Octroi Compensation, Motor Vehicle Tax Compensation, Family Planning Schemes Grants
Orissa	Bhubaneswar	Salary and Dearness Allowance Grants, Road Development Grant, Primary Education Grant, Secondary Education Grant
Gujarat	Surat	Education Grant, Family Planning Grant, Small Savings Grant
Tamil Nadu	Chennai	Revenue Grant, Contributions, Compensation for Toll
Andhra Pradesh	Hyderabad	Dearness Allowance Grant, Property Tax Compensation, Octroi Compensation, Per Capita Grant, Motor Vehicle Tax Compensation, Road Grant, Education Grant (Primary & Secondary)
Uttar Pradesh	Kanpur	Octroi Compensation, Salary Grant, Education Grant (Primary & Secondary), Medical Grant, Road Grant

Finance is the life blood of ULBs. The municipal sector in India has remained small with its total revenue accounting for less than one per cent of GDP. In terms of both revenue and expenditure they account for a little

above 2 per cent of the combined revenue and expenditure of Central Government, state governments and ULBs. The macro overview of municipal finance in India highlights the significance of municipal finance for the

overall financial well being of the economy and performing the assigned functions by the ULBs. In this part of the report, an attempt has been made to assess the municipal finances in Guwahati Municipal Corporation in Assam. The focus has been given on the structure of municipal revenue and expenditure besides the analysis of trends in municipal revenue and expenditure over the period of last 10 years, comparing pre-JNNURM and post-JNNURM periods.

Guwahati Municipal Corporation

Guwahati, situated in Assam is the state capital and the gateway of North-East region. The population of city was reported 9.63 lakh in 2011. The major revenue income for Guwahati Municipal Corporation is Property Tax, which comprises of general tax, water tax, scavenging tax, light tax and urban tax. At present there are over one lakh assessed holdings and 40,000 water connections to different holdings. Other revenue sources include Trade license fee, Entry toll, Parking fees, Toll and rent from municipal markets, Tax on advertisements, Tax on slow moving vehicles, Animal tax, Building permission fees and penalties, Water connection charge, Fines, Share of motor vehicle tax, Share of entertainment tax, Share of land revenue and surcharge on stamp duty. One of the key factors affecting the financial health of Guwahati Municipal Corporation is the extremely low recovery of the cost of services being rendered by the corporation.

The Corporation has been facing serious problems in collection of pending revenue. The non-payment of outstanding liabilities to vendors and employees is one of the major problems. Due to poor collection and source of revenue income, the Corporation is not able to become self-sustainable. The Corporation is highly depending on the grants from the state government. Due to various reasons, the revenue receipts of the Corporation are very less. Further due to higher estimation of revenue receipts, funds are being diverted from capital account to revenue account to meet the revenue expenditure. Interestingly, all the funds received from government under various schemes have been shown in capital account. The main source of revenue receipts of the Corporation are property taxes, trade licence fee, hoarding and advertisement taxes, statutory shared entertainment taxes, motor vehicle taxes, land revenue and local rates, surcharge on stamp duty, sale of water, market vending charges, and parking places etc. Poor collection taxes, non-payment of property taxes at revised rates by the tax payers, abolition of check gates, non-release of statutory shares of taxes by government in full, are some of the major reasons for acute financial crisis prevailing in the Corporation for last several years. Though, meter system was introduced in water supply for enhancing revenue but the same has not been materialized due to public objection except under Kamakhya Water Supply Scheme.

During the earlier years, there has almost always been revenue deficit because of which funds have been diverted from developmental heads to meet the monthly mandatory revenue expenditure. The deficit is met by the non-plan budgetary support from the government and share of different taxes like entertainment tax, stamp duty, motor vehicle tax, etc. Sometimes even the developmental funds have been diverted to meet up the revenue expenditure.

Apart from this, due to poor financial condition of the Corporation, the total outstanding liability remains at Rs. 46 crore as on March, 2008.

Income Guwahati Municipal Corporation for the last decade is shown in Table 1. The total receipts of the Corporation have no doubt increased more than 15 times from 200-01 to 2008-09. However, the revenue receipts during 200-01 to 2005-06 has declined significantly.

Table1
Income of Guwahati Municipal Corporation

(Rs. '000')

Year	Revenue Receipts	Capital Receipt	Total Receipt
2000-01	285930.60	--	285939.60
2002-03	379000.00	--	379000.00
2003-04	306796.00	--	306796.00
2004-05	373362.00	--	373362.00
2005-06	276434.00	135434.00	411868.00
2006-07	--	--	437706.00
2007-08	--	--	558432.00
2008-09	--	--	4410400.00

Source: Guwahati Municipal Budget

Sources of income in Guwahati Municipal Corporation are shown in

Table 2. During 2000-01 to 2009-10, the income from own resources increased by

197.13 per cent while it was reported significantly high i.e. 319.16 per cent in case of grants provided to the Corporation. During 2009-10, grants and transfers from state and central government constituted

81.08 per cent which is comparatively much higher among the municipal corporations of India. Income from own resources constituted only 19 per cent in the total municipal income during 2009-10.

Table 2
Sources of Income in Guwahati Municipal Corporation
(Rs. '000')

Year	Own Resources	Grants	Loan/Advances	Total
2000-01 (RE)	191196.2	580755.8	--	--
2002-03 (RE)	273409.10	73584.0	16500.00	--
2003-04 (RE)	194046.83	80129.00	--	--
2004-05 (RE)	213141.0	282536.0	--	--
2005-06	276434.0	135400.0	--	--
2006-07	251198.0	125108.0	51400.00	437706.00
2007-08	361205.00	198253.00	--	559458.00
2008-09	782600.00	3604200.0	--	4308600.0
2009-10	568100.0	2434300.0	--	3002400.0

Source: Guwahati Municipal Budget

Pattern of municipal revenue during pre-JNNURM period is shown in Table 3. Municipal taxes constituted slightly less than 1/3rd in the total revenue receipts of the Corporation during 2005-06. Contributions from government as grants-in-aid and assigned taxes accounted for 54.92 per cent during the

year. Income from discretionary taxes, market and slaughter house and municipal properties constituted a nominal share in the total municipal revenue of the Corporation. There has been significant change in the composition of municipal revenue over the period of 2002-03 to 2005-06.

Table-3
Pattern of Municipal Revenue in Guwahati Municipal Corporation
(Rs. '000')

Particulars	2002-03 (Revised)	2003-04 (Revised)	2004-05 (Revised)	2005-06 (Revised)
Municipal Taxes	106634.90	13182.70	136029.00	183865.00
(%)	30.73	4.80	28.97	32.24
Discretionary Taxes	143620.10	147300.00	4723.00	5000.00
(%)	41.39	53.72	1.0	0.88
Contribution from Government as Grants-in-Aid and Assigned Taxes	73584.00	144000.00	282536.00	313197.00
(%)	21.21	5.12	60.19	54.92
Revenue Derived from Municipal Properties	9268.04	9640.20	27723.00	38460.00
(%)	2.67	3.52	5.91	6.74
Realization of Taxes Under Special Acts, Rules and By- Laws	2463.40	5000.00	5397.00	4000.00
(%)	0.71	1.82	1.15	0.71
Other Misc. Revenue	1948.60	1646.70	2566.00	8500.00
(%)	0.56	6.00	0.53	1.49
Market and Slaughter House	9473.70	9940.00	10451.00	17200.00
(%)	2.73	3.62	2.23	3.01
Loan and Advances from Government Under Various Schemes and Projects	16500.00	--	--	--
(%)	4.76	--	--	--
Revenue Receipts	346993.10	274175.83	469425.00	570315.00
(%)	100.00	100.00	100.00	100.00
Capital Receipts	16500.00	--	--	--
Total	363493.10	274175.83	469425.00	570315.00

Source: Guwahati Municipal Budgets

Composition of revenue receipts of the Corporation shows fluctuating trends in pre-JNNURM period. There are 3 major sources of municipal revenue in the Corporation viz., through collection, government grants under revenue non-plan, and other developmental grants from government. During 2003-04, government grants under revenue non-plan constituted 76.63 per cent in total revenue receipts of the Corporation.

Income from collections including taxes, fees and other charges accounted only 18.12 per cent. Other developmental grants from government constituted only 5.25 per cent. During 2001-02, the largest share of income of the Corporation was reported to be through collections (75.55 per cent). The government grants and transfers accounted for less than 1/4th of the municipal revenue (Table 4).

Table-4
Composition of Revenue Receipts in Guwahati Municipal Corporation
(Rs. Lakh)

Particulars	2001-02	2002-03	2003-04
(A) Through Collections	2160.19	2682.36	211.63
(%)	100.00	--	100.00
(1) Property Tax	608.22	684.33	1110.54
(%)	28.16	--	52.59
(2) Trade Licence Fee	247.96	268.80	529.44
(%)	11.48	--	25.07
(3) Market	77.52	95.27	119.50
(%)	3.56	--	5.66
(4) Slow Moving Vehicles	11.36	13.36	36.93
(%)	0.53	--	1.75
(5) Fine and Penalties	25.17	32.57	45.01
(%)	1.16	--	2.13
(6) Water Tax	24.11	32.22	46.79
(%)	1.12	--	2.21
(7) Check Gates and Parking	1102.69	1232.40	55.61
(%)	51.04	--	2.63
(8) Others	63.06	323.41	167.81
(%)	2.92	--	7.95

(B) Government Grants (Under Revenue Non-Plan)	641.70	570.00	895.00
(C) Other Development Grants from Government	57.27	540.64	61.33

Source: Guwahati Municipal Budgets

During 2006-07, property tax constituted more than 1/3rd in the total income of the Corporation. However, this share decline to only 9.12 per cent in 2009-10. Tax on profession accounted for 23.37 per cent in 2009-10 while it was reported only 2.62 per cent

in 2006-07. Revenue grants, contribution and subsidies accounted for 33.3 per cent in 2009-10. Capital account, loan and advances constituted 11.74 per cent in 2006-07 while it was found as low as 0.77 per cent in 2009-10 (Table 5).

Table-5
Income Patterns of Municipal Revenue in Guwahati Municipal Corporation
(Rs. Lakh)

Head of Accounts	2006-07	2007-08	2008-09	2009-10 (Estimated)
Property Tax	1504.43	17067.98	1763.74	2737.00
(%)	34.37	30.51	17.14	9.12
Taxes on Draught Animals and Non-Mechanical Vehicles	31.26	30.44	11.88	59.00
(%)	0.71	0.54	0.11	0.20
Tax on Advertisement	72.66	140.98	126.82	173.00
(%)	1.66	2.52	1.23	0.24
Tax on Profession	650.84	524.97	415.35	700.00
(%)	14.87	9.38	4.04	23.37
Discretionary Tax	2.62	23.50	14.01	56.00
(%)	0.06	0.40	0.14	0.19
Toll on Vehicles	81.92	116.05	67.20	421.00
(%)	1.07	2.07	0.65	1.40
Assigned Taxes	220.00	822.65	--	253.00
(%)	5.02	14.70	--	0.84
Income from Municipal Properties	120.12	139.25	218.38	300.00

(%)	0.57	14.70	2.12	0.94
User Charges and Fees	112.48	85.95	454.16	908.00
(%)	2.57	1.54	4.41	0.33
Revenue Grants Contribution and Subsidies	720.00	1305.87	4185.15	9999.00
(%)	16.45	23.34	4.07	33.30
Capital Account Loan and Advances	514.00	594.00	646.74	230.00
(%)	11.74	1.06	0.28	0.77
Total	4377.06	5594.58	10290.87	30024.00
(%)	100.00	100.00	100.00	100.00

Source: Guwahati Municipal Budgets

Out of total revenue receipts during pre-JNNURM period, income from own sources accounted for significant share (77.14 per cent) in 2004-05. Government and other

revenue grants accounted for 22.86 per cent in 2004-05 while it was found slightly high in 2003-04. There has been revenue surplus during the pre-JNNURM period (Table 6).

Table-6
Financial Position of Guwahati Municipal Corporation

(Rs. Lakh)

Particulars	2001-02	2002-03	2003-04	2004-05
Revenue Receipts	2859.60	3793.00	3067.96	3733.62
(%)	100.00	100.00	100.00	100.00
Own Sources	2160.19	2682.36	2111.63	2880.26
(%)	75.55	70.72	68.83	77.14
Government and Other Revenue Grants	698.97	1150.64	956.33	853.36
(%)	24.45	29.28	31.17	22.86
Revenue Expenditure	2490.58	2697.55	2967.89	--
Revenue Surplus / Deficit	368.58	1095.45	100.00	--

Source: Guwahati Municipal Budgets

Revenue expenditure in Guwahati Municipal Corporation during pre-JNNRUM period is shown in Table 7. The revenue expenditure shows that majority of the funds are used for meeting out establishment and administrative expenses. Expenditure for the salaries accounted for 70.84 per cent in 2003-04 while it was reported high in 2001-02. The administrative expenses also

accounted for 25.35 per cent during 2003-04. Thus, there has hardly substantial amount left over for operation and maintenance and providing services. Even 1.66 per cent funds were utilized for material purchase and thus, only 2.13 per cent funds were utilized for repair and maintenance. Other developmental expenditure accounted for 14.58 per cent during 2003-04.

Table-7
Revenue Expenditure in Guwahati Municipal Corporation

(Rs. Lakh)

Particulars	2001-02	2002-03	2003-04
Salaries	1935.75	1950.76	2101.97
(%)	77.72	72.32	70.84
T.A.	1.52	1.11	1.37
(%)	0.06	0.04	0.05
Other Administrative Expenditure	426.18	636.93	752.23
(%)	17.11	23.61	25.35
Material Purchase	36.76	24.52	49.18
(%)	1.47	0.91	1.66
Repair and Maintenance	90.37	84.23	63.14
(%)	3.63	3.12	2.13
Total Revenue Expenditure	2490.58	2697.55	2967.89
(%)	100.00	100.00	100.00
Other Developmental Expenditure	160.51	233.56	432.76
Loan and Advances	13.00	--	--
Assets	31.58	157.98	45.30
Total Other Than Revenue Expenditure	205.09	391.45	478.06

Source: Guwahati Municipal Budgets

Expenditure in Guwahati Municipal Corporation during the post-JNNURM period is shown in Table 8. Administrative expenses including salaries accounted for about 40 per cent during 2009-10 while more than

2/5th funds were utilized for development of infrastructure projects under JNNURM. Other programme expenses accounted for 16.43 per cent of the total municipal expenses during the year.

Table-8
Expenditure in Guwahati Municipal Corporation

(Rs. Lakh)

Head of Accounts	2007-08	2008-09	2009-10 (Estimated)
Generational Administration	2763.06	3349.00	7778.00
(%)	58.57	44.20	25.91
Administrative Expenses	1088.33	1218.37	4038.00
(%)	23.07	16.08	13.45
JNNURM Infrastructure Project (Capital)	--	1360.94	12099.00
(%)	--	17.96	40.30
Other Programme Expenditure	110.87	194.00	4934.00
(%)	2.35	2.56	16.43
Loans and Advances	--	--	90.00
(%)	--	--	0.30
Miscellaneous and Contingencies	12.25	9.31	45.00
(%)	0.26	0.12	0.15
Repayment Loan	353.00	691.16	299.00
(%)	7.48	9.12	0.99
Capital Work in Progress	224.78	43.06	300.00
(%)	4.77	0.57	0.99
Total	4717.24	7577.24	30022.00
(%)	100.00	100.00	100.00

Source: Guwahati Municipal Budgets

Conclusion

In the context of growing cities

and urbanization, there is need for effective governance. Urban

governance is no more limited to the provision of infrastructure and operation of civic services. The traditional approaches of urban governance are proved to be inappropriate and restrictive. Good urban governance is called for which is characterized by sustainability, equity, efficiency, transparency, accountability, civic engagement, security development of partnerships, etc. There is a need for prudent and efficient financial and asset management to increase their capacity to facilitate market borrowings for investment in urban development. In view of the emerging challenges of urban development, Government of India launched JNNURM with three interrelated and complimentary components i.e. governance, infrastructure development and provision of basic services to poor. Implementation of governance reforms like enactment of community participation and public disclosure laws, earmarking of funds for poverty alleviation by local bodies, levy and collection of user charges, simplification of procedures etc. in identified areas is a precondition for accessing funds under JNNURM.

The Government of India has extended substantial assistance through JNNURM over the seven years period (2005-06 to 2011-12). During the period, funds will be provided for proposals that would meet the Mission's requirements. Under JNNURM financial assistance will

be made available to the urban local bodies and parastatal agencies, which could deploy these funds for implementing the projects themselves or through the special purpose vehicles that may be expected to be set up. Assistance under the Mission is additional central assistance, which would be provided as grant to the implementing agencies. Further, assistance from JNNURM is expected to facilitate further investment in the urban sector. The Ministry of Urban Development, Government of India had estimated that around Rs. 1,20,536 crores would be the investment requirements for the identified 63 cities over 7 years and that Rs. 50,000 crores would be made available as central assistance. However, based on the CDPs submitted, the investment likely to increase. This figure would cross the Ministry of Urban Development, Government of India estimates if the remaining cities were added. As a response to meeting this gap in the envisaged investment requirements between Ministry of Urban Development, Government of India estimates and CDP estimates, the centre may want to increase the corpus availability from Rs. 50,000 crores to a higher amount. But even with the existing estimates, will the ULBs be in a position to garner their own share component given their financial health should be assessed.

Most of the ULBs do not have the financial sustainability for such large

investment estimates. As release of funds is linked to physical progress of the project and improvements in service delivery, investments should happen in line with the absorption capacity of the ULBs. It would be worthwhile to revisit the estimates and prepare projects in line with the ability of the ULBs to sustain such investments. A proactive approach wherein the ULBs prepare their revenue mobilization measures over the long term (not restricting only to the mission period) is required in order to assess the capacity to bear the investments. For instance, a progressive city with a population of around 1.2 million is in the process of preparing a DPR for a mass rapid transport system in its city and the rough estimates reveal that around Rs. 900 crores is required as its own contribution to the project cost. Therefore, it is imperative that the urban local bodies quickly identify other revenue streams and puts in concerted efforts to improve its existing revenue streams. The traditional system of funding based on plan and budgetary allocations have to be minimized and withdrawn gradually, soft options for financing urban infrastructure and services available in the past will have to give way to new fiscal instruments which envisage reduction in subsidies, reduction in plan allocation and improved pricing and cost recovery mechanism. Developing commercially viable infrastructure projects, financing through access to capital markets, credit rating of municipal and urban

infrastructure entities, forging Public Private Partnerships in the provision of urban infrastructure are some of the new approaches that need to be adopted by the city planners to improve the urban situation in the country.

Recommendations

- It is necessary to reduce dependence of local bodies on government budgetary support. They should effectively exploit the revenue potential through rationalization of assessment norms, simplification of procedures; rebate on timely payment, revision of old levies and taxes.
- Municipal governments may be allowed to enjoy fiscal autonomy with freedom of choice in regard to imposing new taxes and revising tax rates. It is argued that municipal bodies are not financially strong enough to tap capital market for undertaking infrastructure works which involve huge capital investment, long gestation period. But the provision of marketing borrowing will certainly motivate the municipal bodies to revamp their financial strength to mobilize resources from market.
- Contracting out of urban services has been quite common in the western countries. In this system, local authority contracts with

private firm or public agency to take responsibility for operation and maintenance of a service or specific tasks. These arrangements can be based on profit sharing arrangement.

- Urban local governments in India are among the weakest in the world both in terms of capacity to raise resources and financial autonomy. While transfers from state governments and the Government of India have increased in recent years, the tax bases of ULBs are narrow and inflexible and lack buoyancy, and they have also not been able to levy rational user charges for the services they deliver. Thus, it is imperative to broaden the tax net and effective implementation of user charges by the ULBs through administrative and political will.
- Local government severely lack the capacity for planning for local economic development and capital investments, preparation and management of projects, financial management and maintaining appropriate accounting and information systems which are crucial to efficient provision of urban infrastructure. Strengthening of local governments in these

areas is imperative.

- User charges need to be structured to meet operation and maintenance cost, debt servicing, and depreciation towards the cost of the project. In addition, they must also generate some surplus to enable building the equity base of ULBs, supported. Moreover, levying of water and sewerage charges, parking, etc. is imperative to increase the net of user charges and non-tax revenue of the ULBs. The user charges are also required to be assessed on regular basis for rationale increase depending on the cost of operation and maintenance and other necessary financial requirements.
- The ULBs must be made an integral part of revenue mobilization. The combination of benefit taxes, user fees, development charges and borrowings for long gestation capital works are appropriate for meeting out growing municipal expenditure. User charges should be based on the marginal cost of additional units of services from the infrastructure and development charges on the marginal cost of extending infrastructure.
- There is imperative need to

evolve a national consensus on the municipal finance schedule for assignment of the ULBs to match the list of functions included in the 12th schedule. The state governments need to provide freedom to ULBs in matters relating to tax base, tax rate and exemptions. The new taxes such as vacant land tax, taxation on central and state governments properties, profession tax, entertainment tax, advertisement tax, business licensing fee or tax, motor vehicle tax, development impact fee, planning permission fee, betterment levy, surcharge on stamp duty on registration deeds and a share in value-added tax, etc. may be included in the scheme of revenue assignment to ULBs.

- Property tax is collected under various municipal Acts with components such as water tax, drainage tax, lighting tax, conservancy tax and general tax. It is desirable that services like water supply, sewerage, solid waste management, drainage may be financed or maintained through user charges as the property tax denotes creation of

infrastructure not for delivering of services and therefore delivery of basic services to the citizens may be operated and maintained through rationale user charges.

- The system of inter-governmental fiscal transfers should be made effective to resolve the problems of vertical imbalance in the assignment of responsibilities and fiscal powers between the centre, state and local bodies. These transfers may be an effective tool to correct the growing vertical imbalance and reduce the inequalities amongst ULBs.
- There is imperative need to review the expenditure norms and rationalizing them to realistic levels. Effective expenditure management and reducing the administrative and establishment expenditure by the ULBs is imperative in the present context. The accounting reforms such as accrual based accounting, and adoption of national municipal accounting manual, etc. is likely to enable the ULBs to improving financial health.

A Study of Knowledge and Awareness level of Corporators towards 74th Amendment of Constitution and JNNURM (With Special Reference to Lucknow and Allahabad)

Rakesh Dwivedi

Urban Development is a State subject and the Department of Urban Development assists the state Governments in their programmes of urban development by way of formulating broad policy frame work, providing legislative support by way of constitutional amendment, legislation or issue of guidelines, implementing a number of centrally sponsored schemes, processing and monitoring assistance from multilateral institutions for State Govt. projects and finally providing technical support and advice for promoting orderly urbanization.

Urban areas and their governance has always been a subject of interest and have traversed various territories, sometimes slippery, sometimes firm, but always a matter of discussion and a favorite of policy making. Efforts have been made by the government repeatedly to create smooth and efficient ways of managing urban affairs. Another leap in this direction was the 74th Amendment Act of the Constitution in 1992. At that time it was considered a path breaking amendment because it aimed at the creation of local governments and dissolution of powers to them in the respective states. It outlined a broad framework of institutions that would act as the local governments

and would ultimately bridge the gap between the government and the governed. The 73rd Amendment Act, which is known as the sister amendment aimed at the creation of stronger, active bodies at the local level in the rural areas.

The people would take part in the issues that affected them directly thereby having a say in the decision-making. These amendments, which came after considerable debate in the country, were quite revolutionary, especially in several States that still relied on a large measure of centralization. People were to be given say in how their communities would develop, their elected representatives at the local level were to be empowered to act in the common interest.

This implied that there would be a structure of local bodies in place, which would be classified, based on population. Therefore, the smaller areas would have municipal councils while the bigger areas will have a corporation. The area in the transitional phase-neither urban, nor rural, will have Nagar Panchayats. These would be the first tier of local government; zonal committees would come in next, further dividing the area. The last and the most important level would be the Ward committees, which would comprise of two or more wards. A two-tier system of Wards committees and a Municipal

council for smaller urban areas and a three-tier system of wards committees, zonal committees and corporation for larger urban areas. The delimitation of a ward was left to the state governments to decide.

The municipalities were to be made responsible of the subjects mentioned in the XII schedule, which included urban planning, land use, water supply, roads, bridges, health sanitation slum improvement etc. in addition to these the XI schedule concerning irrigation, libraries, cultural activities etc have also been added to the local government's share of responsibilities. The authority to take decisions on these subjects was to be transferred by the state governments to the municipalities.

It has been more than a decade since the amendment came into force. Most of the states had ratified it by 1994. At this juncture therefore, it is interesting to ask how has this initiative, once touted as the boldest one, fared so far.

A cursory look at the status of implementation will reveal that most of the states exhibited promptness in accepting the act. In fact majority of the states have a municipal law in place, elections to municipal bodies have taken place twice already in some of the states like Andhra Pradesh, Assam, Haryana, Kerala, Madhya Pradesh, Orissa, Rajasthan, Uttar Pradesh and West Bengal. While this might look like a reason to celebrate, a closer inspection does not present such a happy picture after all. In fact the studies ones undertaken by All India Institute of Local

Self-Government, National Commission to Review the Working of the Constitution, Planning Commission of India, UNDP, National Institute of Urban Affairs and a host of others, so far have pointed towards the plain under implementation of the act. The election commissions have been formed but surprisingly, in certain states, they have not taken an active part in the municipal elections. To illustrate, in states like Assam, Madhya Pradesh, Maharashtra, Andhra Pradesh and Gujarat the SECs issue the notification of elections on its own. But in Uttar Pradesh, Rajasthan, West Bengal, Kerala and Orissa the State Government issues the notification of elections on the recommendations of the SECs. In Andhra Pradesh, Haryana, Karnataka, Punjab, Rajasthan, Madhya Pradesh the task of delimitation of the constituencies lies with the State Governments. The SECs use the electoral rolls prepared for the Assembly. Elections and sometimes when they prepare their own, there are two electoral rolls that differ.

The state finance commissions have remained only advisory bodies, which churn out advice that is never followed. The SFCs of Karnataka, Uttar Pradesh have not only estimated for their funds they have also made evaluation of the loans and advances extended by the government to the local bodies. Almost all the SFCs have asked for own tax sources like stamp duty, motor vehicles, electricity, entertainment, profession etc. but they continue to remain with the state governments. The strings of the purse are still controlled by the State

governments. The imbalance of revenue and expenditure that are the share of the municipalities make them run short of money and inevitably depend on the transfers of funds by the state governments. As state government is dependent on centre for funds, so is local government dependent on state government's support. According to one-estimate municipalities get only 0.6% of the National Gross Domestic product (NGDP) in spite of the fact that cities contribute 90% of the government revenue and 60% of the NGDP.

Jawaharlal Nehru National Urban Renewal Mission

The aim of the mission is to encourage reforms and fast track planned development of identified cities. Focus is to be on efficiency in urban infrastructure and service delivery mechanisms, community participation and accountability of ULBs/ Parastatal agencies towards citizens.

Objectives of the Mission: The objectives of the JNNURM are to ensure that the following are achieved in the urban sector-

- (a) Focused attention to integrated development of infrastructure services in cities covered under the mission.
- (b) Establishment of linkages
- (c) Ensuring adequate funds to meet the deficiencies in urban infrastructural services.
- (d) Planned development of identified cities including peri-urban areas, outgrowths and

urban corridors leading to dispersed urbanization.

- (e) Scale-up delivery of civic amenities and provision of utilities with emphasis on universal access to the urban poor.
- (f) Special focus on urban renewal programme for the old city areas to reduce congestion, and
- (g) Provision of basic services to the urban poor including security of tenure at affordable prices, improved housing, water supply and sanitation, and ensuring delivery of other existing universal services of the government for education, health and social security.

Scope of the Mission: The Mission shall comprise two Sub- Missions, namely:

- (1) **Sub-Mission for Urban Infrastructure and Governance:** This will be administered by the Ministry of Urban Development through the Sub- Mission Directorate for Urban Infrastructure and Governance. The main thrust of the Sub-Mission will be on infrastructure projects relating to water supply and sanitation, sewerage, solid waste management, road network, urban transport and redevelopment of old city areas with a view to upgrading infrastructure therein, shifting industrial and commercial establishments to conforming areas, etc.

(2) **Sub-Mission for Basic Services to the Urban Poor:**

This will be administered by the Ministry of Urban Employment and Poverty Alleviation through the Sub-Mission Directorate for Basic Services to the Urban Poor. The main thrust of the Sub-Mission will be on integrated development of slums through projects for providing shelter, basic services and other related civic amenities with a view to providing utilities to the urban poor.

Expected Outcomes of the JNNURM

On completion of the Mission period, it is expected that ULBs and parastatal agencies will have achieved the following:

- (1) Modern and transparent budgeting, accounting, financial management systems, designed and adopted for all urban service and governance functions
- (2) City-wide framework for planning and governance will be established and become operational
- (3) All urban residents will be able to obtain access to a basic level of urban services
- (4) Financially self-sustaining agencies for urban governance and service delivery will be established, through reforms to major revenue instruments
- (5) Local services and governance will be conducted in a manner that

is transparent and accountable to citizens

- (6) E-governance applications will be introduced in core functions of ULBs/Parastatal resulting in reduced cost and time of service delivery processes.

The study was conducted in Lucknow and Allahabad (January –March 2010) with corporators to assess their knowledge in different schemes, entitlements and roles and responsibilities.

Objectives of the study:

- 1) To assess the knowledge of corporators on 74th amendment of constitution and awareness of their powers, roles and responsibilities in their wards.
- 2) To assess their knowledge on different policies, schemes and national programs provisioned for urban development
- 3) To assess the their planning and performance with community

Material & Methods

Universe & Sample: The universe of the study was constituted by the corporators in the cities of Lucknow and Allahabad. The sample was selected by the process of Random Sampling method and the sample consisted of 98 & 74 in Lucknow and Allahabad respectively.

Methodology used: For the purpose of data collection for the present study, a survey was organized in both cities and through interview techniques the process was facilitated for data collection.

To access the community perspective about the knowledge of

major schemes, roles and responsibilities of corporators and performances of corporators in their area two focused group discussions were conducted in the city of Lucknow with the community members.

Results

The findings of this study are as follows:

Background of Corporators:

- The first query was regarding their age & sex composition of the corporators in cities of Lucknow & Allahabad. The percentages of male & female corporators are 60 % and 38 % in Lucknow & 37 % and 63 % respectively in Allahabad, the male corporators thus being significantly larger than female in Lucknow and female are larger than in Allahabad. While the maximum number 51% and 54% respectively were to be found in the age groups of 36-45 years in Lucknow & Allahabad which mostly from young age group. The second age group 45-60 years has 29% followed by 18% from 21-35 years in Lucknow district.
- The data collected from district Lucknow & Allahabad shows that 83% of the total respondents belonged to the Hindu community and 56% respectively while only 12% were Muslims in Lucknow and 18% in Allahabad and very few 3% from Sikh community in Lucknow. The

findings indicates that maximum number 83% of the corporators belongs to the Hindu community and OBC and SC/ST together constituted 46% of the Hindu respondents as compared to the upper caste corporators which was 54% in Lucknow district. In Allahabad table indicates that maximum number 76% of the corporators belongs to the Hindu community and OBC and SC/ST together constituted 52% of the Hindu respondents as compared to the upper caste corporators which was just 48%.

The educational qualification of corporators in both of the cities was found that 61% of respondents are qualified upto intermediate and Graduation. 20% are qualified up to High School and only 19% were found post graduate shows good educational background of respondents.

Political affiliations: Political affiliation plays very vital role in involvement in various programs, new initiatives and more budget allocation to perform their duties. The findings shows that there are mixed responses based on their affiliations in both of the cities. Maximum 42% of respondents are belongs to BJP followed by 28% from SP. There are comparatively low percentages of 15% of Congress, 10% of BSP in Lucknow city. On the other hand In Allahabad city maximum 30% of respondents is belongs to SP followed by 24% from BSP. There are comparatively low percentages of

15% of Congress, 12% of BJP. There is a major chunk of corporators which is around 19% belongs to other party.

If the political affiliation seen in the perspective of gender in both of the cities; findings show that in Lucknow cities maximum 45% of females were found from the BJP followed by 24 percent from Congress. The SP and BSP female percentage was found very minimum 18 percent and 11 percent respectively.

In the city of Allahabad this was found just adverse to the Lucknow and most of the female respondents were found 28 percent and 21 percent from SP and BSP and very large chunk was found about 27 percent of female corporators from other party. Congress and BSP female corporators were found 13 percent and 11 percent.

So, There is a mixed group of respondents were found in both of the cities and if we segregate with the perspective of gender there is largely 45% of females were found from the BJP followed by 24 percent from Congress in Lucknow and 28 percent and 21 percent from SP and BSP and very large chunk was found about 27 percent of female corporators from other party in Allahabad.

Occupation of respondents: In the city of Lucknow maximum number 60% of the respondents are doing business. And 38% of the total is doing a social work. On the other hand in Allahabad city maximum 73% of the respondents are doing Social Work. It means that maximum respondents like to work with people, work for people and want to serve for community.

The analysis of occupation of corporators was done on the basis of gender and the findings show that in Lucknow city majority of female corporators are doing social work with 53 percent and rest 47 percent are doing some business. In Allahabad city there was found very mixed responses and maximum 28 percent are doing the agricultural work with 23 percent of social work and rest are doing business, service and other work.

Tenure: 69% of the total respondents are elected first time from their wards. 21% of the corporators are been elected for second time in city of Lucknow and in Allahabad 72% of the total respondents are elected first time from their wards. 16% of the corporators are been elected for second time. This was further analyzed with after gender segregation and out of 38 female respondents in Lucknow maximum was elected for first time and this was also shown in Allahabad with 47 female respondents.

Number of Slums in Areas: 78% having 1-5 slums in their wards. 21% of the total respondents having 5-10 slums in their wards in Lucknow and in Allahabad findings clearly show that 89% having 1-5 slums in their wards. 11% of the total respondents having 5-10 slums in their wards.

Further, in perspective of gender in both the cities maximum female corporators having 1-5 slums in their areas.

Knowledge & Awareness about 74th Amendment

74th amendment awareness: The main

characteristic of 74th Constitution Amendment Act, 1992 is that it provides a recognition to the constitution, powers and functions of the urban local bodies for the first time in the history of India. The Act introduces a new part in the Constitution namely part IX-A covering Articles from 243P to 243 ZG. It also introduces schedule 12th in the Constitution, which lists 18 subjects coming under the jurisdiction of municipalities. So, the knowledge and awareness about amendment is very important for implementing as well as planning of activities.

This was also analyzed with the responses of female was found the same pattern of awareness about 74th amendment.

Knowledge about roles and responsibilities: The knowledge about roles and responsibilities of corporators, it is seen that majority of responses coming for construction of roads and bridges, water supply, public amenities including lights, parking, bus stops and safety of public health, sanitation and conservancy in both the cities.

So, from findings reveals that corporators are only focused on the construction related work and they are not aware about development processes like urban poverty alleviation, birth & death registration, ward planning, Slum improvement and up gradation.

This was further analyzed on the basis of gender the same responses were came out from 38 female respondents of Lucknow and 47 female respondents of Allahabad city was found

almost in same line with the male respondents.

Knowledge about major provisions: About knowledge about major provisions for corporators, it was seen that maximum responses came out for knowledge about provision of untied fund because it directly comes to their accounts. Some was having knowledge about funding sources from MP/MLA. Very few responses came out for JNNURM. So, from analysis we can see that respondents are not very much aware about the national schemes like JNNURM because of proper implementation and awareness about scheme in the state of Uttar Pradesh.

Barriers in implementing the provisions: About barrier faced during implementation of provisions. All respondents male and female said about economic problems. Some said about political influences. Very few said that political influence and government interferences are also major barriers in implementing the provisions at community level.

50% women reservation: The 50% women reservation views were found very differences in opinions in male and female. In both the cities male corporators are somehow satisfied with the reservations but on the other hand women corporators were very much aware and enthusiastic about reservation and strongly satisfied.

Knowledge & Awareness about Policies/ Schemes/ JNNURM

Provisions for under national/ state housing/ master plans: Findings shows

the provisions for corporators under national/ state housing/ master plans maximum responses by respondents almost all the respondents said about construction of roads followed by the water supply and construction BPL families housing in both of the cities. Out of these respondents very few said about construction of parks. So, Marjory corporators are not fully aware of national/ state housing/ master plans and same responses were come out from the female corporators in both of the cities.

Knowledge about major schemes for urban poor: The findings reflect the knowledge about major schemes for urban poor in both the cities. Majority of respondents having knowledge about housing construction including parks, community centers and schools and health & sanitation programs are major schemes for urban poor. Some respondents said they also having knowledge about JNNURM are a scheme for urban poor but they do not have knowledge about the major provisions and activities mentioned for them. The knowledge about major schemes for urban poor was further analyzed with segregating the gender was found the same as above analysis in both cities.

Focus areas with community: Majority of corporators (on an average 80 percent) are focusing on water supply, safety of public health, sanitation conservancy and public amenities like lights, parking and bus stops etc. Apart from above three areas ward planning, construction of roads and bridges, poverty alleviation and slum up gradation

and improvement are in next level of priority or focus for community in both of cities. The focus areas with community were further analyzed with segregating the gender was found the same as above analysis in both cities.

Fund received in last Financial Year:

In Lucknow city most of respondents received more than 5 lacks for development of their wards. Some received the more than 1,00,000 - 5,00,000 lacks is seems good. So, we can conclude that as a state capital Lucknow corporators are more privileged in generating the funds for development of their wards. On the other hand in Allahabad city, most of respondents received up to 1 lacks for development of their wards. Very few received the more than 5 lacks is seems good and having potential to generate the funds for their wards.

Findings in respect of the female corporators was again very high in Lucknow and generated the fund more than 5 lacks for their ward and in Allahabad majority of respondents had generated below fifty thousand for their ward shows the difference between the capital and city distant from capital.

Planning process for expenditure the budget:

There is existence of planning process for utilizing the sanctioned budget. Mostly (60 percent) it is planned by visiting other area but in some cases it is being done through monthly meetings or open community meetings.

The planning process for expenditure the budget was further analyzed with segregating the gender

was found the same as above analysis in both cities adding the conducting open meetings in city Allahabad.

Frequency of meeting with community: Mostly community meetings are organized at monthly frequency as reported by more than 75 percent of respondents in both of the cities. Approx one fourth have responded that meetings took place quarterly in both of the cities.

The frequency of meeting with community was further analyzed with segregating the gender was found the same as above analysis in both cities.

Satisfaction with the work/ budget in your ward under JNNURM: Satisfaction with the work/ budget in corporators ward under JNNURM was enquired by the corporators. The majority percentages of corporators are not satisfied with the work/ budget under JNNURM. Very few are satisfied with the work/ budget under JNNURM. So, needs to be more focus in implementation and budgeting under JNNURM. This is due to initiation of JNNURM in the state of Uttar Pradesh; although there were funds routed through the JNNURM but corporators are not aware of scheme from which funds are coming due to lack of awareness about the national scheme and provisions under this for them. When this was attempted with the perspective of gender, majority of female corporators are not satisfied with the JNNURM funding.

The findings from the both of the cities clearly shows that all the corporators had heard about the 74th

amendment of the constitution and they are also aware that they had been elected through this amendment but this was further enquired about their powers mentioned in the amendment was found very less in both the cities. The mostly corporators having knowledge of regulation of land use and construction of building including roads and bridges, Water supply for domestic, industrial and commercial purposes and public health, sanitation conservancy and solid based management. This is due to of funding for these constructions works performed in their wards but other important powers mentioned in the 74th amendment were found very less in both of the cities.

Monitoring of work progress: Majority of respondents are monitoring the work progress through visits is a high frequency means every respondent is conducting visits to sites also as per needs they ask progress with their colleagues in wards and telephonic discussions in both the cities. So, this reflects that corporators are more responsible for their ward progress and monitoring the activities by themselves. In Allahabad city mostly female corporators are accessing the performance by asking the colleagues.

Community perspectives about provisions of corporators: Community awareness about provisions for the corporators in both of cities; majority said that somebody knows about the provisions that reflects the community awareness about provisions are not very good and community mobilization about the schemes are one

of key area to discuss with community.

Community awareness about roles and responsibility: Community awareness about roles and responsibilities of corporators in the city of Lucknow & Allahabad. Findings show that community members are having some knowledge about the roles and responsibilities of corporators. Very few of the respondents said everybody knows about roles and responsibility. So, this is an area of working to aware community members about the roles and responsibilities about the service providers for demand generation and supply of provisions.

This was further segregated in perspective of gender and in both of the cities the frequency of responses of male and female was found on same line.

Involvement in CDP/DPR development process: As per discussion and findings from survey, every corporator involved in the CDP/DPR development processes. It means this an activity in which each corporator involved because of the funding source as well as good budget allocation for their wards. Because of that majority of respondents were strongly satisfied with the budget allocation/ DPR, CDPs processes.

When this was segregated by gender female corporators were found strongly agree with the CDP/ DPR processes and budget allocation in CDP/ DPR development processes.

Community meetings and issues discussed: Issues resolved through conducting community meetings was an

area of enquiry with the corporators in Lucknow and Allahabad city and this was found that all corporators are conducting community meetings for resolving the community level issues and resolving the issues emerged from the community. Unlikely to rural community urban people are more concerned about the basic amenities and service. In their monthly meetings with corporators, mostly issues related to road, drinking water, parks, water supply and sewerage and waste management discussed with community.

With the perspective of gender this was seen that mainly focused areas of female corporators were problem of road, drainage, water supply and electrification in both of the cities.

Problem solving with community: The solving of community related problems in the ward of corporators of Lucknow and Allahabad. Majority of respondents are going to the field and discussing the problems with community members and taking appropriate actions on that complementing with interfacing, through telecom and in office for resolving of issues.

ULB meetings, issues raised and outcome of meetings: The attendance in ULB meetings of corporators in both of the cities was found that almost all the corporators are attending the ULB meetings either male corporators or female corporators.

The second thing was asked to them about the raising the issues in these meetings. The findings show that most of the respondents reported that in the last meeting, which they attended; generally

1 or 2 issues were raised by the corporators and this was frequency was seen in male and female corporators equally.

Findings show that after raising the issues in ULB meetings majority of issues were resolved through this meeting. But on the other hand a good number of issues which are pending or no action had taken.

Problems during tenure: The main problems during the tenure of corporators in their wards was found an area of enquiry in both of the cities and this was found that most of the members (85 percent) reported that the common problems they come across are problem of roads, drainage, water supply, electrification and sewerage and solid waste management.

Main problem resolved during tenure: The problems resolved during the tenure of corporators in both of the cities was found that despite the higher occurrence of problems related to basic amenities like roads, electricity, sewerage, waste management, parks and drainage, mostly problem of road and drainage was solved by the ward members/ ULBs in both of the cities and this was observed that male and female corporators had answered on the same line.

Major Challenges: All most all respondents consider the poor economic condition of people and government interference as a biggest challenge and few of them (32 percent) consider the political influence as a challenge.

Priorities in tenure: Mostly construction of roads, drainage, electrification, water

supply and sewerage and solid waste management is considered as the top most priority by majority (95 percent) of members/ ULBs and same trend was observed when the analysis was done on the basis of gender.

Community Perspectives: To access the community perspective about the knowledge of major schemes, roles and responsibilities of corporators and performances of corporators in their area two focused group discussions were conducted in the city of Lucknow with the community members. The findings of the focused group discussions are as follows:

Knowledge about major schemes: After conducting the focused group discussion with the community members this was found that they have very limited knowledge about the schemes running in their wards. They have only recalling the work related to construction of roads, bridge, buildings and waste management because they worked in these schemes and got monetary benefits.

The community members were found unaware about the JNNURM, Untied funds, MP/ MLA funds. But mostly people said that hand pumps were installed in their areas from MP/ MLA funding sources.

So, awareness about national program like JNNURM is less among community members needs to more emphasize though distribution of pamphlets/ street plays or other communication mediums.

Roles and responsibilities of

corporators: The second topic was discussed with the community members about the knowledge of roles and responsibilities of corporators and this was found that very few percentage of people are knowing only two to three responsibilities related to construction work. Community members are not aware with other roles and responsibilities were found an area of working with the corporators and there is a need of intervention.

Community meetings: The third topic of discussion was the conduction of community meetings by the corporators in their areas for resolving the community related issues and setting the priorities based on the outcome of meeting. As per discussion with the community members this was found that no such formal meetings are organizing in their areas and they were recalling on or two meetings which were organized long day back.

So, as per discussion with corporators they are conducting the community meetings but when discussion was held with the community members this was found that no such meetings are organizing for discussion and resolving the issues. So, the involvement of community members in conceptualizing and planning of activities for their ward was found missing.

Performance of corporators: As per discussion with community members about the performances of corporators there was mixed responses came out. Some people are satisfied with the work of corporators and some are not satisfied

with the work of corporators. This topic was found highly politically influential so, the FGD was concluded with this discussion.

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Fiscal Devolution in India: An Overview

R. Venkatamuni Reddy

I-Introduction

India is a large and heterogeneous country with wide divergences and inequalities in economic and social development. In view of the significant inter-state inequalities in fiscal and social infrastructure, fiscal devolution and transfers have significant implications for balanced regional development in India in an environment of economic reforms and globalization. Balanced regional development has been one of the major objectives of national policy. The management of regional inequalities has been a major concern for policymakers for the past decades. The eight Five Year Plan (1992-97) noted that the balanced development of different parts of the country, extension of the benefits of economic progress to the less developed regions and wide spread diffusion of industry are among the major aims of planned development. The 11th Five year Plan has visualized inclusive growth with balanced regional development in India. A variety of fiscal and regional development programmes have also tried to promote regional balanced development. A recent study conducted by World Bank (2008) has categorized

the states into lower income states, north-eastern special category states, middle income states and higher income states. In this paper, we will find the over 60 years of trends in various major influence economic indicators i.e. 1950-51 to 2010-11 and also summary results of Finance commission (1st FC to 13thFC) approaches and Plan periods (1st Plan to 11th Plan) Percentage Share of Centre, States & UTS in Plan Expenditure. It will help to understand the Indian economic trend over 60 year.

II- Social Indicators Linkage with Fiscal Devolution

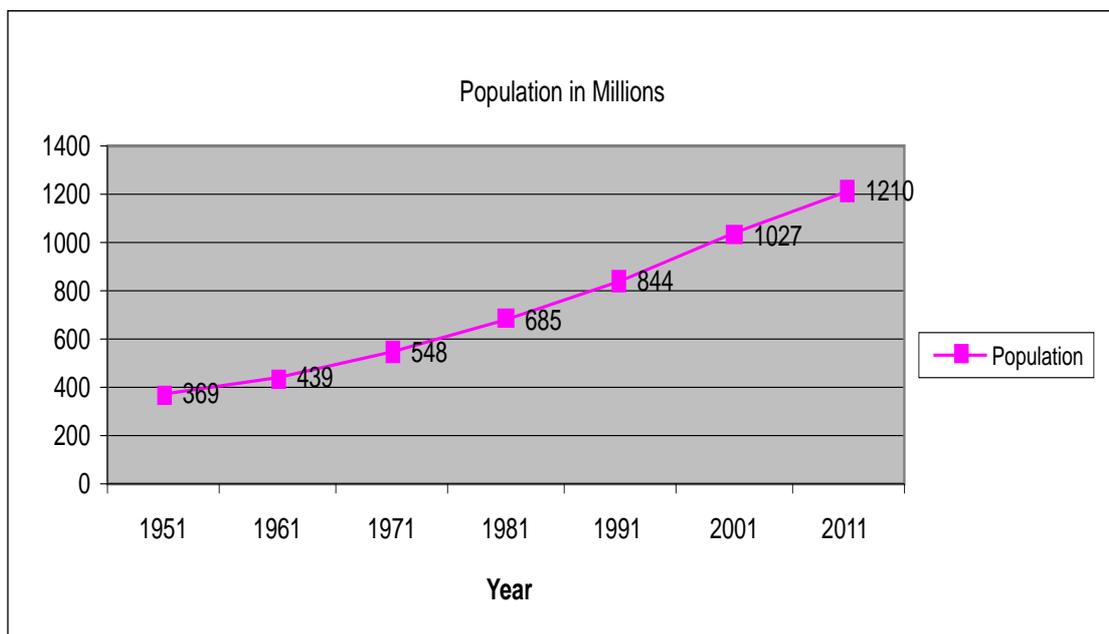
2.1) Population Growth : 1951-2011

India's population in 1951 was about 369 million, which has increased by more than four times a population of 1,210 million in 2011. The population of India has increased by more than 181 million during the decade 2001-2011 it can be seen in details in chart 2.1. The absolute addition is slightly lower than the population of Brazil, the fifth most populous country in the world. India is the second largest country in the world in terms of population after China (1.34 billion). The three most populous countries in the world, China (1.34

billion), India (1.21 billion) and USA (308.7 million) together constitute more than 40% of the total population of the world. The decadal growth of population

for India as a whole has declined from 23.87% in 1981-91 to 21.54% in 1991-2001 to 17.64% in 2001-11. We can find the decadal trend in the below graph.

Chart 2.1: Population (in Millions) 1951-2011



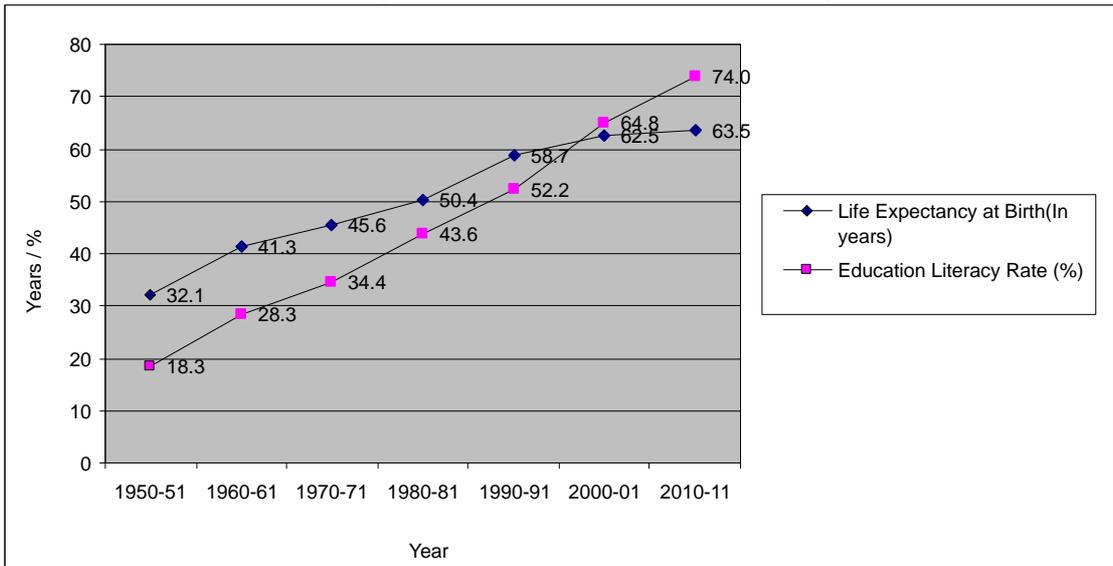
Source: Various Census Reports

2.1) Literacy Rate and Life Expectancy at Birth

The effective literacy rate for India in census 2011, works out to 74 %. The country has continued its march in improving literacy rate by recording a jump of 9.2 % during the year 2001-2011. However, the efforts are still required to achieve the target of 85% set by Planning

Commission to achieve by the year 2011-2012. The life expectancy of population had increased from 32.1 years 1950-51 to 63.5 in the year 2010-2011. This is an indication that there had been an improvement in the mortality situation for both males and females. Literacy need to redefine with specific categorical areas it means Technology, Computational. etc...

Chart 2.2: Life Expectancy at Birth and Education Literacy Rate 1951 to 2011



Source: Various Census Reports

III-Institutional Arrangements for the Fiscal Transfers in India: Finance Commissions

Financial relation Centre and the state: India possesses a federal structure in which a clear distribution is made between the unions and the state functions and sources of revenue. Our constitution provides residual powers to the Centre. Article 264 and 293 explains the financial relations between the union and the state government.

Although the state have been assigned certain taxes which are levied and collected by them, they also share in the revenue of certain union taxes and there are certain other taxes which are levied and collected by the central government but whole proceeds are transferred to states. The constitution provides residuary powers to the Centre.

The Indian constitution makes a clear division of fiscal powers between the Centre and state government

The criteria for distributing among States the proceeds of taxes to be shared mandatory under Articles 269 and 270 and permissively under Article 272 were to be determined solely by the Finance Commission. Table 3.1 gives the details of the respective years covered by the successive Finance Commissions from the 1st (1952-53 to 1956-57) to the 13th (2010-11 to 2014-15).

3.1) Finance Commission

Finance commission constituted to define financial relations between the Centre and the state. Under the provision of Article 280 of the constitution, the president appoints Finance Commission for the specific purpose of devolution of non-plan revenue resources. The

functions of the commission are to make recommendations to the president in the following way

- i) Distribution of net proceeds of taxes to be shared between the union and the state
- ii) The principles which should

govern the payment of grants-in-aid by the Centre to states

- iii) Any other matter concerning financial relations between the Centre and the states

The period covered by the successive Finance Commissions are present in the table 3.1

Table 3.1: Chronology of Finance Commissions of India

S#	Finance Commission	Year and Month of Establishment	Year and Month of Reporting	Period of Award	Name of the Chairman
1	First	1951 - November	1952 - December	1952-53 to 1956-57	K C Neogy
2	Second	1956 - June	1957 - September	1957-58 to 1961-62	K Santhanam
3	Third	1960 - December	1961 - December	1962-63 to 1965-66	A K Chanda
4	Fourth	1964 - May	1965 - August	1966-67 to 1968-69	P V Rajamannar
5	Fifth	1968 - February	1969 - July	1969-70 to 1973-74	Mahavir Tyagi
6	Sixth	1972 - June	1973 - October	1974-75 to 1978-79	K Brahmananda Reddy
7	Seventh	1977 - June	1978 - October	1979-80 to 1983-84	J M Shelat
8	Eighth	1982 - June	1984 - April	1984-85 to 1988-89	Y B Chavan
9	Ninth	1987 - June	1988* - July and 1989# - Dec	1989-90* and 1990-91 to 1994-95#	N K P Salve
10	Tenth	1992 - June	1994 - November	1995-96 to 1999-00	K C Pant
11	Eleventh	1998 - July	2000 - July	2000-01 to 2004-05	A M Khusro
12	Twelfth	2002 - November	2004 - November	2005-06 to 2009-10	C Rangarajan
13	Thirteenth	2007 - November	2009 - October	2010-11 to 2014-15	Vijay Kelkar

Source: Various Finance Commission Reports.

Note: *=First Report, #= Second Report

3.2) 3.2) Bases of Distribution of State Share: Parameter as Population and Other Factors

After determining the quantum of central tax revenue it will transfer to the states in terms of the vertical sharing formula. The Finance Commission proceeds to determine the principles of

horizontal sharing of the sharable proceeds among the states. For that the main issues for the Finance Commission is to decide the relative weight to be assigned to the variety of criterion available for the purpose. The indices adopted by the various Finance Commissions and their relative weights

are indicated in table 3.2.

The initial Finance Commissions, up to the third used the indicators of reallocation and redistribution only, for the purpose of inter se sharing, giving as high as 80 % to 90 % weight to population and the balance, in case of income tax to the source. From seventh FC it reduced the weight assigned to population to 20% for the reasons that population was not a progressive criterion and in any case population being used for scaling the

other factors was reflected adequately in the distribution formulae.

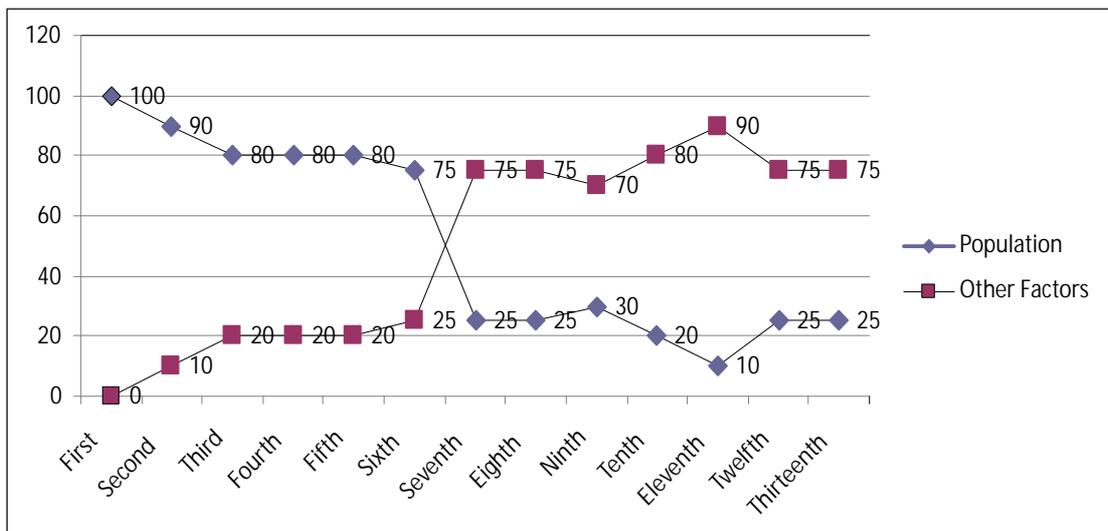
Furthermore, it is observed that, the growth of population is increased at higher rate compared to 1951 to 2011 but the weightage of the share in union taxes has been declined from 100 % in 1951 to 25% in 2011. It indicated that higher growth population states may be losses their share drastically. This can be seen in the chart 3.2

Table 3.2:
Recommendations of Various Finance Commissions-Bases of Distribution of States Share in Union excise duties inter se percent- 1st FC to 13th FC

S#	Finance Commission	Bases of Distribution among the states (per cent)	
		Population	Other Factors
1	First	100	0
2	Second	90	10
3	Third	80	20
4	Fourth	80	20
5	Fifth	80	20
6	Sixth	75	25
7	Seventh	25	75
8	Eighth	25	75
9	Ninth	30	70
10	Tenth	20	80
11	Eleventh	10	90
12	Twelfth	25	75
13	Thirteenth	25	75

Source: Various Finance Commission reports

Chart 3.2: Recommendations of Various Finance Commissions-Bases of Distribution of States Share in Union excise duties inter se percent- 1st FC to 13th FC



3.3) Vertical and Horizontal Imbalances

The constitutional assignment and developments over the years have caused a high degree vertical fiscal imbalance. As shown in Table 3.3, the State governments in 2000-01 collected only 38 per cent of total current revenues, but their share in total current expenditure was 57 per cent. From the revenue sources assigned to them, they could finance only 48 per cent of their current expenditures and 43 per cent of their total expenditures. Thus, from the own sources assigned to them, the States raise only about 44 per cent of expenditure requirements. Over 55 per cent of States' total expenditures are financed from transfers from the Center and loans.

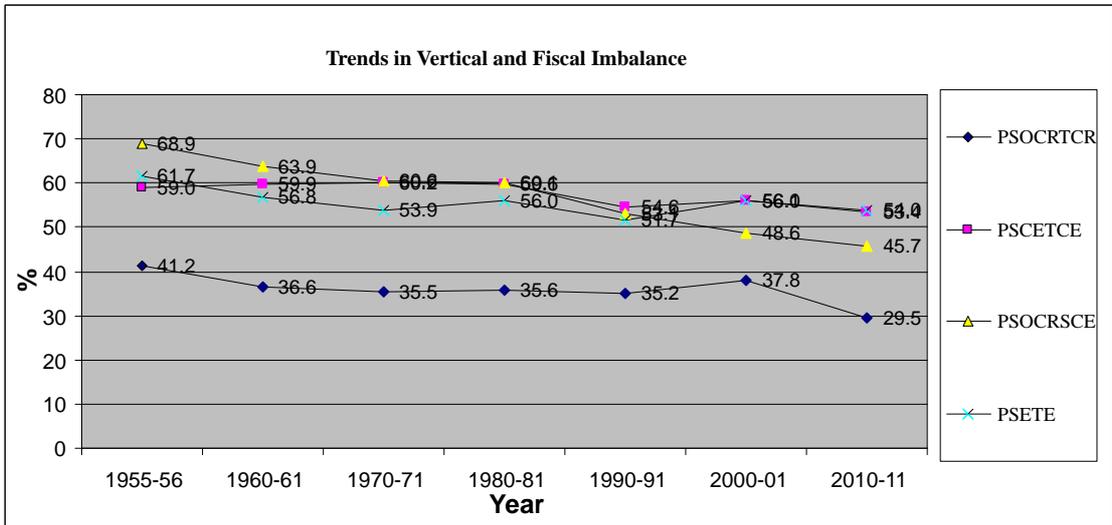
The proportion of States' current expenditures financed from own revenues declined from 59 per cent in 1955-56 to 53 per cent in 2010-11. The States' share in total expenditures too increased from 53 per cent in 1990-91 to 57 per cent in 2000-01. However, this does not signify increase in decentralization for, the spending financed by specific purpose transfer on which the states' have little maneuverability have shown a sharp increase in recent years. Further, Per cent of States own current revenues to States current Expenditure declined from almost 69 % in 1955-56 to 45% in 2010-2011, we can see the table 3.3 and chart 3.3

Table 3.3:
Trends in Vertical and Fiscal Imbalance Various Parameters-1955-56 to 2010-10

S#	Year	Per cent of States own current revenues to total current revenues (PSOCTR)	Per cent of States current expenditure to total current Expenditure (PSCETCE)	Per cent of States own current revenues to States current Expenditure (PSOCSRCE)	Per cent of States expenditure to total Expenditure (PSETE)
1	1955-56*	41.2	59.0	68.9	61.7
2	1960-61	36.6	59.9	63.9	56.8
3	1970-71	35.5	60.2	60.6	53.9
4	1980-81	35.6	59.6	60.1	56.0
5	1990-91	35.2	54.6	53.1	51.7
6	2000-01	37.8	56.0	48.6	56.1
7	2010-11	29.5	53.4	45.7	54.0

Source: Public Finance Statistics, Ministry of Finance, GOI

Chart 3.3: Trends in Vertical and Fiscal Imbalance -Various Parameters



IV-Institutional Arrangements for the Fiscal Transfers in India: Planning Commission

Five Year Plan Period: The pattern of economic development in India

is very significantly affected by government planning. The directions of the development patten of the various sectors and the relative priorities with each sector are determined by the five year plans. The planning mechanism

consists of planning councils. In India, planning has come to have a very specific measuring one that is platted largely on the Russian model. It has meant a sequence of five year plans, each attempting to specify the allocation of investment expenditure and

productive capacity to different lines of activity, with great emphasis being placed on the expansion of heavy or basic industries. Though Indian economic planning is cut to the Russian pattern, it operates in different economic and political structure.

Table 4.1:
Percentage Share of Centre, States & UTS in Plan Expenditure

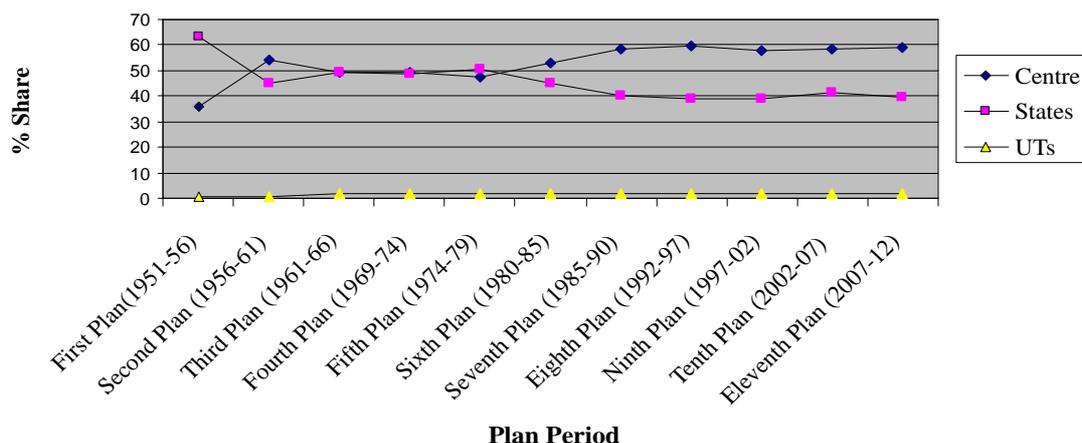
S#	Five Year Plan	Percentage share		
		Centre	States	UTs
1	First Plan(1951-56)	36.0	63.5	0.5
2	Second Plan (1956-61)	54.2	45.3	0.5
3	Third Plan (1961-66)	49.1	49.3	1.6
4	Fourth Plan (1969-74)	49.6	48.6	1.8
5	Fifth Plan (1974-79)	47.6	50.8	1.7
6	Sixth Plan (1980-85)	52.9	45.3	1.8
7	Seventh Plan (1985-90)	58.3	40.0	1.7
8	Eighth Plan (1992-97)	59.5	38.7	1.8
9	Ninth Plan (1997-02)	58.0	39.1	1.7
10	Tenth Plan (2002-07)	58.4	41.6	1.6
11	Eleventh Plan (2007-12)	59.2	39.3	1.6

Source: Economic Survey 2011-12

At present, Plan outlays are not bifurcated into revenue and capital components. The revenue and capital components of plan expenditure are decided at the stage of annual budget finalisation. With the revenue component of Plan outlays increasing to over 50 per cent, there is no correspondence between the surplus on the non-plan revenue account and plan grants on the one hand and the revenue component of the plan on the other. As a result of this mismatch, borrowings are diverted to meet a part of the revenue component of

the Plan. This makes the task of balancing the revenue account difficult (Government of India, 2010). The Percentage share of State Plan outlays in total Plan outlays has witnessed a steep decline from over 63 % in the First Plan period (1951-56) to less than 39 % during the Eighth Plan period (1992-97). During the Eleventh Plan period (2007-2012), the share of States in the estimated resources for the Plan is envisaged at 39.3 % (Table 4.1 and Chart 4.1).

Chart 4.1 :Percentage Share of Centre, States & UTS in Plan Expenditure



V- Tax System in India

India has a well-developed tax structure with a three-tier federal structure, comprising the Union government, the State government and the Urban/Rural local bodies. The power to levy taxes and duties is distributed among the three tiers of governments in accordance with the provisions of the Indian constitution. It is divided into two types: one is Direct taxes—it is the tax which is charged directly from the tax payer and another one is Indirect tax-

charge levied by the state on consumption, expenditure, privilege or right but not on income or property.

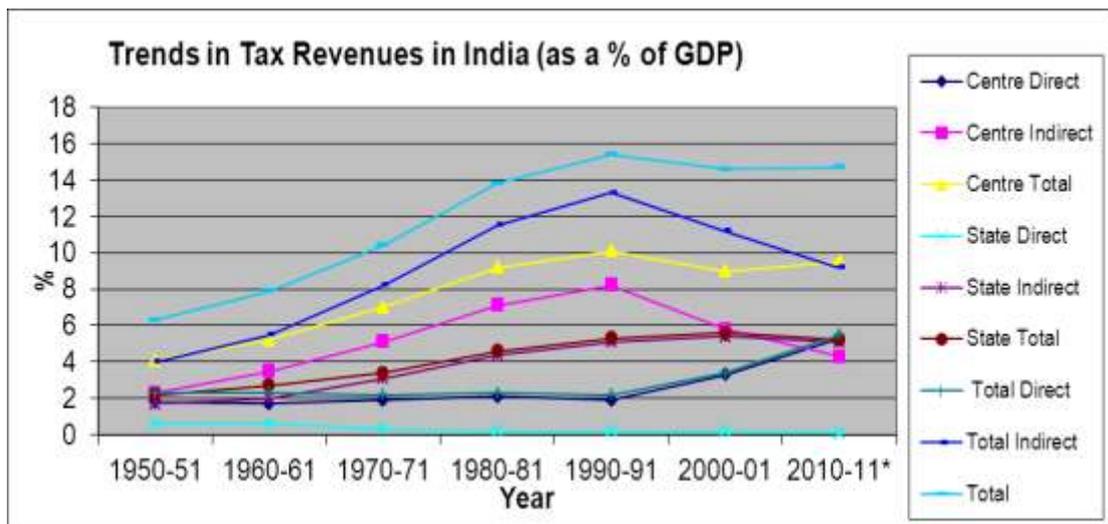
Table 5.1 presents a profile of the trends in tax revenues in India (as a percent of GDP) the Central, State and Total from 1950-1951 to 2010-2011. The combined tax GDP ratio increases in the year 1950-51, 6.3 % to more than 15% during the 1980-81 it further increases 15% in the economic reform period 1990-1991. It is slightly declined from 15% to 14.7 % in the year 2010-2011.

Table 5.1: Trends in Tax Revenue in India (as a Percentage of GDP)

S#	Year	Centre Direct	Centre Indirect	Centre Total	State Direct	State Indirect	State Total	Total Direct	Total Indirect	Total
1	1950-51	1.8	2.3	4.1	0.6	1.7	2.2	2.3	4.0	6.3
2	1960-61	1.7	3.5	5.2	0.6	2.0	2.7	2.3	5.5	7.9
3	1970-71	1.9	5.1	7.0	0.3	3.1	3.4	2.2	8.2	10.4
4	1980-81	2.1	7.1	9.2	0.2	4.4	4.6	2.3	11.5	13.8
5	1990-91	1.9	8.2	10.1	0.2	5.1	5.3	2.2	13.3	15.4
6	2000-01	3.3	5.8	9.0	0.2	5.4	5.6	3.4	11.2	14.6
7	2010-11*	5.3	4.3	9.5	0.1	5.1	5.2	5.5	9.2	14.7

Source: Public Finance Statistics, Ministry of Finance, GOI

Chart 5.1: Trends in Tax Revenue in India (as a Percentage of GDP)



VI-Sectoral Composition of GDP

The contribution of the agricultural and allied sectors, Industry sector and service sector also underwent significant changes over time. India's large service industry accounts for 57.7 % of the country's GDP while the industrial and agricultural sectors contribute 27.7% and 14.5% respectively. More particular

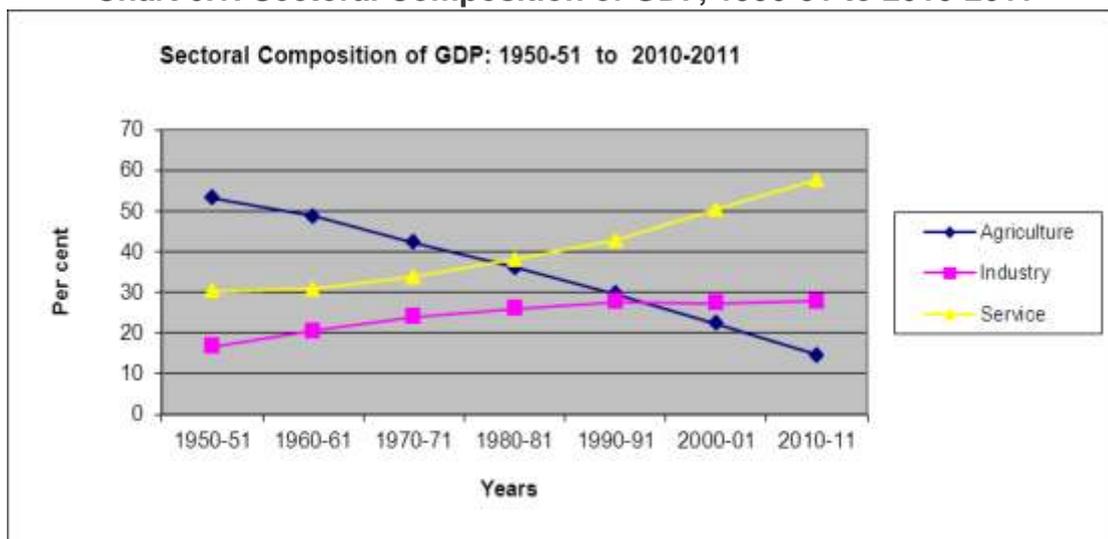
the share of service sector increased from 30.3 % in 1950-51 to 38 % in 1980-81. It started increasing rapidly thereafter and this became more in 1990s, since 1980-81, the share of the industry sector has remained in the range of 26 % to 28% of GDP. The changes in relative shares of these sectors in GDP are shown in the table 6.1

Table 6.1:
Sectoral Composition of GDP, 1950-51 to 2010-2011

S#	Year	Agriculture	Industry	Service
1	1950-51	53.1	16.6	30.3
2	1960-61	48.7	20.5	30.8
3	1970-71	42.3	24.0	33.8
4	1980-81	36.1	25.9	38.0
5	1990-91	29.6	27.7	42.7
6	2000-01	22.3	27.3	50.4
7	2010-11	14.5	27.8	57.7

Source: Economic Survey 2011-2012

Chart 6.1: Sectoral Composition of GDP, 1950-51 to 2010-2011



VII-Trends in Deficits

It is important to take the trends of fiscal, revenue and primary deficits in period of 60 year to understand the real situation of growth. In public finance the deficit is the major indicator of the measurement.

Table 5.1 presents a profile of the fiscal indicators of the Central Government, State Government and

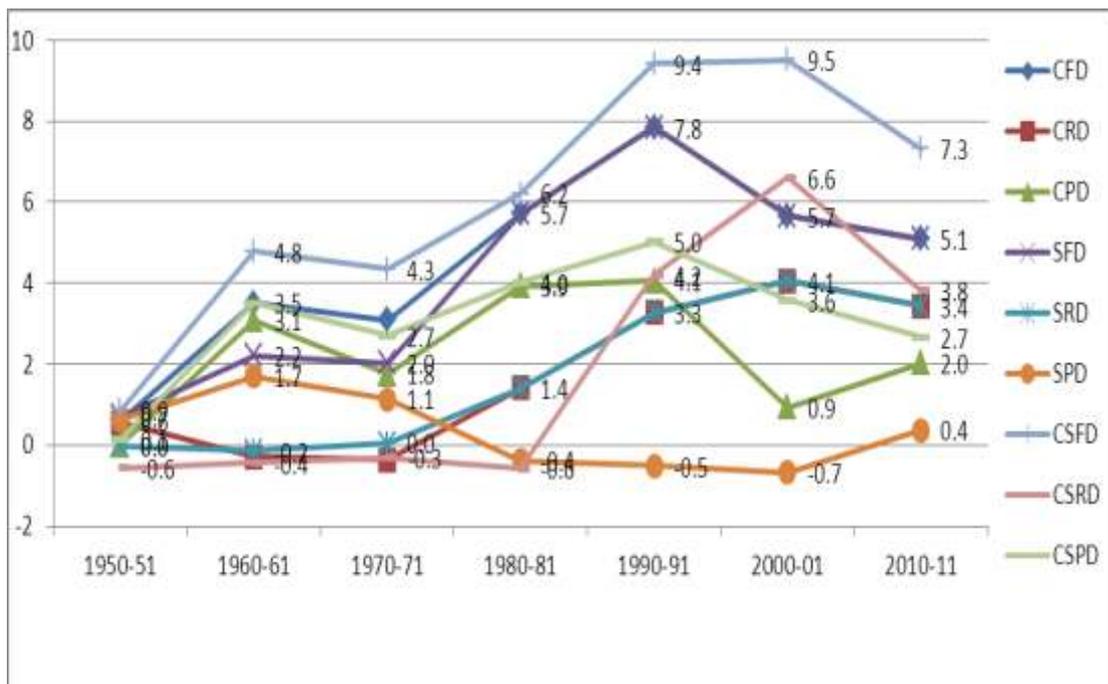
Both from 1950-51 to 2010-2011. The revenue deficit of the Centre increased from 0.5 per cent in 1950-51 to 3.4 in the year 2010-2011. The fiscal deficit of the Centre increased from 0.6 per cent in 1950-51 to 5.1 per cent in 2010-11. The combined deficit of the Centre and state which was 9.3 % of GDP in the crises year of 1990-1991 dropped to 6.3 % in the 7.3 in 2010-2011(Chart and table 7.1).

Table 7.1:
Trends in Deficit of the Central, State and Combined Government (as % to GDP)

S#	Year	Centre			State			Centre & State		
		Fiscal Deficit	Revenue Deficit	Primary Deficit	Fiscal Deficit	Revenue Deficit	Primary Deficit	Fiscal Deficit	Revenue Deficit	Primary Deficit
		CFD	CRD	CPD	SFD	SRD	SPD	CSPD	CSRD	CSPD
1	1950-51	0.6	0.5	0.0	0.7	0.0	0.6	0.9	-0.6	0.1
2	1960-61	3.5	-0.3	3.1	2.2	-0.2	1.7	4.8	-0.4	3.5
3	1970-71	3.1	-0.4	1.8	2.0	0.0	1.1	4.3	-0.3	2.7
4	1980-81	5.7	1.4	3.9	5.7	1.4	-0.4	6.2	-0.6	4.0
5	1990-91	7.8	3.3	4.1	7.8	3.3	-0.5	9.4	4.2	5.0
6	2000-01	5.7	4.1	0.9	5.7	4.1	-0.7	9.5	6.6	3.6
7	2010-11	5.1	3.4	2.0	5.1	3.4	0.4	7.3	3.8	2.7

Source: RBI, Annual Reports

Chart 7.1: Trends in Deficit of the Central, State and Combined Government (as % to GDP)



VIII- Inflation

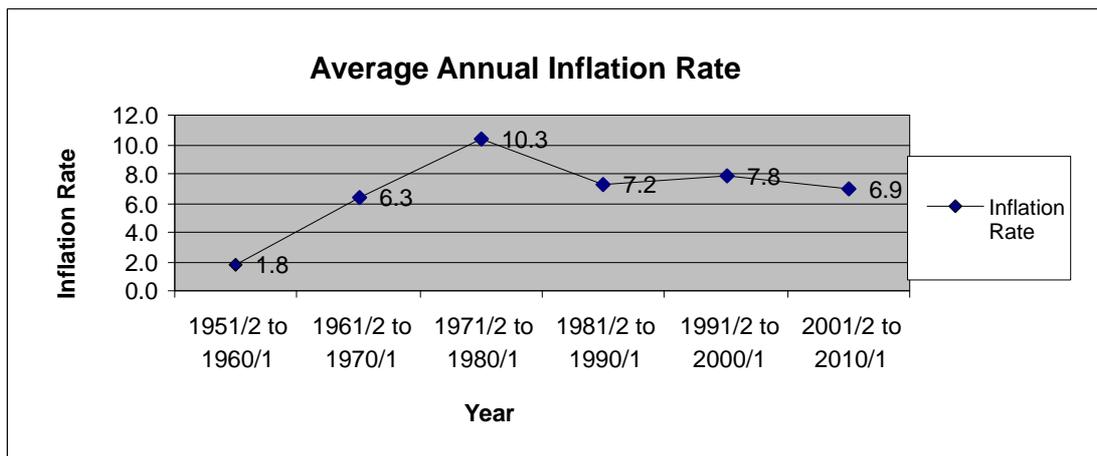
Inflation is the generally preferred indicator of macroeconomic stability. As table 8.1 shows, the 1950s was the best decade in the last half century as far as inflation is concerned. The 1971-81 had the low record with annual inflation

averaging in double digits. In both the decade since 1980 inflation has averaged in 7% to 8% range. The average annual rate was 7.2% in the ten years up to 1991/92 and 7.8% in the ten years since recently it was noted 6.9% in 2010/2011

Table 8.1: Average Annual Inflation (WPI) over Fifty Years (Per cent)

S#	Year	Inflation Rate
1	1951/2 to 1960/1	1.8
2	1961/2 to 1970/1	6.3
3	1971/2 to 1980/1	10.3
4	1981/2 to 1990/1	7.2
5	1991/2 to 2000/1	7.8
6	2001/2 to 2010/1	6.9

Source: Reserve Bank of India,



IX-ULBS AND THE CENTRAL FINANCE COMMISSION (CFCS)

Article 280(3) (cc) of the Constitution requires the Central Finance Commission to make recommendations on the “measures needed to augment the Consolidated Fund of the State to supplement the resources of the municipalities in the state on the basis of the recommendations made by the Finance Commission of the state.” The Eleventh Finance Commission (2000–2005) and the Twelfth Finance Commission (2005–2010) developed detailed criteria for allocating the recommended amounts for ULBs.

Review shows that the CFCs were unable to make use of the SFC reports on grounds of either the non-availability or non-usability of reports. Nor did the CFCs examine the adequacy of the methodologies adopted by the SFCs in assessing the revenue gap. As a substitute, the Eleventh Finance Commission developed an “index of

decentralization” that it applied for the purpose of strengthening the decentralization initiative. The Twelfth Finance Commission jettisoned the index on the grounds that most of the decentralization objectives had been achieved and substituted an “index of deprivation.”

Central government intervention via the institution of the Central Finance Commission (CFC) is exceptionally significant in reforming intergovernmental fiscal relations so that these are stable and predictable over the medium term. The decentralization initiative in India cannot be expected to be strengthened if it is not consistently supported by CFC policy.

X-Conclusion

India is a large country with wide regional diversity and disparity in economic and human development. Balanced regional development has been desired and targeted objectives of the national policy. A combination of fiscal

and regional development programmes were also introduced time to time to help regional equity and spatial development. There are lagging regions and states which pose the serious challenges to the policymakers that how to sustain the economy and ensure inclusive growth and national development. The main drive of development strategy has to focus on removing the regional disparities with introducing special regional policies, develop the physical and social infrastructure for attracting public (national as well as international) investments.

There is a need to introduce appropriate criteria to make the lagging states eligible for greater devolution by Finance Commission. The base adopted for the population criterion of 1971-census must be revised and brought to 2011-census. This base was introduced in 1978 for more than thirty years. The term for which it was to be followed has now expired and the population structure has undergone a change. The backward states' share in population has gone up and 1971 base would act as a punishment to them. New schemes with suitable financial distribution mechanism may be introduced to bridge the rural-urban divide and regional backwardness.

In order to empower states for development and improvement of physical and human infrastructure, the backward states should get higher central transfers through Planning

Commission and Finance Commissions. It is further suggested that the Finance Commission should adopt the more suitable and sophisticated methods and techniques along with the criterion to assess the fiscal needs of the states and devolution of funds to them according to their needs.

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Environmental Protection through TQM Principles of Deming: A Case Study of MSWM Practices of GHMC

S. Vasanth Kumar

Introduction

The Management of Municipal Solid Waste is a discipline associated with the control of generation, storage, collection, transfer and transport, disposal and processing of solid waste in a manner that is in accord all with the best principles of public health, economics, engineering, conservation, aesthetics and other environmental considerations. Thus the scope of Municipal Solid Waste Management (MSWM) includes all administrative, financial, legal, planning and engineering functions in an urban community (Ramachandra and Bachamanda, 2007). Solid Waste Management (SWM) has become a major environmental issue largely due to rapid urbanization, uncontrolled growth rate of population and economic development. It is projected that total quantity of waste generated by 2047 would exceed 260 million tonnes, which is more than five times the present level (Singhal and Pandey, 2001) while estimated urban population already exceeded 32% as per the Census 2011 Statistics posing a Herculean task to the

urban managers (Kumar, 2005) particularly in cities like Greater Hyderabad, which is a developing city, attracting multinational companies and migrants from all over the world. This requires serious managerial initiatives and strategies to handle municipal waste scientifically.

The Greater Hyderabad Municipal Corporation (GHMC) is providing basic urban services to 7 million citizens spread over an area of 637.43 Sq. Kms, generating about 4000 tonnes of municipal solid waste every day. Though there are laws in regard to MSWM, the quality standards of disposal in India are far below the expectancy level causing a great concern. More than 90% of municipal solid waste is disposed as landfill in one place or the other which is not only contributing the loss of valuable land in large hectares but is also becoming a breeding ground for infections on one hand and generating 'leachate', a gas more most dangerous than CO₂. The neighborhood residents are frequently agitating for the close down of landfills and compelling urban

authorities to shift them to some other areas, where again the same problem recurs. Six different locations got shifted within the Hyderabad zone and the present dumpyard is also emitting pollutants in large scale due to auto incineration and burning of wastes. Minor children, women, and the poor are flocking at the dump to collect plastics or other resalable items risking their lives. Open garbage bins at every street side with overflowing municipal waste, attracting street dogs and stray cattle is a common scene. Many bins are not collected and shifted for more than 2-3 days and bad odor is not new to the neighborhood. Under this backdrop, a study was initiated to investigate as to how quality can be achieved.

Richard J. (1992) opines that total quality management (TQM) reshapes the business practices and helps every organization towards strategic planning objectives allowing flexibility of internal and supplier process and thus becomes influential in formulation of strategies. Similarly, Paula C. Morrow (1997) emphasizes that three important principles of TQM namely customer focus, continuous improvement and teamwork have become an integral part of an organization's culture and distinct measures need to be developed to ensure total quality management

considering the existing culture of the organization. The present study is about analyzing TQM principles of Dr. Deming to examine how they can improve the quality in MSWM.

2. Importance of Total Quality Management

Total Quality Management is strategic action which focuses on managing the total organization to provide clients with products and services through mobilization of individuals, management leadership and cohesion of all the resources of an organisation. Similarly, Thomas C Powell (1995) opines that TQM is the key to competitive advantage as it deals with the most important aspects of an organization. Richard J. (1992) similarly opines that TQM reshapes the business practices and helps every organization towards strategic planning. However Barbara A. Spencer (1994) considers TQM as conceptualized and not as a new paradigm, or comprehensive practice, which can improve the goals of an organization. David Weller Jr. (1995) argues that newly introduced quality programmes takes the traditional, unimaginative approach to implementation which is of more time consuming and not done as obstacle free. Mark Glaser (1993) opines that the TQM will improve the performance of governmental agencies if they are able to overcome the obstacles like resistance to change, interaction of performance tools,

and the comparable methodology of compatibility between TQM and performance management. Peter B. Petersen (1999) rightly identified that to succeed total quality management there are many long term requirements out of which the commitment and passion of the top management is the key to success. John D. Sterman et al (1997) observes that though TQM can be a source of increased productivity with quality at a lower cost in a long run but has to face certain obstacles like creating excess capacity, financial stress, and pressure of layoffs effecting the commitment of continuous improvement. Thus the review of literature indicates that TQM, despite small inconsistencies, is the heart of organizational success.

There are number of frameworks that outline key components of quality initiatives like Deming's 14 principles, Crosby's 14 steps and Juran's breakthrough strategy. (Morrow P.C, 1997) However, Deming's principles of TQM have been applied successfully in many areas like education sector, manufacturing sector and government and public sectors. These principles of intra-organizational behavior provide a cure for the 'deadly diseases' and 'obstacles' and enable the production of high quality services. Therefore these principles are selected for analyses for the study.

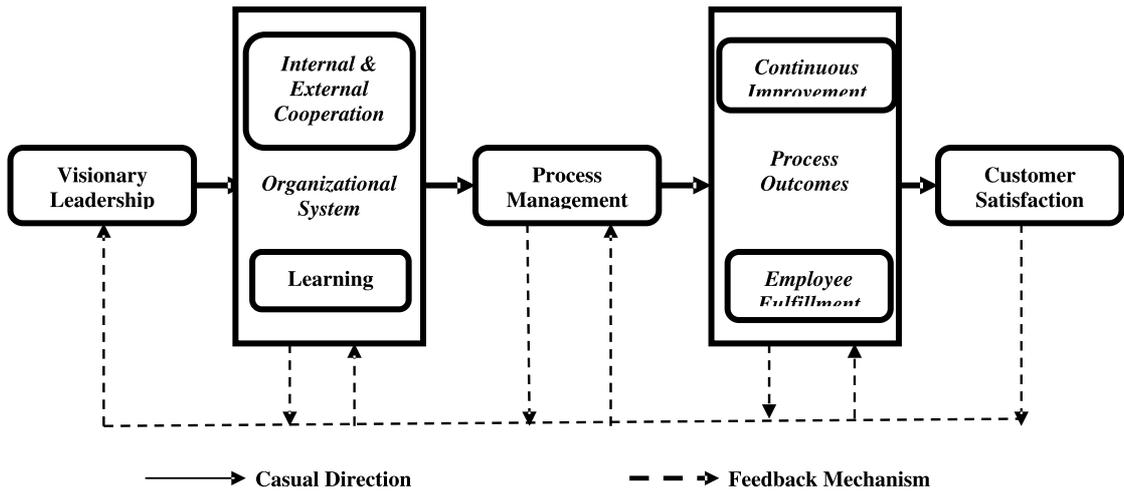
2.1 Relevance of TQM in MSW

There is a greater possibility and

opportunity to develop a viable TQM model for improving the standards of MSWM with low cost and no cost measures particularly by the initiatives of proper leadership. Change of mindset, developing and maintaining a MIS system, capacity building of sanitary workers, use of appropriate tools, recycling methods of solid waste, Undertaking public awareness campaigns to minimize generation of solid waste, segregation of Solid waste at source, introduction of different schemes for generating wealth out of waste, disposal of useful material like plastic, paper, glass etc. for the purpose of recycling are some of the methods to develop sustainability and protect both the environment and public health.

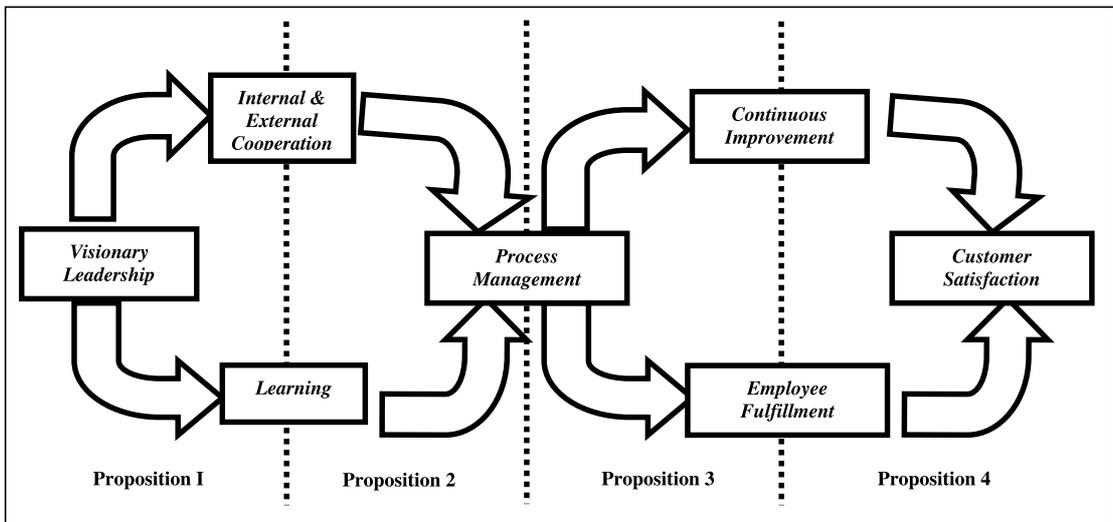
2.2 Introduction to Dr. W.E. Deming's 14 principles

The method of Deming Management facilitates principles of transformation, motivation, and the effective management of an organization by application of a system. Thus the 14 principles of Deming in public sector provides visionary leadership through learning, internal and external cooperation thereby developing process management which facilitates the continuous improvement as well as employee fulfillment thereby to achieve the customer satisfaction as shown in the following diagrams.



The process of quality management begins with proper vision and the leadership in the first place and both internal and external

team players have to contribute continuously to fulfill the goals that are set in as part of quality management.



Continuous improvement as part of process management to achieve customer satisfaction in terms of cost, and service are paramount importance in any organization while managing the quality. This helps through learning as part of continuous improvement as indicated in the diagram above. The

protection of organizational culture and the interests of employees are of paramount importance in achieving the quality as supported and agreed by various management specialists.

The Municipal Solid Waste Management though constituting different statutory laws and standards in

India lacks the visionary leadership and management process due to which the improvement is lacking resulting in public (customer) dissatisfaction. Thus the 14 principles of Deming can provide better customer satisfaction in fulfilling the expectations of public in the management of municipal solid waste.

Alvaro de Miranda (2003) states that development and international diffusion of total quality management contains an implicit Darwinist view of society struggling to survive in the ever increasing competitive world and thus it became the core of succeeding with change not only in the industrial sector but also in the governmental sector as seen in Japan, United States, UK and developing countries like India. John D. Sterman et al (1997) observes that though TQM can be a source of increased productivity with quality at a lower cost in a long run has to face certain obstacles like the creation of excess capacity, financial stress, and pressure of layoffs effecting the commitment of continuous improvement. They suggest that the Deming's principles of TQM are the solution for such diseases and stumbling blocks to overcome.

3. MSWM – Present Scenario

The government and the urban functionaries mandated to handle the problem of managing municipal solid waste in a safe and hygienic manner but more than 50% of the storage bins placed in the streets are not covered with tops

which can minimize the odor to the locality. Further only 3% of the solid waste is getting segregated in cities like Bangalore and most of the activity is being done by the rag pickers who are working in the informal sector. According to a publication of NEERI (2005), 1.15 Lakh MT of solid waste per day and 42 MT per annum are generated, out of which seven mega cities including Hyderabad contribute 18.35% while 388 Class I Towns contribute 37.07%. It is observed that the participation of community is very poor and there are no facilities for storage of waste at source which is leading to inefficiency of services coupled with other problems like lack of a system of primary collection from the doorstep, processing of waste, irregular street sweeping, non availability of waste storage depots, disposal and transportation of waste for processing. According to Sinha of TERI, (2000) only 72% of Municipal Solid Waste generated is being disposed and most of the urban functionaries are facing deficiency in collection of the municipal waste leaving aside the transportation and segregation.

3.1 Initiatives of Government of India

The Indian government over the years has been taking many initiatives, implementing new technologies, methods and enacted Municipal Solid Waste (Management and Handling) Rules 2000 for better management of solid waste but could not yield expected

outcome, leading to public criticism. It is observed that most of these components of solid waste management, except dumping and incineration are missing in practice apart from quality which necessitated the present study.

The Government of India (GoI) has encouraged the proper management of MSW from as early as 1960s when the Ministry of Food and Agriculture gave soft loans to local municipal authorities for MSWM. GoI also gave grants and loans to state government for setting up MSW composting facilities under the fourth five-year plan (1969-74). The Water (prevention and Control of Pollution) Act of 1974 resulted in the creation of Central and State Pollution Control Boards (CPCB and SPCB) with the aim of prevention, abatement and control of water pollution. The Air (Control and Prevention of Pollution) Act of 1981 also empowered the CPCB and SPCB to monitor and enforce cleaner technologies. The Twelfth Finance Commission has allocated Rs 5,000 crores for the period 2005-2010 out of which 50% exclusively earmarked for setting up of Solid Waste Management Systems and to maintain the quality as envisaged in the MSW Rules. Guidelines have been issued and state local authorities were requested for implementation. But the action in reality is far below the expectation.

3.2 MSW (Management & Handling) Rules, 2000

The components of SWM like

waste generation, street sweeping, segregation and storage of waste at source, community based facilities, primary collection, transfer of waste collection with decentralized mechanisms, observing quality standards as governed by Municipal Solid Waste (Management & Handling) Rules, 2000 encouraging institutional aspects, manpower planning and capacity building, public private partnership (PPP) through citizens participation, sharing of information, education and Communication (IEC) needs total quality management to protect the environment and to improve standards for which the present study is aimed.

As per the MSW (Management & Handling) Rules, 2000 the government of India mandated all the urban local bodies (4377) that the MSW be handled as per the rules and furnished annual reports complying with scheduled 1 to 4 of the rules and the Secretary, Incharge of the Urban Development of the respective state governments was made overall responsible for the enforcement of the provisions, while the Central and State Pollution Control Boards were directed to coordinate and monitor the compliance of rules envisaged.

4. Greater Hyderabad Municipal Corporation: Data Analysis

It is pertinent to mention here that GHMC consists of about 20,000 employees on its payroll both for the work of sanitation, health and municipal solid

waste management out of which about 16500 employees are on contract basis through outsourcing basis while 4000 employees are working on permanent basis. It is further reported that during the year 2008-09, 3800 MT per day of solid waste generation is estimated for which about Rs. 126 crores was spent for management of solid waste. This clearly indicates that the GHMC is having sufficient funds and manpower and it is a greater concern to its big force of employees to raise apprehensions about entering into public private partnership mode which has become a greater controversy in the recent past.

Analyses of data indicate that generation of solid waste in municipal areas throughout India is increasing and the GHMC is no exception. It is also indicative that GHMC is spending huge budget on management of municipal solid waste. Thus the problem of solid waste management requires total quality management techniques to be adapted to improve the standards of delivery mechanism.

4.1.) Unscientific method of calculation

The manager/ functionalist during the interview stated that the quantity of solid waste generated is mostly calculated basing on trips of trucks carried and as such the same may vary by 10-20%. In question, as to why most of the money is spent on collection and transportation of solid waste, they

clarified that sweeping and cleaning streets and public places is a herculean task involving huge manpower contingent which consumes majority of their resources.

4.2.) Community Partnership is the key to success

However, they agreed to the fact that the same can be minimized provided the citizens behaves with minimum etiquette of maintaining cleanliness of their own city, and to exhibit minimum duty of disposing solid waste in a proper way like using dust bins, segregation of waste at source, many respondents, both consumers and the employees, the officers opined that public awareness and their complaints need to be taken up on a large scale and on a continuous basis.

4.3.) Non Segregation of Waste

Further to assess the level of awareness on segregation of solid waste at source which is the primary step to success in any solid waste management practices, a question was posed to both consumers and the staff and more than 95% of households do not segregate the solid waste at source.

4.4.) Unplanned utilisation of resources

The data analysis indicates that the problem of solid waste management is increasing day by day in India where about 100,000 MT of municipal solid waste is generated as per the available statistics and huge budget is being spent

on disposal of waste. However cities like Hyderabad generates about 4000 MT per day incurring expenditure but spent 65% on collection, 30% on transportation and 5% on disposal. Though there is a big band of about 20,000 employees are unable to meet the standards set in by the Govt. of India and there is high dissatisfaction among the consumers on the delivery mechanism.

The authorities of GHMC have entered into a MoU with a private agency offering huge budget and infrastructural facilities ignoring the interests of 20000 employees existing without any job security leading to a hostile and dissatisfied work culture. The available manpower, tools, infrastructure is either unavailable or outdated due to which the problem is aggravating, further affecting public life. The socio-economic and political constraints appears to have been ruling the roost which is a matter of concern as the check and balance of maintaining standards are put in the cold storage. Officers (who did not want to be quoted) expressed their willingness to introduce TQM principles of Deming and hoped that these principles will definitely improve their standards of delivery mechanism in MSWM.

4.5.) Non Implementation of MSWM Rules

In question, as to why the MSWM Rules 2000 and the benchmarking levels of MSW promulgated by the Govt. of India are not being implemented, the

officer at the Headquarter categorically mentioned that these rules are based on the international standards of developed nations wherein the citizens are well aware of their rights and responsibilities and where an established system is existing. But in countries like India, it is a herculean challenge to bring a change in the mindset among both the management and the consumers among whom socio economic and political pressures dominate the system. Thus the implementation of rules takes backseat.

4.6.) MWSM is not the priority - Senior Managers

As part of data collection, three officials, two of them heading independent charge of managing MSW in local divisions and one as In Charge at GHMC, Headquarters were interviewed and they revealed that the TQM principles of Deming will facilitate to significantly improve the quality in delivery mechanism of MSWM. During the deliberations, they expressed that the duty of MSWM is not a priority when compared to their regular duties and informed that unless or otherwise a separate institutional mechanism is created by providing infrastructural, facilities, the possibility of bringing change is bleak.

4.7.) Hostile Attitude

Further they expressed their helplessness that in regard to awarding

of contracts to third parties or outsourcing agencies as they have to strictly follow the method of lowest bidder, that they do not have any control of check and balance.

4.8.) Willingness of Consumers

Cleaner technologies and best practices are available but unscientific method of land filling is a common phenomenon. Though the consumers are willing, efforts to motivate and to achieve service level benchmarking appears to be minimal. This study indicated that 85% of consumers are willing to cooperate and segregate the waste at source provided they are encouraged with regular service.

5. Findings and Recommendations of the study

5.1 Unclear constancy of purpose -

The first TQM principle of Deming suggest that the organizations have to create a constancy of purpose in terms of analyzing the today's problem and its future growth. After identifying the quantum, necessary long term planning has to be made, supported with strategic allocation of resources based on research and education. Further the service delivery mechanism has to be developed constantly learning lessons from the past and anticipating the future challenges. The authorities dealing with MSWM may take steps to scientifically identify the quantum of solid waste generated in each ULB ward wise and create an online mechanism using the IT and prepare strategic plans for

identifying the constancy of purpose.

5.2 New Philosophy; Cities like

Hyderabad have already exhausted three different dumping sites; one at Golconda spreading across 36 acres and costing about Rs. 90 crores (market land value), and the second one sprawling 48 acres and costing Rs, 46 crores and the present Gandamguda spread across 12 acres and costing Rs, 3 crores have created havoc to the neighbors with the release of pollutant gases like leachate. It is a common scene that more than 72% of municipal solid waste generated is just dumped contrary to the rules like the Water (Prevention and Control) of Pollution Act, 1974, Air (Control and Prevention) of Pollution Act, MSW (Handling and Management) Rules 2000. This clearly indicates that the present system of solid waste disposal will not be catering to the needs of citizens and would lead to major health hazards apart from losing huge money. Under these circumstances there is a need to adapt cleaner technologies and a change in the policy of MSWM.

Deming in his principle 2, suggest that the quality doesn't cost much when the problem is scientifically analyzed and there is a need for a drastic change to achieve maximum output. However he cautions that adapting to new philosophy is not looking at other competitors. It means the best practices of other cities both in India and overseas may not suitable exactly to city like Hyderabad. However it is suggested that the

authorities may identify as to how the internal diffusion of total quality management could be introduced learning lessons from the past and bringing the expected change through a viable planning utilizing available technology and resources.

5.3 Need for a change to modern techniques of human resource management;

It has been observed that the system of solid waste management in GHMC which is the case study revealed that the management is solely dependent on conventional methods of inspections, target system and quotas. The data analysis also revealed that the tools available are either out of order or outdated due to which employees are unable to manage their day to day duties.

Deming in his principles 3 and 4, suggests to cease dependence on inspection and to value the human resources by adapting and instituting leadership in regard to MBOs, work standards, promoting work culture, encouraging talent, etc. In view of the above, it is recommended that the TQM principles of Deming in regard to assigning of duties, improving the productivity and instilling the confidence may be introduced in a holistic manner for better standards of service.

5.4 Dedicated training institute:

The data analysis revealed that though there is a 20000 strong work force attending duties of MSWM, they do not have a dedicated training institute. It is a

suggestion in TQM that a constant improvement of workers will not improve the inhibitions but would facilitate, appreciate the output and therefore GHMC should constantly encourage its workforce to adapt to new technologies and to feel pride in their job.

5.5 Need for Job security and measures for employee welfare:

The interaction with employees, staff and the customers, revealed that both of them are unaware of their responsibilities and rights and both of them at the same time are willing to learn and improve which shows a lack of initiation from the side of management. Awareness among both the stakeholders appears to be minimal where the role of leadership is of vital importance. The methods like capacity building, awareness campaigns using electronic media and mass media, convergence among stakeholders, community mobilization, awareness on health hazards, constancy in improvement of services, introduction of waste to wealth concepts to encourage the end users, reduction of generation at source, segregation at source and voluntary depositing of waste in the selected areas, are some of the measures to improve quality in MSWM.

5.6 Mechanism to drive out fear among employees:

It is surprising to note that developing cities like GHMC entrusted their whole responsibility to outsourcing agencies ignoring their own resources and totally relying on contract

laborers who contribute a large band of 16500 out of 20000. In addition to this, the GHMC has already entered into private partnerships with more than three agencies entrusting the whole work of MSWM with a minimal monitoring mechanism which is an unhealthy and undesirable move. However, the apprehensions of employees about their job security, hire and fire methods, abnormal numerical quotas like cleaning the streets and public places during odd hours, frequent inspections will not only reduce the production and quality but will generate frustration and resentment. It is a known fact that unless own tools are honed and utilized, there cannot be a success. It appears that GHMC have literally forgotten the impact of organizational culture where these contract employees are working for long years under threat of removal.

Deming in his principles 8 to 12, strongly recommends to drive out fear, break barriers among staff areas, eliminate slogan, exhortations, targets, numerical quotas, which are absolutely unknown in GHMC. Absence of such important principles may lead the organization to irreparable loss. Therefore the management may take steps to review these matters of human resource management with an empathetic approach and instill confidence among the employees so as to achieve the quality in MSWM.

5.7 Self improvement and career advancement: It has been observed in

the data analysis that talent is not encouraged and there is no self improvement for the employees who are putting their sweat and blood into the organization. Deming strongly recommends that the organizations should create an environment of lifelong employment encouraging self improvement, developing team building, driving out short term profits, mobility of management, and to run the company considering the organizational culture where like in GHMC resentment is vibrantly felt.

5.8 Need for the commitment in top management: MSWM appears to be the least priority among other works in GHMC and other sub divisions contrary to its importance and dedication. Due to this the top management appears to have been failing to get the expected results despite pumping a huge budget and engaging large band of workforce. It could also be the reason as to why the private partnerships also could not give the expected results leading to public criticism for non maintenance of basic standards.

7. Conclusion

This study suggested measures to scientifically identify the quantum of solid waste generated in each area using IT for preparing long term and strategic plans after identifying the constancy of purpose, promoting and instituting leadership. Necessary steps to motivate and create awareness, stakeholder convergence through an established

institutional and infrastructural mechanism is also suggested for the top management of GHMC through a viable policy of HRM, following the TQM principles of Deming and to conduct detailed studies on each component of MSWM. The management is also advised to dispense with the present practice of over relying on grants and loans but to develop self sustainability through introduction of user charges, reducing waste generation, segregation at source, minimize extra costs on collection and transportation, mobilizing community for cooperation and ownership of their own city to be clean and garbage free.

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Training Need Assessment : A Case Study of Allahabad Municipal Corporation in Uttar Pradesh

**Ratna Narayan Pandey
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Trends of Urbanization

India is one of the least urbanized countries in the world because between 1951 and 2001, the level of urbanization increased by 13 percentage points only. However, it has the second largest urban population in the world and more than two third of it lives in the 393 cities that have population of over one lakh. The four mega cities viz., Mumbai, Kolkata, Delhi and Chennai with a population of more than 6 millions each in 2001 accounted for almost one fourth of population living in cities. As per 2001 census, 285 million population i.e. 27.8 per cent of 1027 million total population of India is residing in 4368 cities and towns in the country, where as in 1991, 25.7 per cent population lived in urban areas. The decadal growth in urban population during 1991-2001 has been 31.2 per cent whereas at the beginning of the 20th century, only 10.8 per cent of total 218 million population of the country resided in cities and towns. The number of million plus cities has increased to 35 in

2001 from 12 in 1981 and 23 in 1991. These 35 million plus cities account for 107.9 million urban population of the country. As per 2011 census, urban population was reported to be 377.1 million constituting 31.6 per cent population of the country. There were 7935 towns and cities in India as per the census, 2011 (Table 1). Urbanization is critical to the development of country. About 30 percent of India's population resides in urban centers which account for about 340 million persons in absolute term. The urban population of India is likely to increase by 590 million, constituting about 40 percent of total population by the year 2030. India will have the largest growing work force for the next 20 years, as 270 million Indians will join the working age population by the year 2030. Job growth in cities will be for more robust, growing at around 3.6 percent annually increasing from around 100 million today to 220 million in 2030. Cities will account for 70 percent of all new jobs created in India during 2010 to 2030.

Table: 1
Urbanization in India

Year	Percentage of Urban Population	Number of Towns	Total Population (Million)	Urban Population (Million)
1901	10.8	1827	238.39	25.85
1911	10.3	1815	252.09	25.95
1921	11.2	1949	251.32	28.09
1931	12.0	2072	278.98	33.46
1941	13.9	2250	318.66	44.16
1951	17.3	2843	361.23	62.44
1961	18.0	2365	439.23	78.13
1971	19.9	2590	548.15	109.11
1981	23.3	3378	159.46	159.56
1991	25.7	3762	846.30	217.61
2001	27.8	4368	1048.15	296.97
2011	31.6	7935*	1210.20	377.10

Source: Census, 2011.

An analysis of the distribution of urban population by size categories reveals that the process of urbanization in India has been large city oriented. This is proved that a high proportion of urban population being concentrated in Class I cities, which has gone up systematically over the decades in the last century, the massive increase in proportion of Class I cities from 26 per cent in 1901 to 85.20 per cent in 1991 while it declined to 61.48 per cent in 2001, has been attributed to faster growth of large cities. The number of class one cities has grown to 423 in 2001 from 24 in 1901. There has been more than five-fold increase in the number of class one cities since 1951. The startling fact is that the proportion of

population living in smaller towns has shown declining trend over the period while there is massive growth in population of larger towns. Importantly, growth of population in smaller towns has been reported negative while the growth of population in large cities and towns has been found massive. During 2001, the high proportion of urban population has been reported to be in Delhi, Pondicherry, Goa, Chandigarh, Maharashtra, Mizoram, Lakshadweep, Tamil Nadu, Karnataka, Gujarat etc. The high rate of growth of urban population during 1991-2001 has been reported high in Dadra & Nagar Haveli (14.59 per cent) followed by Arunachal Pradesh (7.0 per cent), Andaman and Nicobar Islands

(4.14 per cent), Sikkim (4.83 per cent), and Delhi (4.14 per cent).

Cities provide benefits beyond their own boundaries. McKinsey (2010) in its report has pointed out that 180 million people who live close to cities were benefited with the economic opportunities, markets and the connecting infrastructure in the urban centers. These people were assumed to live in rural areas next to the about 70

largest urban centers in India. India will have 68 cities by 2030 with population of more than one million, compared with the figure of 35 in 2001. Similarly, the number of urban centers is likely to increase by 6000 in 2030. However the concentration of urban population is still in larger cities. About 57 percent of urban population of the country resides in the urban centers, comprising of less than one million populations (Table .2).

**Table: .2
Population Size-wise Urban Population of India**

Classification of Urban Centers	2008	2030
Tier-I (More than 4 Million)	93 (27.0)	155 (26.0)
Tier-II (1 Million to 4 Million)	52 (15.0)	104 (18.0)
Tier-III & IV (Less than 1 Million)	195 (57.0)	331 (56.0)
Total	340 (100.00)	590 (100.00)

Source: McKinsey, 2010.

As per 2011 census, there were 468 Class-I cities with more than 1 lakh population while 7935 cities and towns were reported. Out of 468 Class-I cities, there were 3 metropolitan cities viz., Mumbai, Delhi and Kolkata having the population of more than 10 million while 5

cities viz., Chennai, Bangalore, Hyderabad, Ahmadabad and Pune were having the population of 5-10 million. 34 cities were reported having the population of in between 1-2 million while 372 cities and towns had population of 1 lakh to 5 lakh (Table .3)

**Table: 3
Distribution of Class-I Cities**

More than 10 Million	3 (Mumbai, Delhi, Kolkata)
5 – 10 Million	5 (Chennai Bangalore, Hyderabad, Ahmadabad and Pune)
2 – 5 Million	10

1 – 2 Million	34
0.5 Million to 1 Million	53
One Lakh to 5 Lakh	372
Total	468

Source: Census, 2011.

There has been higher growth in Class-I cities as compared to the medium and small cities and towns. During 2001-2011, the gross increase was reported significantly high in Class-IB category and Class-IA category as well as in

metropolitan cities as compared to the smaller cities and towns. However, gross increase during this period was reported slightly low in metropolitan cities and Class-IA category cities as compared to the 1991-2001 (Table .4).

Table: 4
Growth of Urban Population by City Size
(Per cent per annum)

	Gross Increase			
	1971-1981	1981-1991	1991-2001	2001-2011
Cities	4.4	3.7	3.5	2.7
Metropolitan Cities	4.2	4.9	4.2	3.5
Class IA	5.5	4.3	4.8	3.3
Class IB	2.7	5.7	3.5	3.8
Other Cities(Class IC)	4.5	2.6	2.6	1.7
Towns	2.7	2.4	1.5	1.6
Class II	4.1	2.8	1.6	1.6
Class III	2.4	3.0	1.9	1.6
Class IV+	1.9	1.3	1.0	1.6

Source: Census of India, 2011.

Population of largest metropolitan cities is shown in Table .5. There has been phenomenon increase in the urban population of metropolitan cities like Greater Mumbai, Kolkata and

Delhi. The other cities also reported significant growth of urban population. These metropolitan cities constitute about 1/4th urban population of the country.

Table: 5
Population of the Eight Largest Metropolitan Cities

Cities	Population (In Millions)			
	1981	1991	2001	2011
Greater Mumbai	9.4	12.6	16.4	22.7
Kolkata	9.2	11.0	13.2	18.3
Delhi	5.8	8.5	12.9	17.9
Chennai	4.2	5.3	6.6	9.1
Hyderabad	2.6	4.3	5.7	7.9
Bangalore	2.9	4.1	5.7	7.9
Ahmadabad	2.6	3.4	4.5	6.3
Pune	1.7	2.5	3.8	5.4

Source: Census of India, 2011.

Uttar Pradesh occupies the central position in the northern India. It is the most populous state in the country. The state witnessed a tremendous growth in its urban population during the last three decades. Between 1971-81 the decadal growth was about 60.62 per cent, the highest in the country. In 1981-91 the growth had been about 38.97 per cent, second after Orissa. As per 2001 census, every fifth person in the state is residing in urban centres. The total urban population of the state has been raised to 347 million showing an increase of about 33 per cent over the decade of 1991-2001. Uttar Pradesh is the most populous

state in the country which accounts for 16.4 per cent of the country's population. It is also the fourth largest state in geographical area, covering 9 per cent of the country's geographical area. The pace of urbanization has been lower in the state. The level of urbanization has been reported lower than most of the other states. In 2001, 20.78 per cent population of the state was found living in urban areas. During 1991-2001, urban population grew by 2.84 per cent per annum. The urban population of the state in 2011 was reported to be 4.44 crore, constituting 20.78 percent of the total [population of the state (Table .6).

Table: 6
Trends of Urbanization in Uttar Pradesh

Census year	No. of UA's and Towns	Total Urban Population	Percentage of Urban Population	Decadal Growth	Annual Growth
1901	349	0.52	11.20	-	-
1911	350	0.47	10.26	-9.61	-1.01
1921	367	0.47	10.61	0.16	0.02

1931	375	0.53	11.28	13.24	1.24
1941	385	0.67	12.52	26.06	2.31
1951	410	0.82	13.65	21.86	2.31
1961	215	0.90	12.81	9.23	0.88
1971	256	1.16	13.90	29.72	2.60
1981	598	1.87	17.83	60.89	4.76
1991	631	2.60	19.68	38.52	3.26
2001	670	3.45	20.78	32.88	2.84
2011	915	4.44	22.28	28.70	2.87

Source: Census of India, 2001, Uttar Pradesh

As per 2001 census, there were 670 towns and cities in the state. Most of the towns and cities are categorized as class IVth and Class IIIrd having population in between 10,000 to 50,000. However, urban population is concentrated in large towns and cities. During 2011, 267 census towns and 648 statutory towns were reported in the state. During 2002, there were 3641 urban local bodies. Out of total urban local bodies in India, 107 ULB, were Municipal Corporations, 1443 Municipal Councils, and 2091 Nagar Panchayats. The highest number of local bodies were reported in Tamil Nadu (719) followed by Uttar Pradesh, Madhya Pradesh and Maharashtra. In the state of Uttar Pradesh, there are 630 urban local bodies. Out of these there are 13 Municipal Corporations, 194 Nagar Palika Parishads and 423 Nagar Panchayats. About 40 per cent population lives in Nagar Palika Parishads while about 37 per cent population lives in Municipal Corporations.

Urban Governance:

Municipal government and administration is no longer a simple affair rather it has become quite complicated and complex with phenomenal growth in the pace and process of urbanization resulting in the spurt of urban problems and consequential increase in their functions. It was envisaged in the post independence era that the new set of local bodies as instruments of national policy would progressively be used with steady increase in their functions. But scope of urban government has become very wide and diversified as well. The history of a nation is created by the milestone events, which drastically change the way society is governed, organized and bequeathed to the new generation. The 74th Constitution Amendment Act, 1992 has become the milestone in the history of urban administration in India. It recognized municipalities as Constitutional bodies forming the third tier of the federal polity of India. The decentralization initiative in

urban areas was first mooted by the Rural-Urban Relationship Committee, constituted by the Government of India in 1963, however it took nearly 30 years to concretize in the shape of the Constitutional Amendment in 1992. The Constitutional 74th Amendment Act, envisaged a systematic change in the pattern of municipal government in the country with a view to enabling cities and towns to play a critical role in economic and social development and signified the beginning of a historic reform to decentralize power to the people. The Act prescribes a common legal institutional frame work for the efficient and effective delivery of municipal services and comprises of the following mandatory institutions

Until recently, local government in India was organized on the basis of the ultravires principle and the state governments were free to extend or control the functional sphere of the local bodies through executive decisions without amendments to the legislative provisions. Through the 74th Amendment Act an attempt has been made to improve the performance and ability of ULBs. The important provisions of the Act include constitution of three types of municipalities, devolution of greater functional responsibilities and financial powers to them, adequate representation of weaker sections and women, regular and fair conduct of elections, and constitution of Wards Committees, District Planning

Committee, Metropolitan Planning Committee and State Finance Commission. It further provided a basis for the state legislature to guide the state government in the assignment of various responsibilities to ULBs and strengthening of municipal governance. Accordingly, state governments have amended their municipal laws so as to bring them in conformity with the 74th Constitutional Amendment Act.

Cities and towns have a vital role in India's socio-economic transformation and change. Cities in India are the centre point of innovations and hub of many activities. However, most of the cities and towns are severely stressed in terms of infrastructure and services availability. The inner areas of cities face widespread dereliction, decadence and neglect, with significant negative consequences. Municipalities and other institutions responsible for delivery of municipal services are facing acute resource crunch.

Human Resources Development:

Management of human resources is one of the most crucial and complex problems in the variegated field of administrative management. Personnel administration is increasingly emerging as one of the most important focal points in the study of public administration. Today, administration is tending to become more and more specialized, technical and scientific, and dependence on public response is becoming increasingly the *raison d'être*

of administration. The broad outline of personnel functions include manpower planning and cadre management; job classification and evolution plans; recruitment and selection; training, education and administrative development; remuneration policy and compensation; conditions of service and working conditions; conduct, discipline and professional ethics; morale, motivation and incentives. Urban local governments by its nature are basically service oriented. Their main responsibility is to deliver civic services to urban dwellers. However, municipal administration in India is lacking of organized and effective system of personnel administration. Most of the states do not have municipal cadre to perform their roles and responsibilities effectively and efficiently. In absence of municipal cadre, the local governments are being managed by officials who have been assigned dual charges and responsibilities of urban local governments and their parental organizations. In some cases, the municipal officials are in deputation basis in urban local governments and thus, they lack the commitments and responsibility towards the local government.

Basically there are three types of municipal personnel systems, viz., separate, unified and integrated. The first type of personnel system is one in which each municipal body has power to appoint and dismiss its own personnel, and the personnel is not transferable to

any other jurisdiction by a Central Body. The second type of the municipal personnel system is one in which all or certain categories of personnel of municipal bodies form a single career service for the entire state. This municipal service is distinct from the state civil service. Appointment, promotion, transfers and dismissal of personnel in this state-wide municipal service are usually administered by an agency at the state level. The third type of municipal personnel system is an integrated, national, state and local personnel system, in which the personnel of the national or state government and those of municipal bodies form parts of the same service, transfers being possible not only between municipalities but also between municipal government and national or state government. The state of Uttar Pradesh has unified municipal personnel system. The municipal personnel have been categorized into centralized and non-centralized services. Officials belonging to services are being recruited by state government through State Public Service Commission while Class-III and IV employees are being selected / recruited by concerned local bodies.

The major constraint in the area of capacity building is the lack of explicit demand for capacity building. Training need assessment helps in identification of the subject areas of training that are needed for developing the competencies of individuals, groups, and the organization as a whole. There is a large

scale capacity gap in Municipal Personnel that must be filled for efficient & effective delivery of civic services.. Some of the key areas where capacity gaps have been identified include urban management and administration, financial management including land and its monetization, accounting & revenue mobilization, service level benchmarking, development and implementation of PPP projects, information technology, performance management, urban planning, architecture, transport planning & heritage conservation, socio-economic development, public health engineering, operation and maintenance, project implementation & monitoring, contract management etc.

Specific Capacity Gaps

The capacity of the local urban bodies in India varies widely across states and cities. Broadly, the capacity needs can be categorized into the following:

Lack of Personnel with Appropriate Skill Sets:

Professionalization of urban management requires immediate attention. At present, urban management is not identified as one of the regular streams of training in any of the academic and professional institutions. The personnel engaged in management of urban affairs and municipal services are usually not trained. The specific areas identified for attention are socio-

economic planning, environmental management, urban planning, citizen participation, public relations, urban reforms, municipal accounting and financial management, e-Governance, municipal service delivery including water supply, solid waste management, sewerage and sanitation. At another level, there is an acute shortage of trained manpower at the cutting edge level like masons and plumbers.

Inadequate Skill Sets of Personnel Already Deployed:

Experience of training and capacity building programmes show that many of the functionaries of the ULBs have never received any training in their career. There are no programmes for facilitating cross learning and exposure to best practices in innovative technologies etc. Some of these concerns are addressed currently through JNNURM and initiatives taken by some of the States. However, this addresses only the need of a small number of ULBs and within them only a meager number of people.

Lack of Appropriate Institutional Framework:

The institutional arrangements currently comprise of the Regional Centres for Urban And Environmental Studies, All India Institute of Local Self-Government and various administrative training institutes across the country. Given the lack of overall capacity, the smaller ULBs are not in a position to even

articulate their demand for training.

Capacity Gaps at the Apex Level:

The Ministry of Urban development comprises technical organizations such as CPHEEO, TCPO etc which regularly provide handholding support on technical matters. Besides this, there are capacity gaps in the core units of the Ministry also which need to be addressed. In view of the gaps identified, the Ministry proposes to strengthen and consolidate different capacity building activities.

The effectiveness of career planning in an organization largely depends on the extent to which training and development opportunities are made available to employees to enable them to realize their growth potential and to make contributions towards achievement of organizational objectives. Training need assessment is an essential part of training and development of municipal personnel. It generally involves organizational analysis, task / role analysis, manpower analysis and organizational culture and climate. The existing training mechanism in most of the local governments is almost non-existence while at the state or regional level, there are a few centres, institutions and organizations that organize training and orientation programmes for the training and capacity building of municipal personnel. Against this view point, present study has been conducted in Allahabad Municipal Corporation of

Uttar Pradesh.

Objectives of the Study:

The primary objectives of the study are:

- To examine the present status of set of skills that the HR personnel of Allahabad Municipal Corporation possess and their adequacy in delivery of civic services at all levels, specially middle & lower level management;
- To prepare a detailed list of the management skills required by the human resources at all level and specially middle level management at their respective levels or their respective jobs;
- To create a list of development parameters for management skills;
- To assess the training needs of Municipal Corporation with category of employees and also to suggest for improving the skills of concerned employees;
- To assess the capacity gap of Municipal Personnel that must be filled for efficient & effective delivery of civic services.
- To suggest policy measures for improving efficiency, productivity and organizational effectiveness.

Methodology:

In order to carry out the study, sample study covering the major categories of employees of Municipal Corporation was conducted. The sample

comprises of 535 Sanitary Workers, 80 Sanitary Inspectors/Safai Nayaks, 100 Jal Kal Employees, 17 Engineers and Technicians and 27 Employees of Finance and Audit Division. Besides, structured detailed discussions with senior level officials including Municipal Commissioner, Additional Municipal Commissioner, HRD Officer, Chief Engineer, Environmental Engineer, Information Technology Officer, etc. were interacted with the structured interview schedules. The employees and officials were randomly selected for the survey. A large sample of Sanitary Workers was drawn as most of the employees are belonging to this category of job only. The interview of employees and officials was conducted with the help of structured interview schedules. A set of interview schedules for senior officials, sanitary workers, safai nayak and sanitary inspectors, employees of Jal Sansthan, engineers and technicians and employees of finance, revenue and audit division was prepared. The filled in interview schedules were thoroughly checked, edited and processed for tabulation. Results, conclusions and inferences were drawn out from the analysis of data besides critical appreciation of pertinent literature. The training calendar and budget estimates has been developed with consultation of senior level officials of the Municipal Corporation however, it is based on mainly research findings emerged from training need assessment of the municipal personnel of Allahabad Municipal Corporation.

Allahabad Municipal Corporation

The Census of India, 2001 has considered the city of Allahabad in three regions namely the Municipal Corporation of Allahabad (MCA), the city outer growth (OT) and the Allahabad Cantonment (CB). The municipal area of the city, which is approximately 82 km², has a population of 975,393 and is divided into 70 wards for administrative convenience. The continuum of urban development in the municipal limits is fragmented by the interception of multiple cantonment areas. The CB area has 7 wards and supports a population of 24,137 persons. Apart from these areas; the city is bound on three sides by Ganga and Yamuna and its growth spills across the river by the virtue of transport connectivity of bridges to the Phaphamau area to north, Jhusi to east and Naini to south. Continuous growth westwards is limited by the presence of a part of cantonment. These areas are considered as the outer growth areas and consist of 17 Wards. Therefore including the CB area, the city has 87 Wards and a population of 10.42 lakh. The population of the city in 2011 was reported to be 12.17 lakh . As it is evident from Table 7. The population of the city has been growing continuously and there has also not been much variation in the growth rates over the past few decades except for the decade 1961-71. In this particular decade the growth rate of the city had fallen to 19.11 percent the reasons for which are unknown.

**Table: 7
Decadal Growth of Population**

Year	Allahabad	Growth Rate (%)
1951	332,295	--
1961	430,730	29.62
1971	513,036	19.11
1981	650,070	26.71
1991	844,546	29.92
2001	1042,229	23.41
2011	1,21,6719	16.74

Source: Census, 2011

There have been a total of 41,495 migrants residing in the city limits in the year 2001. One of the principal reasons for rural-urban migration is the quest for better education. This is followed by employment seekers and people who have moved with their households. 66 percent of the migrant population is from rural areas. Of these, a large chunk (43 percent) comes to the city for the purpose higher education. The other reason where the communities from the two areas differ is marriage: 16 percent and 8 percent of population in urban and rural areas is migrating for matrimony.

The Allahabad Urban Agglomeration includes the CB Area, Phaphamau, Naini

industrial area and Jhusi. There is a proposal for amalgamating the Jhusi Municipality with the Municipal Corporation through extending the boundaries of the latter by 2009. Allahabad hosts the *Kumbh mela* every 12 years on a site that falls within the CB limits and thus under the jurisdiction of the Ministry of Defence. This does not allow the Municipal Corporation or other institutions responsible for urban development to intervene in the provision of tourism infrastructure or river front development – this lack of access is a loss of potential revenue from the huge numbers of visitors to the place at these events (Table.8).

**Table .8
Key Departments at Municipal Corporation**

Department	Key Functions
Tax Department	<ul style="list-style-type: none"> • Tax demand and collection
	<ul style="list-style-type: none"> • Information provision about taxes and fees
	<ul style="list-style-type: none"> • Tax collection from rickshaws, horse carts etc

	<ul style="list-style-type: none"> • Stamp Duty Collection
License Department	<ul style="list-style-type: none"> • Collection of License fee
	<ul style="list-style-type: none"> • Issue of Licenses
Public Health Department	<ul style="list-style-type: none"> • Cleaning of roads, sewerage lines, public toilets.
	<ul style="list-style-type: none"> • Waste collection and disposal
	<ul style="list-style-type: none"> • Registration and issue of death- birth certificate.
	<ul style="list-style-type: none"> • Public health and related works
	<ul style="list-style-type: none"> • Restriction on sale of unhygienic food and water
	<ul style="list-style-type: none"> • Restriction of activities and profession harming public health
	<ul style="list-style-type: none"> • Management for prevention of the epidemic
	<ul style="list-style-type: none"> • Tests to ensure potable drinking water
Accounts Department	<ul style="list-style-type: none"> • Record of municipal income and expenditure
	<ul style="list-style-type: none"> • Dissemination of information relating to finances
Street Lighting Department	<ul style="list-style-type: none"> • Maintenance and repair of lighting points
	<ul style="list-style-type: none"> • Establishment of new street lighting
	<ul style="list-style-type: none"> • Arrangement of light on public places and festival
	<ul style="list-style-type: none"> • Maintenance of electric crematoriums
	<ul style="list-style-type: none"> • Maintenance of municipal properties like-MCA buildings, ward offices, hospitals, nursery schools etc.
Workshop	<ul style="list-style-type: none"> • Maintenance of Municipal vehicles and machinery
Public Works Department	<ul style="list-style-type: none"> • Road and street maintenance
	<ul style="list-style-type: none"> • Construction of roads and drains.
	<ul style="list-style-type: none"> • Construction and maintenance of parking spaces
	<ul style="list-style-type: none"> • Maintenance of green spaces
	<ul style="list-style-type: none"> • Purchase of equipments for workshop and street light departments

	<ul style="list-style-type: none"> • Road widening and intersection designs
	<ul style="list-style-type: none"> • Construction & maintenance of municipal shops & buildings
	<ul style="list-style-type: none"> • Provision of street lights
	<ul style="list-style-type: none"> • Construction of community toilets and other utilities.
Establishments	<ul style="list-style-type: none"> • Appointments, promotion, transfers and enquiry of staff.
Audit Department	<ul style="list-style-type: none"> • Auditing of accounts
Animal Husbandry	<ul style="list-style-type: none"> • Maintenance & provision of Animal pensns & slaughter houses
	<ul style="list-style-type: none"> • Catching of street animals
	<ul style="list-style-type: none"> • Issue of licenses for commercial use of animals.

Source, CDP, Allahabad

Jal Sansthan is responsible for operation and maintenance of water supply and sewerage systems installed and transferred to it by Jal Nigam and other state level organizations like DUDA, Allahabad Development Authority etc. Although the Jal Sansthan is legally a part of the Municipal Corporation since 2002, in practice, the two organizations (Municipal Corporation and Jal Sansthan) still operate independently and are technically separate entities. It maintains independent accounts and has a separate revenue collection unit.

Allahabad Jal Sansthan as a parastatal agency is supporting Municipal Corporation for providing water and sewerage services in the city.

A per information available from the Allahabad Municipal Corporation, the total strength of employees is 3475. Out of total human resources of the Corporation, 63 per cent employees were sanitary workers while 34.43 per cent employees were from the non-centralized services. Thus, only 2.24 per cent employees were from centralized services (Table.9).

Table:. 9
Human Resources of Municipal Corporation

Particulars	Number	Percentage
Centralized Services	78	2.24
Non-Centralized Services	1196	34.43
Sanitary Workers	2200	63.33
Total	3474	100.00

Engineering Services	25	0.72
Public Health Services	20	0.58
Account and Audit Services	07	0.20
Tax/Revenue Services	25	0.72
Environmental Engineering	01	0.03
Office Superintendent/Garden Superintendent	02	0.06
Municipal Commissioner	01	0.03
Deputy Municipal Commissioner	01	0.03
Assistant Municipal Commissioner	03	0.09

Source: Field Survey

The human resources of the Municipal Corporation have been classified into different categories or services. These are engineering services, public health services, account and audit services, tax/ revenue services, environmental engineering, etc. Besides, there are senior officials such as Municipal Commissioner, Additional Municipal Commissioner, Deputy Municipal Commissioner, Assistant Municipal Commissioners, Office Superintendent, Garden Superintendent, Chief Engineer, etc. However, there has been large deficit of

human resources both in centralized and non-centralized services. Even a large number of positions of sanitary workers are falling vacant As per information available from Jal Sansthan, there are 644 employees. Out of total employees, only 5.38 per cent employees were from centralized services while 22 per cent employees were from non-centralized services. About 3/4th employees were from other categories of jobs. It is to be noted that most of the employees were found engaged in maintenance and operations of the Water Works (Table 10).

Table: 10
Human Resources in Jal Sansthan

Particulars	Number	Percentage
Centralized Services	26	5.38
Non-Centralized Services	45	22.17

Particulars	Number	Percentage
Centralized Services	26	5.38
Non-Centralized Services	45	22.17
Others	483	73.85
Total	654	100.00
Engineering Services	25	3.82
Finance, Accounts and Audit Services	15	2.29
Maintenance and Operations	491	75.08
Others	123	18.81

Source: Field Survey

Discussions and Analysis

The first category of employees whom we questioned with structured questionnaire is Sanitary workers, Sanitary Inspectors & Safai Nayaks of Allahabad Municipal Corporation & Jalkal Vibhag. There are 20 sanitary wards spreaded over 05 Zonal Offices of Allahabad Municipal Corporation. We randomly selected 535 sanitary workers, 17 sanitary inspectors & 63 safai nayaks for survey from 20 safai wards in proportion to their representations in their respective safai wards. First of all we questioned Sanitary Inspectors, then Safai Nayaks followed by Sanitary workers. All the surveyed sanitary workers revealed that they have never received any kind of training in the past, hence they lack in use of modern & safe techniques and methods of sanitation. Only 25% respondent from category

Sanitary Inspectors & Safai Nayaks revealed that they have received training on sanitation in past. All the surveyed Sanitary workers, Sanitary Inspectors & safai Nayaks have rated and demanded training programmes on a set of Managerial, Behavioral and Technical Skills.

The second category of employees whom we questioned with structured questionnaire were the employees of Finance, Tax , Accounts & Audit sections of Allahabad Municipal Corporation & Jalkal Vibhag. There are 05 Zonal Offices of Allahabad Municipal Corporation and 02 Offices of Jalkal Vibhag. We randomly selected 27 employees in proportion to their representations in their respective sections for survey with the help of structured questionnaire. Only 40% respondent from category the employees

of Finance, Tax , Accounts & Audit sections of Allahabad Municipal Corporation & Jalkal Vibhag revealed that they have received training on Finance & Double Entry Accounting in past. Thus there exists a large scale capacity gap in the employees of this target groups. All the surveyed the employees of Finance, Tax , Accounts & Audit sections of Allahabad Municipal Corporation & Jalkal Vibhag have rated and demanded training programmes on a set of Managerial, Behavioral and Technical Skills.

The third category of employees whom we questioned with structured questionnaire was the employees of Engineering & Technical sections of Allahabad Municipal Corporation & Jalkal Vibhag. There are 05 Zonal Offices of Allahabad Municipal Corporation and 02 Offices of Jalkal Vibhag. We randomly selected 17 employees from civil, mechanical, electrical engineering in proportion to their representations in their respective sections for survey with the help of structured questionnaire. Only 29% respondent from the category employees of Engineering & Technical sections of Allahabad Municipal Corporation & Jalkal Vibhag revealed that they have received training on Disaster Management & Rain water harvesting in past. Thus there exist a wider capacity gap in the employees of this target groups than that of Finance. All the surveyed employees of Engineering &

Technical sections of Allahabad Municipal Corporation & Jalkal Vibhag have rated and demanded training programmes on a set of Managerial, Behavioral and Technical Skills.

The fourth category of employees whom we questioned with structured questionnaire was the employees of Water Works. We randomly selected 100 employees Lalkal Vibhag in proportion to their representations in their respective sections for survey with the help of structured questionnaire. Only 56% respondent from Jalkal Vibhag revealed that they have received training on WWT & Providing Potable Drinking Water in past. Thus there exist a wide capacity gap in the employees of this target groups. All the surveyed employees Jalkal Vibhag have rated and demanded training programmes on a set of Managerial, Behavioral and Technical Skills.

Out of 759 employees who were surveyed, only 97 employees accepted that they have received any training. Thus, less than 13 per cent employees have received any kind of training. This was found more pronouncing in case of employees of Water Works (56 per cent) followed by employees of Finance, Accounts and Audit (40.74 per cent). Interestingly, no sanitary worker has received any kind of training. Even more than 70 per cent Engineers and Technicians have not received any kind of training. Similarly, less than 70 per cent Sanitary Inspectors and Nayaks have

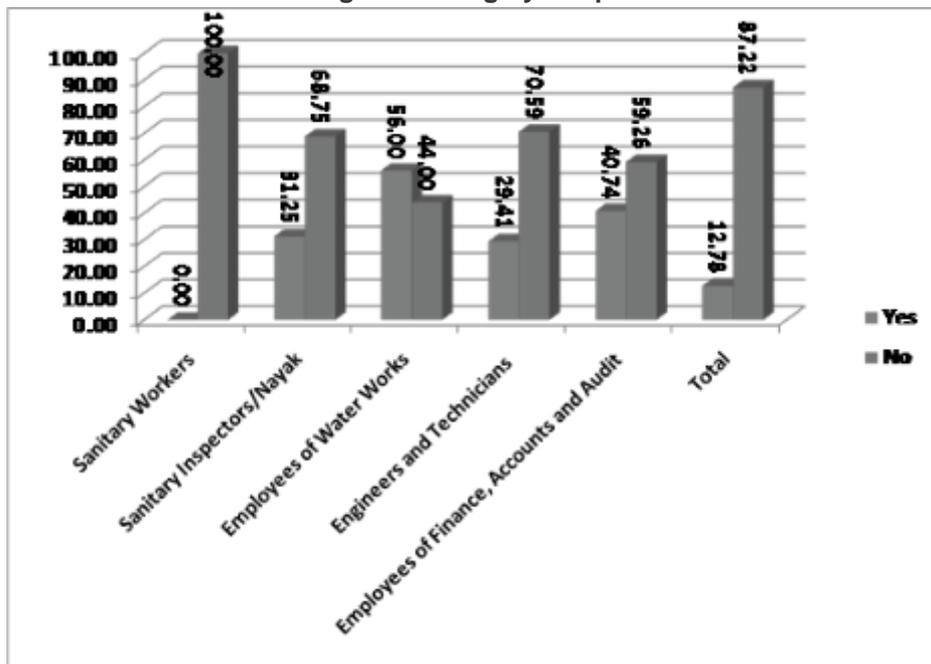
not received any kind of training. Thus, capacity building for the municipal there is wider scope of training and personnel (Table 11).

Table: 11
Receiving of Training by Respondents

Employees	Yes	No	Total
Sanitary Workers	--	535 (100.00)	535 (100.00)
Sanitary Inspectors/Nayak	25 (31.25)	55 (68.75)	80 (100.00)
Employees of Water Works	56 (56.00)	44 (44.00)	100 (100.00)
Engineers and Technicians	5 (29.41)	12 (70.59)	17 (100.00)
Employees of Finance, Accounts and Audit	11 (40.74)	16 (59.26)	27 (100.00)
Total	97 (12.78)	662 (87.22)	759 (100.00)

Source: Field Survey

Chart: 1.1
Receiving of Training by Respondents



Preference of training is shown in Table 12. Most of the respondents have preferred technical skills training except the employees of Finance, Accounts and Audit Departments who have preferred

managerial skill training. The second preference of training has been reported to be behavioral skills and the third preference of training was reported to be managerial skills.

Table: 12
Preference of Training

Employees	Managerial Skills	Behavioural Skills	Technical Skills
Sanitary Workers	3	2	1
Sanitary Inspectors/Nayak	3	2	1
Employees of Water Works	3	2	1
Engineers and Technicians	3	2	1
Employees of Finance, Accounts and Audit	1	2	3

Source: Field Survey

Preference of managerial skill training is shown in Table 13. Motivation, leadership development, organizational climate and culture, performance appraisal and organizational behavior

are the preference areas of managerial skill training of the employees. However, preference of managerial skill training varies depending upon the categories of employees.

Table: 13
Preference of Managerial Skills Training

Employees	Leadership Development	Motivation	Organizational Culture and Climate	Performance Appraisal	Organizational Behavior
Sanitary Workers	2	1	3	4	5
Sanitary Inspectors/Nayak	3	2	1	4	5
Employees of Water Works	2	1	5	3	4
Engineers and Technicians	5	1	2	4	3
Employees of Finance, Accounts and Audit	1	2	3	5	4

Source: Field Survey

Preference of behavioral skill training is shown in Table 14. . Attitudinal change, communication, job roles, responsibility and satisfaction, personality development, time management and ethics and social

accountability are important areas of behavioral skill training for the employees. However order of preference of behavioral skill training varies depending upon the categories of employees.

Table: 14
Preference of Behavioral Skills Training

Employees	Attitudinal Change	Communication	Job Roles, Responsibility and Satisfaction	Personality Development	Time Management	Ethics and Social Accountability
Sanitary Workers	1	2	3	4	5	6
Sanitary Inspectors/ Nayak	1	2	3	4	5	6
Employees of Water Works	1	2	3	5	4	6
Engineers and Technicians	1	2	3	4	5	6
Employees of Finance, Accounts and Audit	4	1	5	3	6	2

Source: Field Survey

Preference of technical skill training is shown in Table 15 . Use of machines, instruments, tools and materials has been the first preference of sanitary workers, sanitary inspectors/nayaks while occupational

health hazards has been the second priority of technical skill training to them. New technology, computer application and e-governance are the other priority areas of technical skill training for the municipal personnel.

Table: 15
Preference of Technical Skills Training

Employees	Computer Application	E-Governance	New Technology	Occupational Health Hazards	Use of Machines, Instruments, Tools and Materials
Sanitary Workers	4	5	3	2	1
Sanitary Inspectors/ Nayak	4	5	3	2	1
Employees of Water Works	5	6	3	--	--
Engineers and Technicians	1	4	2	5	--
Employees of Finance, Accounts and Audit	3	4	5	--	--

Source: Field Survey

Preference of exposure visit is shown in Table 16. Majority of the respondents were in favour of exposure visit (71.28 per cent). This was found more pronouncing in case of Engineers and Technicians followed by Sanitary

Inspectors/Nayaks and employees of Water Works. About 17 per cent respondents were not in favour of exposure visit. This was found more pronouncing in case of employees of Finance, Accounts and Audit Departments.

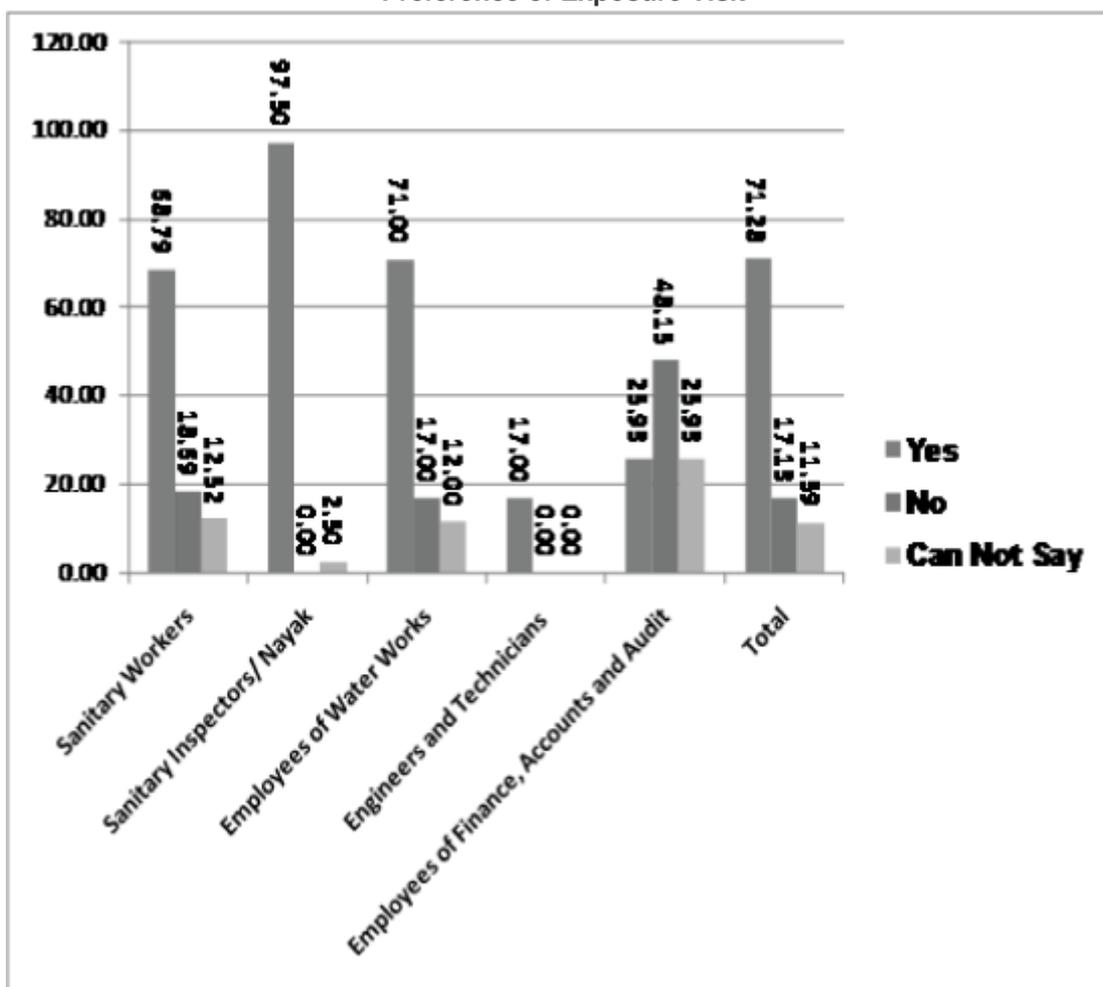
Table: 16
Preference of Exposure Visit

Employees	Yes	No	Can Not Say	Total
Sanitary Workers	368 (68.79)	100 (18.69)	67 (12.52)	535 (100.00)
Sanitary Inspectors/ Nayak	78 (97.50)	--	2 (2.50)	80 (100.00)

Employees of Water Works	71 (71.00)	17 (17.00)	12 (12.00)	100 (100.00)
Engineers and Technicians	17 (100.00)	--	--	17 (100.00)
Employees of Finance, Accounts and Audit	7 (25.93)	13 (48.15)	7 (25.93)	27 (100.00)
Total	541 (71.28)	130 (17.13)	84 (11.59)	759 (100.00)

Source: Field Survey

Chart: 1.2
Preference of Exposure Visit



Preference of trainee needs for sanitary workers is shown in Table 17. Sanitation, health and hygiene, solid waste management, occupational health hazards, community mobilization and participation in sanitation, water supply, sewerage and drainage, waste water generation, treatment and recycling,

seepage management and application of solid waste management rules are some of the priority areas of training for sanitary workers. The least priority issues were reported to be urban management, low cost sanitation, privatization of sanitary works, convergence of dry toilets and rehabilitation of scavengers.

Table: 17
Preferences of Training Needs for Sanitary Workers

Areas of Training	Preference
Personnel Management	11
Computer Application	12
Industrial Relations	13
Occupational Health Hazards	4
Sanitation	1
Health and Hygiene	2
Solid Waste Management	3
Water Supply, Sewerage and Drainage	6
Waste Water Generation, Treatment and Recycling	7
Seepage Management	8
Application of Solid Waste Management Rules	9
Application of New Technology in Sanitation and Handling of Waste	10
Community Mobilization and Participation in Sanitation	5
Privatization of Sanitary Works	17
Convergence of Dry Toilets and Rehabilitation of Scavengers	14
Low Cost Sanitation	15
Urban Management	16

Source: Field Surve

Preference areas of training needs for/ Nayaks for Sanitary Inspector are shown in Table 18. Sanitation, health and hygiene, solid waste management, occupational health hazards, water supply, sewerage and drainage, waste water generation, treatment and recycling, seepage management, application of

solid waste management rules are the preferred areas of training for sanitary inspectors/nayaks. Privatization of sanitary works, urban management, low cost sanitation, and convergence of dry toilets and rehabilitation of scavengers, industrial relations are the least preferred areas of training to them.

Table: 18
Preferences of Training Needs for /Nayaks for Sanitary Inspectors

Areas of Training	Preference
Personnel Management	11
Computer Application	12
Industrial Relations	13
Occupational Health Hazards	4
Sanitation	1
Health and Hygiene	2
Solid Waste Management	3
Water Supply, Sewerage and Drainage	6
Waste Water Generation, Treatment and Recycling	7
Seepage Management	8
Application of Solid Waste Management Rules	9
Application of New Technology in Sanitation and Handling of Waste	10
Community Mobilization and Participation in Sanitation	5
Privatization of Sanitary Works	17
Convergence of Dry Toilets and Rehabilitation of Scavengers	14
Low Cost Sanitation	15
Urban Management	16

Source: Field Surve

Preferences of training needs for Employees of Water Works are shown in Table 19. Engineering design and waste water treatment operation, SCADA operation, billing and revenue

collection, GIS awareness and GIS data management, customer data base and customer complaint, investigation and planning, environmental awareness, use of sewer cleaning equipments, gas

detection in sewers and construction and maintenance technique are some of the priority areas of training to employees of Water Works. The least preferred areas of training were reported to be human

resource management and development, information technology, sewer rehabilitation techniques, pipe lying techniques and accounts and costing system.

Table: 19
Preferences of Training Needs for Employees of Water Works

Areas of Training	Preference
GIS Awareness and GIS Data Management	4
SCADA Operating	2
Accounts and Costing System	13
Customer Data Base and Customer Complaint	5
Billing and Revenue Collection	3
Use of Sewer Cleaning Equipments	8
Pipe Lying Techniques	14
Gas Detection in Sewers	9
Safe Excavation Practice	11
Sewer Rehabilitation Techniques	15
Environmental Awareness	7
Engineering Design and Waste Water Treatment Operation	1
Information Technology	16
Human Resource Management & Development	17
Construction and Maintenance Techniques	10
Fleet and Equipment Management	12
Investigation and Planning	6

Source: Field Survey

Preferences of training needs for Engineers / Technicians are shown in Table 20. Maintenance and servicing of electrical and mechanical assets, computer application, new technology in

street lighting, traffic management, renewal energy, management of city transport, rainwater harvesting, disaster management, maintenance of heritage buildings and seepage management are

some of the priority areas of training to the engineers and technicians. The least preferred areas of training include environmental engineering, urban

planning, retrofitting of historical and old buildings, architecture, low cost housing and earthquake resistance building constructions.

Table: 20
Preferences of Training Needs for Engineers / Technicians

Areas of Training	Preference
Seepage Management	10
Disaster Management	8
Earthquake Resistance Building Construction	11
Rainwater Harvesting	7
Low Cost Housing	12
Traffic Management	4
Management of City Transport	6
Architecture	13
Maintenance and Servicing of Electrical and Mechanical Assets	1
Maintenance of Heritage Building	9
Retrofitting of Historical and Old Buildings	14
Computer Application	2
Computer Aided Designing	15
Urban Planning	16
New Technology in Street Lighting	3
Renewal Energy	5
Environmental Engineering	17

Source: Field Survey

Majority of the respondents reported that they have not received any kind of training (59.26 per cent). However, more than 2/5th respondents reported that they have received training

in past. Preferences of training needs are shown in Table 21 Double entry accounting, municipal budgeting, performance budgeting, tax assessment and recovery, GIS application in property

tax assessment, municipal accounting, municipal finance, financial management, public private partnership and resource

mobilization are some of the priority areas of training to the employees of Finance, Accounts and Audit Division.

Table: 21
Preferences of Training Needs for Employees of Finance, Accounts & Audit

Areas of Training	Preference
Financial Management	8
Municipal Personnel Management	14
Project Management	15
Human Resource Management	16
Double Entry Accounting	1
Municipal Budgeting	2
Performance Budgeting	3
Pro-Poor Budgeting	17
Gender Budgeting	18
Tax Assessment and Recovery	4
GIS Application in Property Tax Assessment	5
Municipal Accounting	6
Municipal Finance	7
Public Private Partnership	9
Resource Mobilization	10
Municipal Auditing	11
Financing of Infrastructure and Services	12
Urban Development Schemes, Programmes and Projects	13

Source: Field Survey

The training needs assessment in Allahabad Municipal Corporation simply demonstrates that there is wider scope of training and capacity building of the employees and staffs of the Corporation as only a small proportion of municipal personnel have received any kind of training. Municipal personnel will require skill training in areas of management, behavioural sciences and management besides training and orientation in the areas of urban development, urban management and particularly governance of urban development programmes and schemes. Most of the respondents have preferred private institutions for imparting training however; the duration of training has been reported to be longer one. The preferred mode of training has been reported to be lecture, discussion based with a mix of exposure visits and documentary films. Most of the respondents have preferred Hindi language for reading materials while senior level officials have opted for both hard and soft copy of the training materials.

Concluding Observations:

Human resource development in municipal administration assumes paramount importance. In the context of decentralized urban governance, strengthening of urban local governments has become imperative which depends upon the effective and efficient municipal personnel system. In municipal personnel administration,

training for employees and workforce is required for smooth functioning of urban local bodies and urban development. Training needs to the municipal employees and staff may be classified into (1 Senior level officials, (2) Middle level officials, (3) Junior level officials and (4) Elected representatives of ULBs. Thus, training needs assessment becomes imperative for preparing a detailed road map and training calendar for conducting the training and capacity building of municipal employees and staff.

Our major observations are:

- The staff in the local bodies is not technical competent to handle urban infrastructure projects, effective delivery of basic civic services and performing role and responsibilities.
- Political interference hampers the work of the local bodies. This also discourages the morale of municipal employees and staff for performance of responsibilities.
- Most of the municipal bodies lack manpower, equipments and materials. This is also true in case of Allahabad Municipal Corporation. The sanitary workers complain that they do not get adequate and proper equipments and materials for proper sanitation and performing their duties.

- Encroachment of drainage is also causing inconvenience in proper cleaning of the drainage while seepage and choking of drainage due to dump of plastics and wastes cause overflowing of drainage.
- The sanitary workers do not get regular health checkup and proper medical facilities. They are forced to work in unhygienic work conditions. Their working hours are also long. Due to lack of proper manpower planning, a large area is being covered by a few sanitary workers for cleaning.
- Public pressure is also cause of concern. There is undue demand from the counselors for cleaning and sanitary work in a certain areas and thus, the other areas are being neglected that cause public pressure.
- The sanitary workers have not been received any kind of promotion and this is one of the major cause of dissatisfaction from job. They also reported that no medical leave is being given to them and while salary is very low for contractual job.
- The TA being provided to the municipal employees and staff is grossly inadequate. The municipal employees do not get any incentives for better performance of work. Due to lack of community mobilization, it is difficult to perform role and responsibilities effectively by the municipal personnel.
- Most of the sanitary workers are illiterate while majority of the Class-IV employees are educationally backward. Thus, it is a major challenge to provide them training and capacity building. Similarly, a large segment of the Class-III and Class-II employees are educationally sound however, they are not well-versed with the English language and it is difficult to provide them training and reading material in English language as they will not understand the content of the reading material.
- Lack of coordination among the different sections and departments hampers the effective functioning of the municipal corporation. Even there is no coordination between the municipal corporation and parastatal agencies such as Jal Kal, Jal Nigam and other associated organizations. Thus, effective delivery of municipal civic services is not being ensured.
- Due to lack of community mobilization and involvement in

municipal planning, execution of developmental plans and their monitoring, the desired results from the development programmes and schemes are not being obtained. The lack of community

mobilization is also prevalent because of the dysfunctional of community development network and other community based organizations.

Poverty Appraisal – A Case of Gulbarga City

M. Rama Rao

BACKGROUND

Urban Sprawl: Migration

Urban India is undergoing a transition in terms of physical form, demographic profile and socio-economic diversity. In India, migration has played an important role in accelerating urban growth resulting in transfer of rural poverty to urban areas. Rural migrants are attracted to the urban areas for economic reasons regardless of the fact that physical infrastructure in terms of housing, drinking water supply; drainage, etc; is not so adequate in the cities.



Picture 1: Semi-Pucca Housing-Rajapur Village

Cities have been the hubs of economic growth, but planned urbanization has been marred to an extent by the excessive demand for basic amenities resulting in deterioration in the physical environment widening of the gap between demand and supply of

essential services and other infrastructure in these areas.



Picture 2: Kutcha Housing- Khanapur

Unchecked migration, particularly, has aggravated housing problem resulting in increase in the land prices. This forces the urban poor to settle in informal sectors resulting in mushrooming of slums and squatter settlements leading to chaotic urban sprawl.

OVERVIEW of Slum Improvement Programmes

India is a developing country with urban poverty as a challenge to Government from past few decades. Many poverty alleviation programmes have emerged to improve the infrastructure and livelihood status of urban poor. According to Planning Commission of India around 38 % of

India's population (380 million) live below poverty line.

Some of the schemes introduced by government of India are Basic Services for Urban Poor(BSUP), Integrated Housing and Slum Development Programme (IHSDP), Employment Assurance scheme (EAS), National Social Assistance Programme (NSAP), National Old Age Pension Scheme (NOAPS) etc. Recently **MoHUPA** took an effort to create Slum free India with "RAJIV AWAS YOJANA (RAY)" in year 2009.

1. Basic Services for Urban Poor (BSUP)

This scheme was introduced in 2009 under Jawarlal nehru National Urban Renewal Mission(JnNURM).The aim of this mission is to bring efficiency in service delivery mechanism & accountability of urban local bodies through public participation. Its main objective is to provide urban poor with basic services like security of tenure, improved housing, water supply, sanitation and other services like education, health and social security.

The purpose of forming this mission was to provide effective linkages between asset creation and asset Management so that they can be maintained efficiently and remain self sustaining over time. It signifies to ensure adequate investment of funds to fulfill deficiencies in the Basic Services to the Urban Poor. 65 mission cities were

identified under BSUP and Government of India has invested 23,100 crores for provision of basic services to urban poor.

2. Integrated Housing and Slum Development Programme (IHSDP)

This is an important scheme for slum development which was introduced on 3rd December, 2005. The Integrated Housing & Slum Development Programme (IHSDP) aims at combining the existing schemes of VAMBAY and NSDP for having an integrated approach in alleviating the conditions of the urban slum dweller that do not possess adequate shelter and are in dilapidated conditions.

The main aim is to strengthen the urban planning process by integrating urban poor in city planning. It focuses on public participation in development process to evolve alternative strategies to slum formation and improvement of slums. The basic objective is slum development with healthy and good urban environment by provision of housing and basic infrastructure facilities to slum dwellers.

This scheme was targeted to cover all cities / towns, included under JNNURM. The components of the scheme included slum improvement / upgradation & relocation. 886 small cities were covered under this scheme. Allocation of funds among States was based on State's urban slum population to total urban slum population in the country. The funds were provided only to

those towns and cities, which had elected urban local bodies. This paper focuses majorly on recently introduced Government of India, Ministry of Housing and Urban Poverty Alleviation programme RAY: Slum free city Plan for slum dwellers. The main objective is to address slums in holistic approach and make cities slum free.

RAJIV AWAS YOJANA (RAY)

1. Introduction to RAY

RAY Guidelines explains about key issues to be addressed on priority which includes Urban Planning, Land tenure, Housing and Infrastructure apart from other resources. It aimed at redevelopment of slums and improves access to basic amenities and a security of tenure for the slums eventually making cities slum free. This paper also deals with strategies for prevention of new slums which is a significant part of RAY scheme.

The unique feature about RAY programme is to identify and address the slum dwellers belonging to notified, non – notified and also potential poverty settlements. RAY programme unlike other previous programmes plans for whole city approach and targets to make entire city slum free rather than any selected slum pockets. The preparation of Slum Free City Planning will be with Low cost measures utilizing the available base maps and other institutional support. The programme targets to provide slum communities all basic

facilities, so that they would strive to acquire skills, get trained and eventually become regular engines of society.

2. Objectives of RAY

RAY aims to achieve vision of slum free cities by encouraging States/Union Territories to tackle the problem of slums in a definitive manner, by a comprehensive approach. One major objective is to identify all settlements including notified and non – notified in established system within the city so as to provide dwellers with basic services like water supply, sanitation, education facilities, health facilities etc.

It aims at identifying the backlogs in the existing social structure, a reason behind formation of slums. It also focuses on dealing with the problems of urban land & housing. It intends to fulfill the dream of urban poor by providing with low cost pucca housing & extra-legal solutions to retain their sources of livelihood and employment.

3. Methodology of RAY

The process of RAY starts with conducting slum survey systematically (MIS), updating MIS database, preparation of the city and slum level maps (GIS), later on integrate both GIS & MIS which will enable to have a complete data base both spatial and Non – spatial to identify the infrastructure gap to be provided for slums. The slum free methodology will provide appropriate proposals, development approaches, phase wise development with line

estimates to address the whole city approach. The exercise will ground the implementation through preparation of DPR's and timely reviewing the existing structure of the society both fiscally and economically.

GULBARGA CITY PROFILE

1. Introduction

Gulbarga is a city in the Indian state of Karnataka. It is the administrative headquarters of Gulbarga District. City Corporation of Gulbarga (CCG) was established as a municipality on June 15th 1965. Later it is upgraded as Gulbarga Mahanagara Palike on 2nd October 1982. The Corporation comprises 35 wards with a Corporator for each ward, elected by the citizens of Gulbarga every five years. In case of gulbarga slum population is 11 % of city population.

2. History

The city of Gulbarga was founded by the Bahamani Sultans in the 14th century as their capital. GULBARGA was known as 'KALBURGI' in former days which means stony land in Kannada, but also means "rose petals" in poetic Persian. In the earlier days, Gulbarga was a district of Hyderabad Karnataka area and became a part of Karnataka State after re-organization of states.

3. Geography

Gulbarga is located on the vast expanse of gently undulating plain and its geographical coordinates are - 17°22' North latitude and 76°46' East longitude. Gulbarga city is located at an altitude of



3.Picture : Gulbarga Fort

458 meters above mean sea level (MSL) The terrain drains towards south and southeast towards Bhima River (25 KM away), which is a major tributary of Krishna River. It is surrounded by small hillocks towards the north and northwest side. The red laterite soil and black cotton soil are the main soil types found in the area.

4. Land use of the city

The review of land utilization reveals that, 47% of the developed area is under residential use and 24% is under public semi-public, 12% of the land is under industrial use and 4% of the land developed is under parks, playgrounds and open spaces. A significant area of land in Gulbarga is under the university. There has been significant increase in area under residential use, to cater to the growing population and to balance the growth.

5. Municipal finance

As per City Management report of CCG, it was observed that there has been a decrease in the revenue sources 2007-2008 to 2008-09 and 13% has been increased in the year 2008-09 to

2009-10 of CCG in terms of tax revenues and non-tax revenues. The establishment costs and the salary expenditures constitute nearly 18% of total expenditure of the corporation.

6. Notification of slums - Gulbarga

According to **National Sample Survey Organization**, areas notified as slums by the respective municipalities, corporations, local bodies or development authorities were treated as “notified slums”, tends to receive higher level of services and those unrecognized by the local bodies were considered as “non-notified slums.”

UN-HABITAT defines a slum as “A slum is a contiguous settlement where the inhabitants are characterized as having inadequate housing and basic services. A slum is often not recognized and addressed by the public authorities as an integral or equal part of the city.”

UN-HABITAT defines slum household as “A slum household as a group of individuals living under the same roof in an urban area who lack one or more of the following:

1. Insecure residential status
2. Inadequate access to safe water
3. Inadequate access to sanitation and other infrastructure
4. Poor structural quality of housing
5. Overcrowding”

The definition of slum has been a major discussion agenda to continuously

upgrade and include all sections of poverty. Through RAY programme Ministry of Housing and Urban Poverty Alleviation has identified settlements of atleast 20 Households with poor built tenement and temporary nature to be considered as slums.

The study also identifies the heterogeneous character with which slum dwellers suffer, the intensity of poverty would depend on how the above mentioned five conditions are prevalent. This is the stage at which government schemes should focus on specific areas of requirement to specific slums respectively and provide needed facilities rather than stamping the entire benefits of a programme into all slums in which few might have benefited with some facilities already.

The RAY programme initiated for performing several surveys related to slum profile, slum households and slum livelihood through which the slum free plan of action would be completed. State government of Karnataka followed the survey procedure and completed the survey and hosted in a web application by name **Asha Kirana Mahithi (AKM)** which is the source for data used in this paper. The following table would provide the overview of slum scenario in Gulbarga city. Gulbarga city has 42 slums notified by ULB to avail higher level of basic services while remaining 18 slums are non-notified.

Table 1: City general Profile

No. of Slums	Notification Status (No. of Slums)		Demography				Tenure (No. of Slums)	
	Notified	Non-Notified	Population	Households	BPL Population	BPL households	Secure	Insecure
	42	18	60190	12084	50014	10033	28	32
No. of Slums	Tenability			Type of Area surrounding Slum				
	Tenable	Non Tenable	Semi Tenable	Residential	Industrial	Commercial	Other	
	49	4	7	53	3	2	2	
No. of Slums	Ownership of land			Whether the Slum is prone to flooding due to rains?				
	ULB	State government	Private	Not prone	Upto 15 days	15-30 Days	More than a Month	
	32	11	17	4	56	0	0	
No. of Slums	Physical location of slums							
	Along Nallah	Along Other Drains	Along Railway Line	Along Major Transport Alignment	Along River / Water Body Bank	On River/ Water Body Bed	Others (Hazardous /Objectionable)	Others(Non - Hazardous/Non-objectionable)
	0	12	8	8	0	4	4	24

Source: Asha Kirana Mahithi (AKM)

In case of *general profile* of Gulbarga city, it is observed that 88% of the slums are surrounded by residential land use, 47% of the slums are secured and have access to basic amenities, and 54% of the slums are built on lands *owned by Urban Local Body*. On other side, 18% of the slum lands belong to State Government and 28% under Private agencies.

As far as *physical location of the slums* is concerned, around 13% are located along the major transport alignment such as National Highways while 20% along the open drains. 40% of the slums are located on the sites of Non Hazardous / Non Objectionable areas and the remaining 7% (4 slums) are near or on the hazardous sites. 56 slums to be flood prone with rain water remnants upto 15 days or more.

CITY APPRAISAL

Appraisal of Gulbarga city slums has been done categorically in following aspects:

- Housing
- Physical infrastructure
- Social infrastructure
- Livelihood

1. Housing

One of the prime indicators to assess the existing condition of a slum is housing. In order to understand the degree of living conditions, structure of houses that the slum households live is collected to examine the housing scenario. For analysis purpose, the dwelling units were classified into Pucca, semi-Pucca and katcha, based on the kind of roofing and wall materials used.

33% of the dwelling units built is semi Pucca and 22% units are katcha in nature with remaining 45% to be Pucca houses.

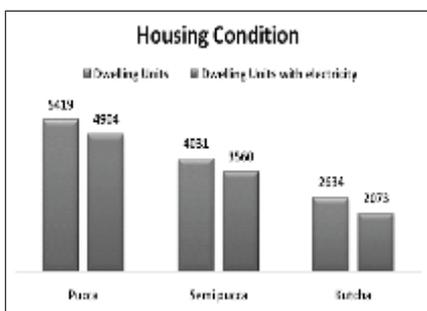


Chart: 1: Existing Housing Condition

With respect to electricity connection, nearly 87% of dwelling units have access to electricity where 47% of Pucca houses; 34% of semi Pucca and 20% of katcha houses have access to the same connection. Hence there is a dire need to cover 13% of the total houses with electricity, to be provided for slum dwellers.

2. Physical Infrastructure

Sustainable growth of a city depends on its infrastructure facilities. Lack of infrastructure and institutional mechanism can lead to collapse of urban

system in a city. Access to basic services has now become a criterion for identification of the poor areas in a city.

The responsibility for urban service provision in an equitable manner lies with the ULB, where an increasing gap in service levels and the difficulties in providing the same are prevalent. Information on access to services in terms of Physical Infrastructure of Gulbarga city has been collected as shown in table 2, and a brief analysis on the current status of Water Supply, sewerage, Storm Water drainage and Solid Waste Management has been done.

Gulbarga city is in need of water supply connectivity as only 31% of households have city wide connectivity to water supply system. According to statistics it was found that 86% households do not have access to drinking water and depend on public water taps, tube wells, open wells, hand pump and water tanker. In a slum it is observed that on an average about 34 households are sharing one public tap.

Table 2: Physical Infrastructure of Gulbarga city

Connectivity to City-wide Water Supply System			
No. of Slums	Fully connected	Partially connected	Not connected
	13	6	41
Connectivity to City-wide Storm-water Drainage System			
No. of Slums	Fully connected	Partially connected	Not connected
	3	54	3
Connectivity to City-wide Sewerage System			
No. of Slums	Fully connected	Partially connected	Not connected
	5	30	25

Condition of Approach roads			
Motorable Pucca	Motorable Katcha	Non Motorable Pucca	Non Motorable Katcha
52	3	5	0
Condition of Internal roads			
Motorable Pucca	Motorable Katcha	Non Motorable Pucca	Non Motorable Katcha
2	0	58	0
Availability of street lights			
Yes		No	
58		2	

Source: Asha Kirana Mahithi (AKM)

It is observed that 90% of the city has connectivity to city wide storm water drainage system, 59 % have connectivity to city wide sewerage system and this work is in progress to cover entire city area. In case of sanitary facilities 61 % of households do not have any kind of toilet facility and hence opt for open defecation on river banks , thus polluting surface water. Given the situation, it is necessary to improve the system as well as provide newer connections for healthy environment.

The network of roads and streets in Gulbarga follows a radial pattern emerging from the centre of the city. Most of the roads in the old city are narrow, irregular lanes leading to Darghas, mosques, temples and width of these

lanes varies from 2 to 4 meters, where only pedestrian movement is possible. Lack of connecting roads with other parts in the city and within the slums causes greater inconvenience and affecting the transport connectivity. This is one of the fundamental issues that is generally neglected in slum developments and needs thorough planning and execution.

In case of Gulbarga city, 87% of slums are provided with Motorable Pucca approach roads, 3% of the slums have Motorable Pucca internal roads. Around 87% of the slums lack in proper internal roads with BT surface. 97 % of the slums have street lighting facilities, not all of which are in working condition and found to be insufficient.



Picture 4: Public Tap in Rajapur Village



Picture 5: Bapu Nagar-Storm Water Drainage



Picture 6: Shaha Bazar Harizan Wada-Community



Picture 7: Siddhartha nagar-Dust Bin



Picture 8: Gazipura-Internal Road



Picture 10: Mangarwadi -Street lighting

It is mandatory to evaluate the vulnerability and deficiency of the existing infrastructure to provide the slum dwellers all the basic needs for their survival. In case of Gulbarga infrastructure parameters like availability of individual taps and individual toilets should be provided in every household. All the households shall have pucca approach roads and internal roads for easy accessibility to education and health facilities. Arrangement for collection and disposal of garbage is one of the important parameter as it may affect the health of slum dwellers which in-turn will affect the growth of the city. Hence all the parameters of physical infrastructure have to be evaluated and suggest appropriate proposals in City Plan of Action.

3. Social Infrastructure

The quality of life in any urban centre depends upon the availability of and accessibility to quality social infrastructure. Development of social infrastructure includes education, health, social welfare, livelihood centers and recreational facilities, which are instrumental in contributing to substantial

improvements in quality of life, also initiates and accelerates economic development in a city.

Availability of Education facility

Availability of education facility is important for cultured and organized development of the city. Education also helps in resolving several problems of society and population control. In case of Gulbarga, about 54 slums have access to pre - primary schools located within the slums, 57 slums have both primary and high schools accessibility within 2kms.

Availability of Health facility

Insanitary environment and inadequate garbage disposal pose series of threats to the health of slum dwellers, women and children in particular, as they spend most of their time in and around the slum areas. 59 slums have accessibility to health care facility within 2kms.

Availability of Community spaces

34 slums out of 60 have facility of community halls. 95% of the slums have women's associations to empower women with home based employment. In addition, the slums have self groups as well as credit societies.

4. Livelihood

“A livelihood comprises the capabilities, assets (including both material and social resources) and activities required for a means of living. A livelihood is sustainable when it can: Cope and recover from stresses and shocks, Maintain or enhance its capabilities and assets, does not destabilize the natural resource base”

- (Chambers and Conway, 1992)

Livelihood is one of the major parameter that determines the socio economic development of migrants. Due to lack of education and health facilities slums dwellers are found to be engaged in casual laborers, daily laborers and other small scale activities.

Parameters for livelihood analysis

The major parameters considered for livelihood analysis are:

- Details of Earning Members of the Household
- Source of earning/livelihood
- Reason for Unemployment

Some of the urban poverty alleviation programmes initiated by government of India are Swarna Jayanti Shahari Rozgar Yojana (SJSRY), Jawharlal Nehru National Urban Renewal Mission (JnNURM), Prime Minister's Employment Generation Programme (PMEGP) etc.

The renewed SJSRY has five major components: Urban Self Employment Programme (USEP), Urban Women Self-help Programme (UWSP), Skill Training for Employment Promotion amongst Urban Poor (STEP-UP), Urban Wage Employment Programme (UWEP), & Urban Community Development Network (UCDN).

Swarna Jayanti Shahari

Rozgar Yojana: This programme was initiated during 1997 and the main aim was to address urban poverty alleviation through gainful employment to unemployed through skill development and training the poor. This programme focused on empowering the community to tackle the issues of urban poverty through suitable self-managed community structures and capacity building programmes. SJSRY calls for strengthening of these local bodies and community organizations to enable them to address the issues of employment and income generation faced by the urban poor. The integration of livelihood schemes like training, skill improvement etc with facility schemes like RAY, BSUP etc is of paramount importance as both livelihood and living are connected with each other and have to be dealt integrative rather than separately.

This kind of livelihood situation is very common in slums of India which have progressed to some extent and it is very important to take up these schemes and make cities slum free.

In case of Gulbarga 42% of households are working as casual labors or on regular wages hence their skills can be improved which in turn facilitates in improving their economic status. 49% belongs to regular or formal employment.

Details of earning members

In case of skill training acquired, 71% of the household had no specific skill training while 18% have some form of training and 11% have acquired skills either through employment programmes, apprenticeship, and entrepreneurship or through hereditary / family business.

Table 3: Skill training acquired by slum dwellers

Education qualification	Skill training acquired									
	Pre-employment Training	In-Service Training	Skill Upgradation	Apprenticeship	Soft Skills/ Life Skill Programme	Entrepreneurship	Hereditary	Any Other	No skills training	Total
No education	183	18	12	52	0	1	255	1503	5365	7389
Primary school Middle school, Matriculate, Certificate	155	67	268	95	8	18	354	1312	5820	8097
Diploma, Graduate, Postgraduate	71	43	16	19	6	42	31	196	719	1143
Technical (e.g. Engineering), Any Other	9	4	2	1	0	2	5	141	284	448
Total	418	132	298	167	14	63	645	3152	12188	17077

Source: Asha Kirana Mahithi (AKM)

Source of livelihood

The gender wise distribution for livelihood sources shows that 71% of the population constitutes male working population and 29% are women workers under primary occupation category. Similarly, 72% of the working population constitutes male workers under secondary occupation and remaining forms women workers.

Moreover under the classification of workforce, 71% comprises of unskilled labor, 7% under skilled and remaining 12% belong to other professions. In different categories of labor, male workers account for greater proportion when compared to women workers. As seen in the graph, the percent of women engaged in unskilled and other professions is comparatively greater than skilled workers category.

Reasons for Unemployment

20 % of the slum population falls

under unemployment due to Lack of education, Lack of vocational skills, Lack of job opportunities, Disability, Low wages, Lack of capital to invest Loss of earlier job / closure of unit, Lack of job opportunities in the area, Health issues and others.

FINDINGS AND SUGGESTIONS

From the detail study about Gulbarga it was found that 83% of the total slum population is below poverty line (BPL) with 10019 households. In regards to economic status of slum dwellers, 74% of the households are employed in various informal activities such as vegetable vendors, rickshaw pullers and safai karmacharis contributing the revenue.

As 45 % of households are pucca in nature and 33% are semi pucca, it can be stated that most of the houses are in good condition and only 22% which are katcha needs to be redeveloped.

Due to good housing condition and safe tenure, 75 % of slums belong to upgradation mode of development.

The World Bank funded Karnataka Urban water Sector Improvement Project (KUWASIP) which is key project being implemented by KUIDFC, KUWS and City Corporation Gulbarga. According to water works department of Gulbarga City Corporation, wards 17, 23, 32 & 44 have drinking water supply connections. Wards 6, 19, 24,33,42,43 &49 are partially provided with city wide water supply connectivity, yet it was found that 68% of slums do not have water supply connectivity.

In case of Gulbarga, it was found that 90% of slums were connected to city wide storm water drainage and sewerage facilities hence it is easy to develop the remaining area under provision of basic services scheme. It was found that 96 % of garbage disposal was handled by municipal staff for collection and disposal at regular intervals of time. In spite of having motorable pucca approach roads, 87 % of slums do not have motorable

pucca internal roads. 97 % of slums have street lighting facility.

In case of up-gradation the demand or basic needs should be calculated as per standards and costing should be proposed as per current market rate.

For further prevention of future slums, the Individual states are required to pass legislation for the transfer of property rights to the slum dwellers through identification of cities to be covered in the first five years and perhaps planning for twenty years so. The strengthening of slum level, community level structures is important through involving them in public participation methods. So that, we finally provide what is required for them instead of what Government of India programme intends to provide. RAY programme is another opportunity within the hands of state governments to address the slums in holistic approach, integrate the plan with livelihood and bring some true upgradation in living standards of urban poor.

“Timely monitoring & implementation of new laws will prevent the formation of slums.”

Status of Awareness of Urban Couples about Female Foeticide: (With Special Reference to Nagar Nigam Zone 1 of Lucknow District)

Gauravi Dwivedi

Introduction

“Everybody talks about weather but nobody does anything about it.”

This quotation from **Mark Twain** is very relevant today in the context of women issues. Women issues gained importance in the later part of the 1960s. It was realized all-round the world that women have remained invisible in all the areas despite their significant contribution to the society. Some of the worst gender ratios indicating gross violation of women's rights are found in South and East Asian countries such as India and China. One of the greatest threats to Indian contemporary civilization is the menace of skewed sex ratio. The phenomenon of missing daughters over the past two decades is the biggest challenge to India's growth and development today. Failure to protect the girl child is no longer just a health issue but an important child protection issue, deserving immediate and utmost attention. Sex ratio shows the exact state of gender relations in the society. Beyond the boundaries of Nation, socially as well as economically advanced societies have shown a sex ratio favourable to the female. Sex ratio is

an important indicator reflecting the socio-economic structure of any society. The child sex ratio is calculated as the number of girls per 1,000 boys in the 0-6 year age group. The decreasing child sex-ratio has been a concern in India's demography in recent times as this ratio has decreased markedly from **945 in 1991 to 914 in 2011** for the country as a whole. Therefore, **there are 86 'missing girls' for every 1,000 boys in our country** and soon it may become very difficult to make up for them.

Indian society, like most of the societies world over, is patrilineal and patriarchal. According to religious beliefs, a man has to be reborn as a man to attain moksha (redemption). A man cannot attain moksha unless he has a son to light his funeral pyre. Also, it says a woman who gives birth to only daughters may be left in the eleventh year of marriage. The saying, **'may even my enemy not have a daughter' and 'jaako maar rayokartar'** (one whom the maker [God] is slow-poisoning) comes from the pain and suffering a daughter's birth and upbringing can cause to her parents, and her paternal and even her maternal grand-parents. Obviously, it shows the

gender bias in our male-dominated society.

Status of Female Foeticide

Even as India has witnessed unprecedented economic growth in the last decade the condition of millions of Indian women and girl children continue to be deplorable, with the government unable to properly implement the laws against female foeticide. According to census 2011 which pegged population of India at 1.21 billion, up 17.4% from 2001, the over sex ratio has improved from 932.91 females per 1000 male in 2001 to 940.27 in 2011, the highest recorded sex ratio since the 1971 census. This can be explained by the greater natural longevity of women and improvements in health

care over the years. But the deeply disturbing part of the statistics is that 914.23 girls were born for every 1000 boys in the age group 0-6, compared with 927.31 for every 1,000 boys in the 2001 census. This is the worst child sex ratio in the history of the country since independence. This steep decrease in the child sex ratio has rung alarm bell across the country. This trend and scale of decline in rising India is shocking. It can only be explained by the deadly application of the 'son preference' on a growing scale- through the instrumentally of sex-selective abortion, of female foeticide. Female infanticide is also to blame for this decline.

Sex Ratio in Uttar Pradesh and India, 1901-2011

Year	Uttar Pradesh	India	Gap
1901	937	972	35
1911	915	964	49
1921	909	955	46
1931	904	950	46
1941	907	945	38
1951	910	945	35
1961	919	941	22
1971	879	930	51
1981	885	934	49
1991	876	927	48
2001	898	933	35
2011	908	940	32

Source: i) Census of India 1981, Series-72, Uttar Pradesh Part IIA, General Population Table.

ii) Census of India, 2001, Primary Census Abstract, Final Population Totals.

iii) Census of India 2011

Sex Ratio in Cities of Uttar Pradesh

Cities in U.P. Districts	2001	2011
Kanpur City	855	852
Meerut	872	885
Mainpuri	857	876
Gorakhpur	960	944
Muzaffarnagar	871	886
Lucknow	888	906
Saharanpur	865	887
Hardoi	844	856
Aligarh	862	876
Jalaun	849	865
Mathura	840	858
Etah	850	863
Gautambudh Nagar	841	852
Ghaziabad	860	878
Etawah	858	867

Source: i) Census of India, 2001
ii) Census of India 2011.

Rationale of the Study

The increasing imbalance between men and women is leading to many crimes such as illegal trafficking of women, sexual assault, polygamy and dehumanization of society. These acts have been increasing making this world unsafe for women. Development, it is assumed, has an isomorphic relationship with phenomena of a divergent sort, including women's empowerment. This assumption has been challenged by the phenomenon of female foeticide as experienced by both developed and developing states. Economically developed states with a high per capita

income and relatively better infrastructure have registered a decline in the sex ratio, particularly so in the 0-6 age group. Similarly, the higher income groups, urban populations and the educated have been found to practice a relatively higher extent of female foeticide. It is one of the most nefarious crimes on this earth; perhaps what is detestable is that the people who commit crime belong to the educated class.

Genesis of Female Foeticide

A number of cultural, social, economic and political factors influence the relative benefits and costs of sons and daughters. The factors responsible

for this can be categorized as:-

Socio-cultural

- Preference for a son by family and society (as he carries forward the name of the family, is considered a source of support during old age and he also performs the last rites at the time of cremation)
- Social and familial pressure on women to produce sons
- New policies initiated by the government like right to property, two child norm (introduced in Panchayati Raj Act in some states where people with more than two children are debarred from contesting election for self-government) and small family norms
- Lower status of women in the society
- Social evil of dowry

Economic

- Child rearing cost vis-à-vis benefits that may accrue when the child becomes an adult
- Cost related to marriage, especially in the form of dowry

- Most women lack financial independence

Political

- The issue does not attract the attention of political parties
- Weak enforcement of existing policies and laws aimed at curbing the practice
- Little political interest in bringing innovative policies to deal with the problem

Among the feudal communities property/assets are considered to be the reason behind female foeticide. These families with feudal set up and agriculture base do not meant their property to get transferred to their son-in-law (under right to Property Act) hence, prefer to get rid of the girl child at the first instance. A new acronym has been coined by **Prof. Ashish Bose** which is called **DEMARU-Daughter Eliminating Male Aspiring Rage by Ultrasound**. The DEMARU states are Punjab, Haryana, South Delhi, Himachal Pradesh and now Uttar Pradesh can also be a part of this union. These states have a sharp decline in their sex ratios from 1991 census to 2011 census as shown in the given table.

Child Sex Ratio in DEMARU States

STATES	1981	1991	2001	2011
Punjab	908	875	798	846
Haryana	902	879	819	830
Delhi	996	831	868	866
Himachal Pradesh	971	851	896	906
Uttar Pradesh	935	928	916	899

Source: Census of India, different years

It is indeed an irony that some physicians in India have been strong supporters of sex selective abortions since their inception. Their argument include that it is the family's right to make this personal decision that the mother will suffer if she has too many daughters. It is better to get rid of an unwanted child than to make it suffer all its life. For supporters of female foeticide the test appears to be the solution to a number of problems like population control, dowry deaths, bride burning, sexual violence, physical abuse etc. they believe that the reduced sex ratio will lead to an improvement in the status of women and dowry can be replaced by bride price.

Objectives of the Study

1. To assess the level of awareness of urban couples about female foeticide.
2. To assess the attitude of couples towards female foeticide.
3. To find out the factors which accelerates female foeticide.

Hypothesis of the Study

- ❖ Male's dominance due to patriarchal mindset is the main cause of female foeticide.
- ❖ Economic and old-age insecurity are responsible for female foeticide.

Research Methodology

- ❖ Research Design- Diagnostic Research.
- ❖ Universe and Sample- The

people of Nagar Nigam Zone 1,Lucknow, U.P. India will be the universe and 100 couples (age limit of 25-35 years) will be purposively selected as sample.

- ❖ **Source of Data Collection-** Primary, secondary and tertiary.
- ❖ **Tools of Data Collection-** Interview Schedule.
- ❖ **Techniques of Data Collection-** Observation and Interview.
- ❖ **Classification and Analysis of Data-** Through editing, coding and tabulation.

Result and Discussion

97% respondents were aware with the term of female foeticide.

37% respondents were of the view that their parents and in-laws were in keen desire to have male child due to patriarchal mindset of facilitating their VanshPratha and to provide them Moksha, whereas 18% respondents were of the view that their male partner's liking is for male child because a boy provides them desired status in the society. Even 11% of women respondents want male child too because delivering a male child provides a dignified space in the family.

After raising a query about not willing to have a girl child, 48% respondents were of the view that they are building or will build their daughter's educational status but after marriage their daughters' educational and economic status will not work for them

while a male child will be a bread-earner and an financial supporter for them. 22% respondents were of the view that different problems regarding females like dowry, rape, molestation, eve-teasing, acid-attacks etc. create a tendency to not have a girl child. 52% respondents were of the view that social rigidity due to patriarchal mindset inhibits them to live with their daughters after marriage, so girls can not be a pillar to provide support in their old age.

98% respondents were having the knowledge of sex-determination techniques. 77% of respondents think that such techniques are the easiest way to remove the undesired sex.

On the one hand they are seeing their convenience that for the desired thing, they do something but on the other hand they are not realizing that their this type of convenience is responsible to take one's life which is a heinous crime. The day they realize this thing, sensitizing towards missing girls will make them a responsible citizen.

Concluding Remarks

Female foeticide in India is a genocide of one million women annually with tragic consequences. Urgent steps need to be taken to immediate end this genocide and prevent its tragic consequences. In Indian society women are supposed as a burden on society especially on their parents regarding patriarchal mindset of our society. That is why even educated parents, a doctor who makes availability of determining

sex through techniques do not hesitate to perform this cruel act of female foeticide. This is the example of our negativity that technology is becoming a curse instead of being a boon. This could lead to 10% of men being unmarried, leading to immense increase in rapes, HIV/AIDS, criminal activity, depression and suicide. In some villages the elimination of the girl child has created such a shortage of girls that families purchase brides from other villages for paltry sums. Women are also being forced into polyandry, or being "shared" by brothers, and have suffered violence for refusing to do so. An unbalanced sex ratio not only spells economic and social disaster but also means an uncertain future and a poor quality of life for surviving girls and their families.

The easiest way to end this genocide is to ban monitor 30,000 ultrasound civics. It is also important for Government to amend the Dowry Prohibition Act so that a cap is put on marriage expenses at 20% of annual income of father. Till the time unequal views regarding the existence of female will not be abolished and the minimization of or end of this act will not be possible. The only long term solution is to change attitudes. Government, civil society and media should work hand in hand to combat this inhuman practice. The society as a whole should ensure that the girl is safe, secure, educated, economically and emotionally independent. Worsening sex ratios is

bound to have a devastating effect on the human civilization. Time has arrived to declare a crusade against female foeticide, both on individual and collective level, to stop elimination of unborn daughters only because of their sex.

Suggestions: The Way Out

The removal of this practice in Indian society is a serious challenge. It must involve –

- ✓ Ensuring strict implementation of existing legislations.
- ✓ Inculcating a strong ethical code of conduct among medical professionals, beginning with their training as undergraduates.
- ✓ Simple methods of complaints registration accessible to the poorest and most vulnerable women.
- ✓ Though media has taken attention to the problem, but it need to highlight more to capture attention of the masses and sensitize communities. The individual case studies on plight of women suffering- need to be highlighted.
- ✓ Youths needs to be oriented on the situation through different schemes running for them, so that they have collective voice and peer pressure against these crimes.
 - ❖ This should become a part of curriculum of

training for frontline workers under ICDS and NRHM program.

- ✓ Campaigns at grassroots level should be designed to sensitize people to change their deep rooted mindsets about sons' preference and generate mass awareness on the issue of female foeticide and its consequences.
- ✓ The population policy of the country needs to be re-looked. By and large the general population has misinterpreted the two child norm. This slogan needs to be redefined.
- ✓ Schemes that give incentives to families where there is a daughter's needs to be publicized and promoted at all India level.
- ✓ Routine inspection and monitoring of ultrasound centers to check the misuse of ultrasound machines, hence strict implementation of the PCPNDT act by the government.
- ✓ Need to upgrade morals for those people who are indulged in this cruel act and need to strengthen our value system.

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Urban Poverty Alleviation Policies And Programmes

S.Vivek

Introduction

The significance of urbanization, a process which once initiated is difficult to reverse, for the modernization of the country has now been well –recognized while taking note of the positive contributions of urbanization, one should not, however, overlook the negative consequences like urban poverty. In many developing countries, like India, millions of people migrate every year from rural areas to towns and cities in search of employment and better avenues of living. As the urban economy also suffers from stagnation, it fails to absorb all the rural migrants. As a result, most of the rural migrants end up as the urban poor, making their living in primary or tertiary sectors. Owing to poverty, the urban poor settle in the slums and squatter settlements which are characterized by the absence of basic services. It is estimated that about one-third of the urban population in India live in such slums and squatter settlements.

Magnitude of Urban Poverty

According to a report about 33 percent of India's urban population lives in abject poverty. Other unofficial studies conducted by economists expressed

deep anguish over the rate at which the urban poverty is growing in the country. Earlier, few reports pointed out the pathetic conditions in which the urban poor live. According to these reports about 90 percent of the slum people depend on public taps or bore wells for water supply. About a half of them live in semi-pucca dwellings. Only 15 percent of them have private toilets and 21 percent have access to community lavatories. As they have to live in congested, over crowded and unsanitary localities, the slum people especially the women and children get exposed to various health hazards. A majority of the poor people is illiterate and they depend on informal sector for livelihood. Being unskilled and semi-skilled, they have very limited source of income. The problems of the urban poor are more complicated compared with rural poor. Since the urban poor are uprooted from their rural environment, they feel alienated and neglected in the urban setting. Such physical and psychological environment make the slums the breeding grounds for many a social tension. Urban centres present tremendous opportunities for all people including the poor. Cities are important vehicles for social and

economic transformation in India.

Unfortunately many of the benefits of urban development are not shared by the people. The increase in the number of the urban poor can be partly explained by rural urban migration of poor people encouraged by economic opportunities in urban centres. The increase also however be attributed to conditions within urban areas themselves which keep many poor people in their depressed state. Until and unless cities are able to meet the needs of their expanding population, any advantages that economic opportunities might present for the poor are likely to be outweighed by these factors.

Features of Urban Poverty

There are certain common features of urban poverty like:

- Urban poverty has an immediate spatial dimension in the form of miserable living conditions;
- Malnutrition especially amongst women and children;
- Irregular health services in slum pockets;
- More infant mortality;
- Ill health with all its consequent constraints is an integral part of the urban poverty;
- Illiteracy and semi-literacy is a natural handicap of urban poverty;
- The urban poor lack technical skills and are the life members of the informal sector; and

- Lack of basic services like drinking water, latrine and baths, sullage disposal, and electricity.

Therefore any simple prescription for alleviating poverty through programmes to increase employment and or income of poor urban men alone cannot adequately deal with the complex of problem of urban poverty. Any strategy to ameliorate their situation must be multi-faceted one in addition to economic and physical poverty alleviation.

Administration of Poverty Alleviation

Administration of poverty alleviation has now come to be recognized as a distinct field of specialization in the area of development administration. The subject assumes significance as the Constitution of India enjoys the state to actively pursue policies for wider distribution of the development benefits and eradication of social-economic inequalities. In view of the huge magnitude and complex nature of poverty situation in India, a number of measures were taken towards its alleviation. Starting with Fifth Five Year Plan specially focused programmes have been launched to promote the well being of the hitherto marginalized and deprived sections. The two basic thrusts of these programmes are to secure to the targeted sections better employments and to get them increased access to housing and other basic amenities. A third thrust viz., empowerment of women has been added from the ninth Five Year Plan. Progress of these programmes,

however, is not up to the expectations.

In particular, poverty in urban areas is proving increasingly stubborn in its decline. On one side there are slew of ever new challenges being thrown up by the phenomenon of urbanization of poverty and on the other side the resources crunch is stunting the initiatives to counter those challenges. Rural poor in large number are migrating to the large cities under the influence of the pull and push factors of rapid expansion of industrial and commercial activities there. The cheap labour provided by them is contributing in a significant way to the urban prosperity. But these people are forced seek shelter in slums and squatter settlements with very poor access to the basic amenities as the urban local bodies were not in a position to ensure adequate investments for augmenting housing and other infrastructure facilities in pace with the demands.

Urban areas contribute to over 60 percent of the country's GDP. It is well recognized that for sustained economic growth of the country, an imperative is that urban productivities have to constantly for upgrading the vocational skills of urban poor as well as improving their living conditions. Government has framed several policies and programmes, based on the experience of each programme, for the upliftment and improvement of quality of life of urban poor. The ultimate aim of the Government is to alleviate the urban

poverty.

Government Policies on Urban Poverty Alleviation

Most national governments have recognized the need to improve their response to the urban challenge and in particular to urban poverty and have participated in a series of UN global conferences. Habitat-I in Vancouver in 1976 focused on human shelter and housing. Habitat-II in Istanbul in 1996 mapped out the urban agenda for the twenty-first century. It introduced the new themes of urbanization and sustainable urban development in response to spiraling urban degradation and decay, and outlined the Habitat Agenda, which calls for global action to address these challenges. Istanbul +5 was held in June 2001 to review and appraise implementation of the Habitat Agenda World-wide.

India is a signatory to the Habitat Agenda and participated in Istanbul +5. The Union Ministry which deals with urban issues is the Ministry of Urban Development. The Ministry of Housing and Urban Poverty Alleviation (HUPA) is in-charge of dealing housing, employment and urban poverty alleviation. Though a draft policy was prepared in 1992 by, the Ministry of Urban Affairs, India does not have a national urban policy.

State governments have primary responsibility for planning and initiating programmes in the urban sector and

have been requested to prepare state based urban development strategies. These have not as yet been produced. Under 74th Amendment to the Constitution, however, greater autonomy, authority and accountability for the provision of civic amenities have been devolved to Urban Local Bodies (ULBs). Poverty Alleviation is a specific ULB responsibility. In addition, at the state level, State Urban Development Agencies (SUDAs) and District Urban Development Agencies (DUDAs) exist, and are responsible for ensuring coordination between different urban development and urban poverty alleviation programmes.

Government policy on urban poverty takes a three pronged approach:

- (a) Enhancement of productive employment and income for the poor;
- (b) Improvement in general health and welfare services; and
- (c) Improvement in infrastructure and the built environment for poor neighbourhoods.

Urban Poverty Alleviation: Policies and Programmes

Government policies and programmes on urban poverty reduction have moved from a stage where it was seen primarily in terms of social and economic inequalities in the first plan and later as distortions in the income distribution in the fourth plan. The policy thrust articulated in the Ninth Plan

Approach paper was eradication of poverty, both economic and of opportunities, and living conditions.

The origin of Urban Poverty Alleviation (UPA) initiatives can be traced to the Community Development Programme which began in the early 1950s. The first formal attempt to experiment with community development approach in cities was the Urban Community Development (UCD) pilot project which was started in 1958 and followed by a series of the UCD pilot projects based an 'areas-oriented approach'. Subsequently the Environmental Improvement of Urban Slums (EIUS) was identified as a basic need of the slum population, in the Fifth Plan. The scheme was started in 1972 at the Central level to provide to the urban poor the basic physical facilities like safe drinking water, sewerage, storm water drains, community baths and latrines, street lighting etc. The scheme was later transferred to state governments for onward implementation in 1974. The approach of the EIUS was also 'area-oriented'.

The Seventh Plan made the first conscious attempt to address urban poverty directly instead of treating them as mere adjunct of rural poverty. In the plan, the Central Government decided to expand the Urban Basic Service (UBS) programme implemented during 1981-84 in 42 towns in collaboration with UNICEF, to 168 towns. Thus UBS aimed at catering to the basic physical and

social needs of the urban poor with a view to improving their living conditions. The important feature of the programme was its 'community participating approach'.

The National Commission on Urbanization (NCU) had recommended that amelioration of urban poverty should be accorded the same priority as given to rural poverty. In addition, it recommended that community development should be the strategy for improvement of living conditions of the urban poor. Consequently as a follow-up of the recommendations' made by the NCU, the first major comprehensive intervention of addressing the issues of growing incidence of poverty in urban areas was started in 1989. The Government of India adopted four pronged strategy comprising of:

- Employment creation of low income communities through promotion of micro-enterprises and public-works;
- Housing and shelter upgradation;
- Social development planning with special focus on development of children and women; and
- Environment improvement of urban slums.

Based on this strategy, the central government launched two schemes for the urban poor. (i) Nehru Rozgar Yojana (NRY) in 1989 to cater to the economic needs of the urban poor by providing them employment opportunities

through skill up-gradation and assistance in setting up their own micro-enterprises; and (ii) urban Basic Services for the Poor (UBSP) which was a modified UBS programme, in 1990. The NRY and UBSP were based on 'beneficiary approach' and community approach respectively. Thus, by the end of Seventh Five Year Plan period, the Government of India adopted the 'area approach' under the EIUS scheme, 'beneficiary approach' under NRY scheme and 'community approach' under UBSP programme. But an integrated approach was still lacking.

Other effective and innovative programmes for the urban poor include Sites and Services, Slum Improvement Projects in Madras (now Chennai) and Hyderabad, Self Employment Programme for the urban poor, Special Nutritious Programme, Small Loan programmes and community health scheme of Calcutta(now Kolkata), Low Cost Sanitation scheme in Patna and other cities. These apart, there are other programmes initiated by different state governments for upgrading the skills of the urban poor. Employment Training programme component incorporated in slum clearance programme in Tamil Nadu, Special Training and Employment programmes for the urban poor in Madhya Pradesh are some such programmes for urban poor. Indira Kranthi Patham (Urban) is the state programmes implemented in Andhra Pradesh to tackle the problems of urban poor and to eliminate poverty.

The Constitution (74th Amendment) Act 1992 aims at providing the ULBs with the status of a third tier of Government. It is designed to make the ULBs as viable self governing democratic institutions at the grassroots level. The Act has included the UPA as a legitimate municipal function. The Act has facilitated partnerships between the ULBs and higher levels of government as also the decentralization of the UPA programme.

In the Eight Plan, 'participatory approach' became the fulcrum for the UPA programmes. The Prime Minister's Integrated Urban Poverty Eradication Programme (PMIUPEP) was launched in 1995 with the aim of creating a facilitating environment for improvement in quality of life of urban poor through community based planning and implementation. The PMIUPEP sought to address the problems of urban poverty with a multi-pronged long term strategy which envisaged bringing Community Based Organizations (CBOs) to the centre of the development process, by facilitating direct participation of the targeted groups who are expected to derive benefits from this programme.

The National Slum Development Programme (NSDP) was launched in 1996 as a centrally sponsored scheme. Subsequently, the scheme was modified as a special central assistance to the states. The NSDP relies on the creation of community structures as the basis for slum development and gives the

maximum possible leeway to the states, the ULBs and the CDSs at the slum level to plan and carryout development works as per the local assessed needs.

The Swarna Jayanti Shari Rozgar Yojana (SJSRY) was launched by the Centre in August 1997 and was designed to replace the UBSP, NRY and PMIUPEP. The SJSRY had two sub-schemes namely (1) Urban Self-Employment Programme (USEP) and (ii) Urban Wage Employment Programme (UWEP). Both these scheme components were based on the UBSP approach and the Community Development Societies (CDSs) were expected to play a major role in implementation. However after a decade the Government of India revamped the scheme in 2009. Its scope was broadened, components increased to five and financial allocation increased manifold.

In December 2005, Government of India launched its mega infrastructure development project JNNURM and its two omnibus schemes of UIDSSMT and IHSDP. JNNURM was initiated in mission mode for developing 65 select cities and remaining towns were covered under two omnibus schemes. The second mission (BSUP) of JNNURM and IHSDP were exclusively for developing urban slums, abode of urban poor in majority. The seven point charter provided affordable shelter, tenure rights, sanitation, water supply, access to health and education to urban poor community.

In view of importance of urban poor in urban informal sector economy, the Ministry of Housing & Urban Poverty Alleviation formulated a new Street Vendors Policy and a model bill for regulating the street vending and rehabilitating the vendors. The states were advised to enact their own law on the basis of model Bill. About seven state governments have enacted their own law for the purpose and many others are in pipeline. In view of the lukewarm response from state governments the Government of India, at the behest of NDC, drafted a fresh Bill and the same was placed in Monsoon Session of Parliament this year. A new Central Act is expected shortly.

In 2009, under the global initiatives for making cities slum free in a time bound manner, Government of India has launched Rajiv Awas Yojana (RAY) for making cities slum free in phased manner. It has twin objectives of mainstreaming the existing slums and preventing the creation of future slum by reforming urban planning and land management.

The latest move in the direction of urban poverty alleviation is the National Urban Livelihood Mission (NULM) conceived by the Government of India for creating a pool of skilled manpower. It aims to make the demographic dividend a positive situation for providing skill training to urban poor and economically weaker sections of the society.

In this way a multi-pronged approach to attack poverty has been initiated by the Government of India. All the aspects of poverty—economic, infrastructural, social, ethical- are being tackled simultaneously in convergent way to focus on human development.

Issues and suggestions in the implementation of UPA programmes

- The constitution (74th Amendment) Act 1992, especially the 12th Schedule envisages an increasing role of the ULBs in urban poverty alleviation efforts. Keeping in view of the poor financial health of the majority of the ULBs in the country, devolution of adequate financial resources to ULBs is necessary to support in undertaking UPA programmes.
- Under UPA programmes, the banks tend to extend loans only for purchase of fixed assets, which can be hypothecated, and do not normally meet the working capital requirements of the beneficiaries. The loan ceiling imposed under the UPA programmes need to be raised.
- The economic criteria for identifying the target groups under the UPA programmes are prone to abuse. Non-economic parameters, formulated are more sensitive to identification of beneficiaries. The poorest among the poor should be identified.

- Banks are more concerned with the recovery of loan sanctioned to beneficiaries. They must be convinced to keep up the objective of social goals.
- The role of community is crucial for the success of urban poverty alleviation programmes and its sustainability. This issue arises where beneficiaries are made partners in the implementation and goal attainment. For the success of UPA programme, the community should be involved in policy formulation, programme implementation, monitoring and evaluation.
- Although there has been a proliferation of different urban poverty alleviation programmes, there has been little addition to the local resources available. The resources need to be provided in proportion to the magnitude of the problems.
- Since the ULBs are made incharge for the implementation of UPA programmes, in each ULB a separate cell with adequate staff and infrastructure should be provided to yield better results.
- In order to have a high level of beneficiary participation in the UPA programmes and for the community to play a critical role in planning, implementation and review, it is of vital importance to strengthen the community structure.
- Timely release of funds by the Central Government to SUDA, which should release these funds to DUDA and subsequently to ULBs for effective implementation of UPA programmes.
- The present practice of preparing bottom-up action plans – Bustees, CDS (for 200 families), municipality, district and state level UPA plans needs to be strengthened.
- The community based approach should be used for all UPA schemes. The CBOs should prepare mini plans for their areas and these should be consolidated into a strategic city plan by the CDSs and the UPA cell of the ULB.
- Training under the UPA programmes has generally not been very organized for those implementing the schemes. Training in different trades, especially opted by the poor should be provided under UPA programmes, further, adequate quality in training must be ensured.
- The Management Information System (MIS) should be developed in all states for the benefit of policy makers, government, beneficiaries etc.

Conclusion

The approach of community participation should be adopted in all urban poverty alleviation programmes through a structure of Community Based Organization. Whenever possible, these CBOs should be focal point for convergence of various sectoral programmes. Instead of putting on paper, this should be practiced materially. The government functionaries associated with the UPA programmes should be suitably trained, reoriented and given direction to make them facilitators. The structural mechanisms of the UPA programmes need to incorporate new loan recovery procedures. All UPA programmes should essentially follow the bottom up approach. Apart from bank loan few other financial mechanisms like community thrift and credit societies and/or some information banking system need to be developed to benefit the urban poor. Above all, the UPA programmes should be implemented with strong commitment, dedication and devotion to improve the quality of life and socio-economic status of urban poor through providing assured employment and extending financial assistance for micro enterprises. Our aim should be on inclusive development for making cities for all, including the deprived class who are actually service provider and run the wheel of economic development.

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Emancipation of Adolescent Girls (With Special Reference to Indira Nagar, Lucknow)

Anvita Verma

Introduction

All children have the right to be protected whatever they are. Their right to protection is intrinsic to their well-being, as the right to survival, development and participation. In the 20 years since the Convention on the Rights of the Child entered into force, the global community has pledged to safeguard children's rights in education, health, participation and protection. These rights entail moral and legal obligations. Governments the world over are held accountable through the committee on the Rights of the Child for the welfare of their children. Considerable progress has been made across the world in reducing mortality, improving access to basic health care and ensuring schooling for children during their first decade of life. These accomplishments have paved the way for promising strides in adolescence.

Population growth stabilization is one of the major development challenges for India today. What happens in the future depends to a large extent on the decisions taken by adolescents today as they enter the reproductive years. The serious adverse effects of child marriage,

early pregnancy and high birth rates can lead to the deterioration of women's health and productivity. Focusing on the adolescents entering in reproductive age may prove crucial for population stabilization. This entails providing them with a productive and healthy life. The essence of health and productive life includes making every child entitled to nutrition, education, parental care and affection.

A happy upbringing - with opportunities to learn, play and feel safe – is still a distant prospect for many. Instead, millions of teenagers face hazardous employment, early pregnancy and participation in armed conflict. Burdened with adult rolls and deprived of their rights as children, adolescents are exposed to protection abuses. Denying this age group their childhood heighten their risk of exploitation in labour, social isolation associated with early marriage, and mortality or morbidity for adolescence girls for pregnancy- and childbirth – related complications. The enormous challenge of protecting adolescents at this vital time in their lives should not be underestimated- and adults have a crucial part in meeting it.

Adolescence is the transitional stage of human development between childhood and adulthood involving major physical, psychological and social transformation. It is a turbulent phase characterized by mood swings, impulsive behaviour, blood concept of self-identity, fantasies, violent behaviour, anxiety states, complex and difficult inter-personal relationships. It is a period of rapid change where physical, emotional, intellectual changes take place.

Adolescents are often considered the next generation of actors on social and economic stage; therefore all societies would benefit from harnessing their energy and skills. Realizing the rights of adolescents and advancing their development requires a keen understanding of their current circumstances.

Situation Analysis of Adolescents in India:

- ✓ **Early marriage of girls:** According to NFHS-3, 2005-06, almost 50% of women marry before the legal age of 18 verses 10% of young men.
- ✓ **Teenage pregnancy:** According to NFHS-3, 2005-06, the teenage pregnancy is common. Overall, one in six women in age group of 15-19 have begun childbearing. Around 41% of all maternal deaths take place

among those aged 15-24. Neonatal mortality rates are also hugely influenced by maternal health. NMR is as high as 54/1000 among those aged 15-19.

- ✓ **Under-nutrition:** 47% adolescent girls and 58% adolescent boys 15-19 years with Body Mass Index less than 18.5 kg/m². Intake of nutrients is less than the Recommended Daily Allowances for adolescents below the age of 18 years both for boys and girls in the area of female teens' nutrition. Girls are more at risk of malnutrition than boys because of their lower social status. 56% adolescent girls are anaemic (verses 30% adolescent boys). Anaemic adolescent mothers are at a higher risk of miscarriages, maternal mortality and still-births and low-weight babies. Under nutrition in adolescents also leads to poor academic performance in schools and low productivity in the work force later in life.
- ✓ **Educational status:** School enrolment figures have improved but gender disparities are persistent at all levels. NFHS-3 data shows that 21% adolescent girls and 8%

adolescent boys have no education. As per Selected Educational Statistics (SES 2010), in 2007-08, the dropout rate among girls was 24.41% in primary classes (I – V), 41.34% in elementary classes ((I – VIII) and 57.33% in secondary level (I to X).

✓ **Awareness about sexual and reproductive health matters:**

They have limited Sex education exposure in school. Pre-marital sex is experienced by 11% of young men and 5% of young women in adolescence, i.e., before age 20. Rural young women are twice as likely (6% vs 3%) and rural young men almost three times as likely (14% v/s 5%) to have experienced pre-marital sex as their urban counterparts. Very few have had protected sex (13% and 3% of young women and men, respectively) in all their sexual encounters. Adolescent girls are more disadvantaged than adult women as far as abortion related health hazards are concerned.

✓ **Mental Health:** As per the UNICEF report 20% of world's adolescents have a mental or behavioural problem. The NCRB data shows an increasing trend towards youth suicides in India in the last decade, highlighting

social, occupational and family conflict areas as major domains. The overall prevalence of child and adolescent mental health disorders is 12-14%.

Rationale for Investment on Adolescents:

Adolescents are as worthy of care and protection as young children and as worthy of consideration and participation as adults. Now is the moment for the world to recognize both what it owes to them and the singular dividends that investing in this age of opportunity can generate –for the adolescents themselves and for the societies in which they live? According to a study by UNICEF (2005) following reasons are necessary to invest in adolescent population:

- a) **Ethical Argument:** Social investment as an instrument for implementing rights and achieving equality. This argument considers social investment as an ethical imperative, recognizing that universal human rights (civil, political, economic, social and cultural) should be fundamental to a nation that pursues equality and justice for its citizens, particularly children. Universality of rights is a basic requirement for the achievement of greater social cohesion, sustained economic development and a

stable democracy.

b) **Economic Argument:** social investment as an instrument of economic growth and productivity gains. This argument seeks to highlight the complementary links between social and economic policy' and the positive implications of social investment for economic development and productivity. On the one hand 'social policy making and implementation has an economic impact. It is important to demonstrate that countries without a healthy and educated population' often the result of low levels of social investment' will face serious constraints introducing know-how and technology into their production processes. Greater productivity allows costs to be reduced, leading to lower prices and greater competitiveness in global markets.

c) **Political Argument:** social investment as an instrument of social cohesion and democratic governance. This argument relies on the close interrelation between the social and political spheres. Inadequate social investment, high levels of inequality and severe poverty, compound to become a real obstacle for the development and

consolidation of democracy. This condition of social deprivation does not only weaken the institutional dimension of democracy, it also diminishes participation and solidarity' which are essential values for democratic life. Social investment and sustained human development, on the other hand, widen opportunities for broader sectors of the population' opening channels for social mobility and generating stable processes of social integration.

d) **Equity Grounds:** Last but not the least, interventions on adolescents is an equity issue. Inequity is a major barrier to the fulfilment of adolescents rights outlined in the Convention on the Elimination of All Forms of Discrimination against Women. Adolescent girls are particularly vulnerable. The importance of equal access to education, health, employment, juvenile justice is a key to the positive development of the adolescents. According to the UN Convention on Child Rights, all children are equal, and have human rights such as the right to food, shelter, health care, education and freedom from violence, neglect and exploitation. The Convention also states that

children have the right to participate in decision-making and due weight should be given to their opinions, according to their age and maturity. Hence adolescents' issues require to be seen from the perspectives of **survival, protection, care, participation and development** and informed inclusion in citizenry and society.

Objectives

- ❖ The general objective of the study is to assess the level of stress among adolescent girls.
- ❖ Analysis of the factors of stress among adolescent's girls.
- ❖ Emphasizing on uploading their positivism and inner strength which can motivate and mobilize them towards overall development even in stressful condition.

Hypothesis

- ❖ Competition regarding performance in education and career formation is one of the main causes of their psychological imbalance or psychosomatic problems.
- ❖ Absence of specific guidance and counselling pushes them towards negativities and occurrence of violence; non-peaceful situation takes place the society.
- ❖ Conflicts to balance between

values and emerging life style create stress among adolescent girls and make them violent.

Research Methodology

- ❖ **Research design-** Diagnostic Research.
- ❖ **Universe and sample-** The people of sector 21, Indira Nagar (urban area), Lucknow, U.P., India will be the universe and 100 adolescent girls (age limit of 15-19 years) will be purposively selected as sample.
- ❖ **Source of data collection-** Primary, secondary and tertiary.
- ❖ **Tools of data collection-** Interview Schedule.
- ❖ **Techniques of data collection –** Observation and Interview.
- ❖ **Classification and Analysis of Data-** Through editing, coding and tabulation.

Result and Discussion:

The Primary data shows that -

49% of adolescent girls were in favour that parent's rigid mind-set confines them within the walls and they feel dominance of male by all the ways. While 17% of girls said that their parents permits them to go outside but within the limits of time, not after evening. 42% adolescent girls said that they can go outside only for the school, colleges and except it they are only permitted to go outside only for the educational causes (like to buy books, to make notes etc.).

Hence, a biological cause of social rigid mind-set regarding their weak physical strength rules upon them.

52% of girls were in favour that gender inequality has strong roots due to patriarchal society and it cannot be removed. This rigidity inhibits their potentialities to explore which is a major cause of girls' poor development. Only 28% girls said that time has been changed we don't feel like this type of rigidity.

66% of adolescent girls were in favour that insecurity lies in our mind regarding physical and mental harassment due to eve teasing, molestation and rape etc. While 34% of girls were especially insecure with fast growing 'acid attack cases'.

48% of girls were in favour that household female workers are more prone to sexual violence because their vulnerable status makes them physically as well as mentally weak.

76% girls told child labour as a curse to mankind, because these children are exposed to all kinds of sexual abuses and other physical violence.

78% girls were in favour that these all factors are creating hindrances in girls' overall development (physical, mental and social).

41% girls told that they can hold themselves against all negative conditions, atleast they can try to bring them out from adverse conditions.

39% girls told these environmental

(from society) insecurity sometimes make them very aggressive and non-peaceful which is not a good sign for the society because in long time they will hold a family and family is the base of any society.

53% adolescent girls were in favour of the impact of the West and exposure regarding clothes but 44% said that sometimes this exposure can be harmful to disturb others biological, mental soundness and provokes rape, molestation and other kind of crimes etc., because in this way innocents also can be victims so it's important to societal peace to follow the norms and dignity and do everything within limits.

53% of girls said values are shifting towards dark side, corruption is raising so why should we are bonded to follow values. If they are thinking like this it is an alarming situation, it can be harmful for the peace of society.

Strategies for Development of Adolescent Girls:

In developing countries, the social assistance aspect of social protection has a primary, broad role in reducing poverty and is a key component of development policy. In developing countries with the relevant experience, there is increasing evidence that social protection programmes can not only improve children's health, nutrition and educational achievement but also reduce the danger of abuse and exploitation.

- **Addressing separately for their recognition:** Adolescents as a

group need to be addressed separately as focus on their issues, concerns, problems and aspirations is lost when they are aggregated with other groups due to having specific ideology regarding their physical and psychological changes at that particular time with an specific manner across policies and programmes. Mainstreaming requires recognition of adolescents as individuals with their own rights, aspirations and concerns. The requirements of adolescents need to be identified and dealt with in an inclusive and specific manner, across policies and programmes, and also while planning at various levels.

➤ **Guidance & Counselling:** Counselling & Training Centres can serve as health information (especially HIV/AIDS and STDs) and healthcare service towards physical, psychological and behaviour changes.

➤ **Greater Inclusion:** The educational, nutrition, health, livelihood and empowerment interventions for boys need to be designed keeping in view such differences. However, while doing so, care has to be taken to avoid reinforcing gender stereotypes. In respect of programmes for girls, it is unfortunate that government

policy and programme documents at times appear to look at girls primarily in terms of their prospective roles as wives, mothers and care-givers. This needs to be corrected. It is desirable that programme interventions include both girls and boys. There is enough evidence to show that working with one group to the exclusion of others does not lead to sustained impact.

➤ **Channelizing their energy towards right direction:** Need to direct and forward their energy in right direction which explore their potentialities to enable them as a positive human being of future. Large number of school drop outs doesn't have access to skill development opportunities for improving their employability. Skill Development Initiative (SDI) of Ministry of Labour and Employment, a new strategy framework for early school-leavers and existing workers in unorganized sector needs to be expanded to all the villages.

In addition for the school going AGs, there is need to provide some vocational training, linked to market, at the secondary level. In this regard, multi-pronged strategies and efforts are required for preparing the AGs to enroll in vocational

courses without compromising the regular school curricula. This will help to prepare the AGs to participate in the workforce in their future years.

➤ **Establishment of the special / rehabilitation centers:** The special / rehabilitation Centers, under the Scheme of National Child Labour Projects (NCLP) of the Ministry of Labour, meant for rescuers from Child labour, deserves to be multiplied and made accessible to school drop-outs of all categories. Adolescent students may be encouraged to prepare two or three income generating schemes as per their aptitude and guided how best those could be operationalized, if one wishes to do so. Career Guidance and counseling services be dovetailed into the functioning of various work Centers so that adolescents get needed clarifications as they progress. Preference to be given to students coming from Vocational stream in the higher Professional courses i.e. engineering, and the like.

➤ **Firm and strong value system:** Adolescent period is decisive period in which one can establish oneself as a constructive or destructive human being. That time their nurturing regarding

value system should be adequately guided as well as directed. Recognition of adolescents as instruments of change in the nation's development by not only exercising their rights but also discharging their duties as responsible citizens, where the attempt will have to be not only to empower them for their own development but also to equip them to prevent and contain distortion of culture, criminalization and fundamentalist tendencies. It is important for adolescents to understand their duties towards their family, society and nation in order to grow up as responsible citizens in future.

➤ **Training of related people:** During their transformational stage from adolescent to adult they have variation of moods with high enthusiasm as well as high depression. They lack understanding and co-ordination with the circumstances. In such condition their parents, teachers and other care-holders should be skilled and well equipped with the knowledge of the particular kind of behaviour. This support and understanding can only control their social breakdown and can minimize their escape from negativities which is prevailing in contemporary society.

- **Addressing Psychosocial Well Being:** The issues related to psychosocial well being, anxiety, depression, drug abuse and smoking needs to be addressed as majority of mental health problems originate during adolescence. Presently, there is a weak system of counseling for the school going children. To some extent, the psychological needs of out of school AGs are being addressed under Sabla in 200 selected districts. There is no mechanism to address such needs of the out of school going boys. Hence, there is a pressing need to strengthen the counseling system for the school going children, in addition to the setting up counseling system for all out of school adolescents, especially the boys. Expansion of Sabla in all the districts in the next plan will take care of psychosocial needs of the AGs.
- **Developing a sense of Responsibility by their Active Participation:** Adolescents not only constitute individuals having the potential to actively participate in and contribute to social and economic activity, but are also existing participants in such activity. As such, it is necessary that their right to appropriately participate be recognized and due weight given to their opinions, while keeping in view their age and maturity. In

operational terms, such a rights-based approach will have to address both an enabling environment in society and the ability of adolescents to equip and empower themselves to participate effectively. Such participation has to be in all spheres of life, including in family decisions, schools, community activities, cultural activities, sports, etc. Under schemes like Sabla, the Adolescent Education Programme and Youth Clubs, a beginning has been made in acknowledging the role of adolescents as empowered agents of their own development, through establishment of an appropriate framework for their involvement and participation, in the form of peer leaders and adolescent groups.

This approach needs to be further encouraged to fully harness the potential and the youthful drive of adolescents for the betterment of all aspects of their lives. For this, suitable ways need to be found for involving them in the processes of programme development, design, implementation and monitoring. This will require both local flexibility in programmes and support to adolescents in terms of building up their capacities, making available information, and improving their access to resources, facilities

and services. Further, viable and responsive institutions and systems to promote adolescent participation, in all aspects and at all levels, will need to be put in place.

Conclusion:

Adolescents currently make up 18 per cent of the world's population, but they receive far less attention on the world stage than their numbers merit. Parents, family members and local communities bear a responsibility to promote and protect adolescent development. Implementing laws and pursuing concrete objectives such as the Millennium Development Goals are important ways of building momentum towards investment in adolescents. But if we really want these initiatives to be effective, we must invite young people to be part of the solution and ensure there are heard.

In contemporary urban society rapidly changing life style is pushing the adolescents towards distress to set equilibrium between the values and needs. In such situation, to protect our society it is the need of the time to hold and guide them properly to enhance their capabilities, skills, creativity and potentialities. Listening to adolescents is the only to understand what they expect from us. This is a critical time in a person's growth. Let us pay close attention to the particular needs and concerns of adolescents. Let us create opportunities for them to participate in

society. Let us allow them freedom and opportunity to mature into healthy adults. As the 2015 for the Millennium Developments Goals draws near, every effort must be made to ensure the equal well-being of children worldwide. Their hopes and dreams are still very much alive. It is up to us to enable adolescents to reach their full potential. Let us work together with them to make life a positive adventure.

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Managing Urban Poverty : A Case Study of Pujali Municipality of West Bengal

Kamal Kumar Singh

Introduction of Town

Pujali is situated in the south of Kolkata Metropolitan Planning area, on the east bank of River Hoogly. Nearest Railway Station Budge Budge is about 6 Km away from City and 32 km away from Sealdah Railway Station. Pujali, the smallest municipal town with in KMA (Kolkata Metropolitan Area), set in rich natural settings on the bank of river Hoogly, has been in the process of rapid transformation from rural to urban entity. The process has begun with the establishment of a gigantic thermal power generating station by the CESC since 1993.

A town with a resident population of around 34000 having 48% of the population lives in slums infested with poverty, diseases and inadequate infrastructure service and provisions. Health problems related to environmental degeneration and high incidence of home delivery run hand in hand with unplanned growth, social and economic insecurities. These call for a change in mind set of all stakeholders to negotiate the issues related to infrastructure provisions and urban management deficiencies.

Demographic Growth

Gone through the population data of Pujali Municipal area we have got a decadal growth rate of 14.71% for the year 2001 .As we know that growth rate of India in urban area is 32.60. Here the population is growing naturally.

We also have observed from the census data of 2001 that there is a gender gap (1000:923). Percentage of Total Literacy for 69.8%.From the data of 2006 total literacy in this municipality is 87.28%, for male population it is 88.9 & for female it is 81.2.

Mandated Function

Pujali municipality has implemented all the mandated functions transferred by the State Government. These include land use control, urban and infrastructure planning, urban poverty reduction and employment schemes and environmental management in a participatory process. The Municipality ensures formation of Ward Committees, Standing Committees and people's participation through the encouraged BPL women set up CDS to address the poverty issues preparing data base on Whiz Map- Access based GIS for improved urban

governance.

The constitution of Kolkata Metropolitan Planning Committee and setting up of Ward Committees by enacting respectively the Metropolitan Planning Committee Act (1994) and Ward Committee Rule (2000) have direct impact on DDP preparation for ULB like Pujali within Kolkata Metropolitan Area. Despite interaction with the District Planning Committee (DPC) of South 24 Parganas district, the institution developed to co-ordinate decentralized planning of urban centers in the district, however, provides little inputs to the present context of DDP preparation at Pujali.

Draft Development Plan

The municipality has dedicated leaders with delicate sense of social governance but they need to have orientation training on municipal affairs and urban governance. It has committed workers in group of valiant and youthful staff who need to be utilized with specific designated work schedule, proper techno-managerial training support and incentives to implement capital works and deliver municipal services more efficiently. The municipality needs appropriate envisioned development plans supplemented by funds and resources in time. The Draft Development Plan for the people especially the poor of Pujali provides the scope to examine the present situation and plans for the need based improvement of infrastructure, livelihood

opportunities and governance to serve the people of Pujali effectively.

According to The West Bengal Municipal Act (1993), planning and development are the mandatory responsibilities of municipal government including the responsibility to prepare a Draft Development Plan (DDP) for five years. There are other legislative supports to list a few are with building regulations and Ward Committee Rules to operations together with regulation of land use and municipal waste handling

Interaction of Pujali Municipality with KUSP

Pujali Municipality interacted with KUSP to produce Action plan (2004) on short, medium and long term basis. Prior to that, KUSP design team had series of intensive interactions with Pujali municipality during 2001-02, examined the role of CDS in poverty reduction and overall town development including the preparation of Base map of Pujali and MIS.

As regards the legislative response to intercept the implication of decentralized planning process, Pujali municipality has been partially accustomed to the preparation of development schemes under the government formatted programmes and is not fully aware of implications of their mandatory responsibilities of planning functions. Pujali will aim to address with the KUSP guidance inducing people's participation for improved municipal

governance to provide effective and efficient infrastructure service delivery to the people of Pujali especially to the poor.

Livelihood and Poverty Alleviation Plan

Poverty Situation

Pujali municipal area has experienced a remarkable reduction of BPL households from 46 percent (1999) to 27 percent (2003) and also in absolute terms from 14727 to 9143. However, about 23% of Pujali's present population (estimated to be 35460) still lives below poverty line with in deficient level of basic services and degraded environment (Slum infrastructure Improvement linkage) Unlike other areas with in KMA, poor at Pujali are predominantly local rural off spring widely scattered and not entirely excluded socially.

KUSP's intervention reveals that out of 3527 [comprising of Muslim (62%), SC (25%) and OBC (3%)] households, more than 80% live in self owned semi-pucca or kutcha huts with as many as having kutcha drains near their huts. 37% of disintegrated joint families do not use the sanitary latrines they did before disintegration. Land tenure ship issue is gradually increasing due to disintegration of joint families.

The Livelihood Development initiatives

The strategic location of Pujali on the bank of river Hoogly has inculcated a culture in the people of Pujali with river

based livelihood. More than 20% households live on river based activities such as fishing, pottery, river transportation and other businesses. A recent trend of course reveals that about 20% poor households at slums have improved their level of income engaging in jari works. However, most of the poor are daily labourers having low level of income and live in a degraded environment with inadequate basic services.

Problem identification

FGDs with CDS members, "Jari" workers, local agents (who work as intermediaries between the whole-sellers and the weavers) and citizen consultations including those with the councilors identify the following issues: The "Jari" workers suffer due to absence in communicating skill, training, resource, market and safety nets which cause uncertainty in income generation, despair, loss of school days for children (for they also participate in weaving works to help their parents) and generate various health problems affecting eye ,neck and joints.

The strategy to empower BPL women through SJSRY was successfully implemented at Pujali with the establishment of an UPE cell and a three tiered community structure viz. the CDS, NHC and NHG to address the poverty alleviation programme under the various govt. schemes including KUSP. Pujali has an active community structure set under the SJSRY to create small self help

groups (Thrift & Credit component) by BPL women with the support from of the ULB, SUDA and ILGUS. However, there is a policy gap integrating all the subcomponents of Livelihood and the CDS is not enough motivated to take on the poverty issues independently. A comprehensive plan to integrate schemes to address the poverty issues is also missing. Regular functioning of UPE cell, appropriate training to TPO, CO and CDS members including key RCVs on the poverty issues and livelihood strategy are the identified areas of deficiency.

Local Economic Development Plan

Economic transformation from agriculture to non- agriculture pursuits has occurred at Pujali in two phases. The first phase earmarked the establishment of burnt clay brick manufacturing units and FCI warehouse on the derelict land of M/s Orient jute mill. While the most remarkable change, which transformed Pujali from rural to a notified urban entity, had occurred with the establishment of CESC Thermal Power Generating Station. Pujali witnessed a bewildering amount of investment on huge construction activities within an impoverished environment of Low yield agricultural economy, seasonal employment at brickfields and uncertain service at declining jute mills on both sides of river Hooghly. The combined effect has set dynamism in local youths to opt desperately for various types of construction and trade activities at Pujali.

Some of their entrepreneurial efforts even encouraged them to take risk to revive few sick brick-manufacturing units. As of now, local youths run about 50% brick-manufacturing units at Pujali.

Slum Infrastructure Improvement plan

A transect walk plan through the town reveals a mix of semi-dilapidated adobe structure with damp and ill ventilation mostly at slums and semi-pucca single storied structure with RTS on brick walls with in sub-standard environment. A recent survey identifies (under the BSUP) that 1105 housing units would be required to make up the present deficiencies of the housing stock for the poor at slums. This does not include the strategy of replacement of all the adobe structure. Schemes and proposals of Ward Committees and CDS have been taken into consideration

Healthcare Services Delivery plan

Aligning the Development Objectives of Healthcare Service Delivery has conducted the situation assessment survey to get the overall health scenario reviewed before setting the project proposals on this sub component. Pujali Municipality has implemented preventive health care services through plan creating resources with a network of honorary health workers (HHW), HAU and 7 Sub-centers targeting the health of mother, child and family welfare. Construction of charitable maternity and child care hospital with independent ophthalmological and dental unit and construction of old house

asylum for both old males and females.
Infrastructure Development for Primary Education

Overall scenario on primary, pre-primary education at Pujali and “Sarva Siksha Avijan” through the SSKs reviewed before setting the project proposals on this sub component. Primary education through the implementations of routine Govt. Programmes is also a state transferred mandatory function to the ULB.

At the inception stage of municipal governance, Pujali had only 11 primary schools, 2 upper-primary schools, 2 Madhyamik(secondary) schools operated in wards. Since the year 2000 and onwards, 15 Sishu Siksha Kendras (SSK) have started functioning in all 15 wards followed by introduction of 4 pre-primary centres located in wards covering children between 3- 5 years mostly from poor families with the active initiative of local clubs and community.

In the year 2006- this ULB had constructed 2 new primary school buildings along with total refurbishment of 3 existing primary schools. During the periods from 2004 to 2006-one more storey constructed in each 9 existing primary school to cater to the growing educational needs of Pujali Municipality.

Citizen Interface Plan

Realisation of Development Objectives for the Citizens Interface Plan aligned with over all objectives of Institutional Strengthening Plan is one of

important areas for better service delivery.

Identification and Analysis of existing points of citizen interaction

Delivery of basic services such as means of access, water supply, drainage and sanitation are the priority areas at Pujali, where interaction of Municipal Engineers with the citizens is direct and more intense through the Ward Committee, citizen groups and residents. There are supplementary areas of citizen interaction covered under health by Sub-Centres, education and welfare like poverty alleviation schemes by CDS, NHC, and RCVs supported by the ULB departments.

Conducting of Citizens' survey

A sample survey (sampling of 30%) of the residents of Pujali town provides means to identify and understand the gaps in between the infrastructural service provisions and public needs, responsiveness of the ULB with grievance redressal system in place. The outcome of the survey emphasizes the need for piped water supply.

Management of the operating finances

ULB, it is anticipated the present financial position of Pujali municipality shall show a large dependence of its finances on Govt grants. However, the current fiscal performance of Pujali municipality shows a sizeable percentage of its own source of limited revenue income has been spent to meet

a good amount of capital expenditure. Capital investments on tourism interest by building river side park and guest house and a 20 bedded maternity home

for poor of Pujali from own revenue resources is an outstanding example with in present fiscal management scenario of KMA municipality.

Project List

Sl. No.	Name of the Project	Brief Description	Objectives	Project cost	Total Project Cost	Source of Fund
1	Slum Infrastructure	Infrastructure Asset	Capital Investment	603.56	627.70	KUSP, SJSRY, JNNURM
2	Intra Municipal Infrastructure	Infrastructure Asset	Capital Investment	1002.00	1042.08	12 TH FIN., JNNURM, KUSP, SFC
3	Environment Management	Infrastructure Asset	Capital Investment	24.00	24.96	12 TH FIN & OTHERS
4	Land Use Development	Infrastructure Asset	Capital Investment	660.02	686.42	12 TH FIN & OTHERS
5	Livelihood & Poverty Alleviation	Public Utility	Livelihood Improvement	10.20	1.29	KUSP, SJSRY, JSY NOAPS, NFBS, BSKP
6	Local Economic Development	Public Utility	Economic Development	5.15	7.31	KUSP, SJSRY, JSY NOAPS, NFBS, BSKP
7	Health Care Service Delivery	Public Utility	Development of Health Care	100.90	105.30	KUSP
8	Primary Education	Public Utility	Improvement of Education	4.50	4.50	SSK, SSP, PPE
9	Organisation Development	Institutional Strengthening	Municipal Infrastructure	69.50	91.40	KUSP
10	System & Process	Institutional Strengthening	Municipal Infrastructure	24.70	37.05	KUSP
11	Citizen Interface	Institutional Strengthening	Municipal Infrastructure	11.00	19.82	KUSP
12	Financial Plan	Institutional Strengthening	Sound Financial System		0.50	KUSP

Major Achievement for better Urban Management & Governance

➤ Preparation of draft development plan for the town through community participation

➤ Migration to double entry accrual based accounting and full computerization of municipal accounting

➤ GIS enabled mapping of the town by

- digitizing the cadastral maps and attributing upon it all the spatial features (including houses, open spaces, water bodies, road networks, drainage networks, forestry, agricultural land, social infrastructures etc) through Total Station Survey
- Maintenance of MIS of all ongoing urban development schemes
 - Implementation of all urban development programmes, both centrally and state sponsored
 - Availing of projects and programmes from other departments (both Central and State Government), namely – social welfare, environment & forest, sports & youth welfare, health and family welfare, minority welfare, human resource development
 - Property mapping to introduce Property Title Certification and property tax revision
 - Construction of charitable maternity and child care hospital with independent ophthalmological and dental unit
 - Construction of old house asylum for both old males and females
 - Supply of piped drinking water by installing metre
 - Construction of housing units under IHSDP
 - Bringing out Citizens' Charter and establishing Grievance Redressing Cell under a senior officer
 - Engaging retired civil servants (of State civil service), urban planners and most importantly local unemployed youth having proficiency in IT, GIS, para medics, accounting in various municipal activities
 - Creation of municipality's own website
 - Introduction of computer in all branches of municipality with LAN and an audio – video conference system
 - Introduction of ambulance
 - Laying of all weather roads and RCC culverts / bridges (wherever needed) in all wards
 - Renovation of all primary schools within the municipal area and building up of new school building in some wards
 - Revamped collection drive of municipal taxes and fees
 - Development of dumping ground for municipal solid waste
 - Setting up Ward Education Committee, School Management Committee, Mother – Teacher Committee
 - Rehabilitation of child labour working in brick kilns and putting them under formal education system
 - Setting up of Ward level office
 - Management of mid day meal in all schools within municipal area
 - Strengthening the promotion and

expansion of SHGs through training in various vocations, namely: pisciculture, nursing, beautician, air conditioner and refrigerator repairing,

- Setting up of holiday resort with boarding and lodging facilities and picnic spots on the bank of river Hooghly

Key Observations and Learning

- The municipalities, it has been observed that both the elected representatives as well as the municipal functionaries are very much aware of the details of all ongoing urban development schemes, both Centrally and State Government sponsored
- It has been observed that IT is being widely used in all the branches of municipal governance; GIS and its integration with MIS has been done and being updated regularly in both the municipalities
- The municipalities have excellent infrastructures in their respective offices with enough floor area and dedicated space for different functionaries / projects and programmes
- The municipalities, the job chart of all

staff is well defined and there are separate cells for every programmes and projects (at times two / three programmes are assigned to one cell)

- The municipalities have been seen to have begged programmes and projects from different international donors besides various departments of the State government, namely - social welfare, environment & forest, sports & youth welfare, health and family welfare, minority welfare, human resource development
- The municipalities, community mobilization and community participation seemed to have been the key factor in project planning, execution, monitoring and evaluation
- The municipalities seemed to have been slowly moving away from freebies and started imposing user charges although nominally
- The municipalities have been doing well in the integration and convergence of various developmental programs sponsored by various government departments thereby enhancing citizen centric service delivery by setting up various coordination committees.

Impact of Migration on Household Asset Structure and Poverty Alleviation

Y. Sreenivasulu

1. Introduction

Migration has become an important livelihood strategy for many poor groups across the world. Though international migration has received a lot of attention in recent debates for development across the world, this paper will focus on the internal migration, which is also quite significant in terms of the number of people who migrate. The developing world is host to majority of the internal migrants, i.e., persons who move within their country of origin. Their number is much higher than that of international migrants. In India too, internal migration numbers run into millions, while international migration is only a fraction of this (Srivastava and Sasikumar, 2003). Internal migration is quite an important phenomenon in most developing countries—Bangladesh (Afsar, 2003); China (Zhao, 2003); South-East Asia (Guest, 2003)—and it is usually associated with migration from the rural agricultural sector to the urban construction industry as well as expanding service activities. This paper explores the linkages between migration and poverty—whether migration helps in reducing poverty and accumulation of

assets. The relationship between migration and poverty may not always be positive; the available evidence shows that migration has both positive and negative outcomes on nations, regions, communities, households and individuals. The complex relationship between migration and poverty requires a multi-disciplinary approach. This paper attempts to understand the conditions under which migration can help reduce poverty. As there exists the notion that migration leads to development, the present paper analyses the impact of seasonal circular migration on asset structure, and how it will help in the alleviation of poverty. The present study also attempts to analyze if circular seasonal migration alone can help resource-less households that are below the poverty line to come out of poverty.

It is observed that distress migration only helps the households meet their basic minimum income needs, and does not change their asset structure. Seasonal migration can be beneficial only to those who have access to some resources, and it can help in changing their asset structure marginally. However, for migration to have a

significant development impact there should be access to resources both at the household level as well as at the village level.

Methodology

For the purpose of this paper, we have selected four villages from different zones of Andhra Pradesh representing two different agro-climatic zones—Telangana, and Coastal. From these regions we have selected two districts: one is a developed region in the Krishna-Godavari delta, i.e., the West Godavari District; and other is a less developed region in South Telangana, i.e., Mahabubnagar District. From each district we have selected two different agro-climatic villages for the purpose of the study. We have used a structured questionnaire, which included information at the household level, such as possession of land, and the labour and market details of the household members along with the credit and input/output mark information and migration details. All the households in the selected villages were enumerated and surveyed.

Villages

South Coastal Andhra occupies the top place among the five regions, with a high index of output per hectare. This region also has higher per capita income when compared to the other regions. South Coastal Andhra is a densely populated region, due to its high agricultural development. Here, there is

more pressure on land owing to its high productivity. The region recorded 94 per cent higher productivity than the state average (Subramanayam, 2003). From this region, we have selected one of the irrigated districts, i.e., West Godavari. In agricultural terms, this is one of the most dynamic districts— agriculture is the dominant occupation in the region. In addition, the construction of a wide network of irrigation canals gives an impetus here to further development in agriculture. The chief sources of irrigation in the district are canals from the Godavari and the Krishna rivers. With regard to cropping pattern, no crop other than paddy is grown generally in the same land for two or more successive seasons.

In the dry region, there is practice of mixed cropping, i.e., groundnut is grown along with red gram or jowar. Cotton is a predominant crop in the dry lands. From this region, we have selected two villages, Kothapalli village is irrigated by government canals, and paddy is predominantly cultivated in the two seasons, while the other, i.e., Seethampet Village is irrigated through tube well and open wells, and the predominant crop is tobacco which is cultivated in the two seasons.

Another study region, South-Telangana ranks least in agricultural development. The performance of South-Telangana is poorer when compared to all the regions in Andhra Pradesh. This region has low irrigation

ratio (27.6 per cent) and receives low rainfall. In such an agro-climatic situation, moisture stress appears to be the major factor contributing to the low yield. The district is known as a 'Palamur' District as majority of people migrate during the lean season to neighboring districts for a livelihood. Famines and drought are common phenomena in the district. The agricultural labourers work for six months in a year in the study village, and for the other six months they migrate out from the villages. The standard of living of the people in this district is rather low. Most of the agricultural lands in the district are dependent on the rainfall. Rain-fed crops such as jowar, groundnut, castor and pulses are directly sown in the main field.

A large variety of crops are grown in the surveyed villages. In Tatiparthy, the farmers cultivate only one crop during the Kharif season. Here no cultivation, or any other agricultural activity, takes place during the Rabi season. In Arepalli, a small fraction of land is cultivated during the Rabi season. In Kothapalli, the farmers practice monocropping, i.e., paddy cultivation, during the Kharif as well as Rabi seasons. In Seethampet, tobacco and sugarcane are the predominant crops cultivated in the two seasons (other crops include millets, groundnut, cotton, etc.). In backward villages such as Tatiparthy and Arepalli, subsistence farmers cultivate land in a very rational manner—they cultivate rice to meet their family food needs for the

year (food security), i.e., the minimum consumption requirement in terms of crops; in the remaining land they grow other crops.

This paper is organized as follows: It begins with the introduction. Section II discusses migration theory and local labour market situations. Section III presents facts on household and village resources, and regarding migration, as well as the reasons for migration—for their survival, to enhance their income, or for a better life. Section IV will give policy recommendations and finally, section V presents the conclusions.

II. Migration Theory and Local Labour Market Situation

The first comprehensive model of development was developed by Arthur Lewis (1954) and later modified, formulated and extended by Fei and Ranis (1964), and others. The combined structure is now known as the L-F-R model. This model considers migration as an equilibrating mechanism, which through transfer of labour from the labour surplus sector to the labour deficit sector, brings about equality between the two sectors. Similarly, the Harris and Todaro (1970) model addresses the differential wage between rural and urban sectors. The model gained rapid popularity as an alternative to Lewis' model based on unlimited supplies of rural labour in the characterization of economic relationships between the urban and rural sectors. This phenomenon of rural-urban migration and to rural-urban

expected earnings differential also has empirical support (Gupta, 1998; Chakrabarty and Dutta, 1990). However, a limitation of this model is that it does not address the unequal distribution of resources among the workers, especially among rural households. The inequality of resources cannot induce potential migrants to improve their assets or resource base in rural areas. A lot of rural migrants do not have sufficient resources, and they migrate by compulsion, for survival. If migration to urban areas takes place without any resources or alternative choice in the village, it does not help equalize income differences even within rural areas. The question really is whether migration can actually balance income differences between rural and urban households? The poor rural migrant does not behave as rationally as the theories assume, and majority of the rural labourers are forced to migrate in order to meet their subsistence needs.

Rural workers are migrating by compulsion to nearby urban cites without having any specific knowledge about the urban labour market. They come from villages and take refuge in the city railway stations or bus shelters during the nights. In the morning they get together at the main centers in the city to look for casual wage labour employment. The labourers who migrate from the rural labour market are at the low reservation wage level, and are looking for employment for survival. However, theories always assume that rural-urban migration takes place as the

rural wages are lower than the urban; they do not consider the less-than-subsistence level wage situations in the rural market. Further, the theories also do not consider the higher expenditure or living costs in urban areas in addition to housing problems. Given this, there is not much advantage in the higher urban wages. Considering a number of these factors, Breman (1985) pointed out that rural wages can be higher than urban wages in certain situations. Moreover, the Harris and Todaro model also does not consider the non-economic factors such as personalized relations (patron-client relations), social obligations, and institutional mechanisms, which also influence migration from rural to urban areas (Rani and Shylendra, 2001).

Vijay (2006), in his study on a backward village in Mahabubnagar District, observed that migration takes place every year seasonally between November and May. In the absence of any gainful employment opportunities in the village, the reservation wage of the worker gets pushed down and he is willing to work at any wage level in order to meet his minimum subsistence needs. In this situation, the contractors or middle persons come to the village, and enter into an agreement with labour families to work during the slack season, for three to six months. They fix the wage rates in the village and pay some advance; the worker, however, has no knowledge of the work place and other facilities. In urban areas, they generally work in brick

making, construction, and land-related works. The contractors pay them wages on a weekly basis, which is sufficient to meet their basic needs, but does not leave any surplus to be saved for asset improvement. Often, they return to the village without any savings, which is against what Todaro had expected from the rural migrants.

Todaro envisaged that the rural migrants would be able to make investments in rural amenities which would lead to reduction in the rural-urban income differentials, and eventually decrease rural-urban migration. However, the kind of migration observed in the village, which is more due to compulsion to meet subsistence needs, does not lead to reducing rural-urban income differentials or rural-urban migrations for households who are resource-less or poor. Migration only helps such households in meeting their subsistence needs; it does not lead to further investments to improve their resource base.

This could be due to a number of reasons: Lack of rural labour market opportunities; the labour market being active or inactive during the slack seasons, depending upon the agro-climatic conditions; and the resource base of the villages. If the labourers do not get employment in the local labour market, then they have two options, either to travel from their village to neighboring villages or towns every day, or to migrate-out from the village. One of

the major constraints of the rural labour market is the absence of full employment in the village.

Lack of opportunities is due to seasonality in rain-fed rural areas; economic activity is seasonal in character (Bremen, 1985). The agricultural slack season creates conditions where rural workers seek temporary jobs in the urban construction and service sectors for their subsistence (Gupta, 2003). In a study conducted by Vijay (2006) in a drought-prone village in Mahabubnagar District, there was absentee labour market during the slack period: this means that the labour market exchanges are closed due to lack of demand for labour, even though there was huge surplus labour in the village. So, the labourers have no choice but to migrate at lower-than-reservation wage and without any bargaining power to meet their subsistence needs. It is under these conditions that the labourers migrate-out for an income/wage that is sufficient to meet their subsistence needs. Given this situation, how can the labourers be expected to invest on assets? This sort of migration in the slack season might not alleviate the households in the rural areas from poverty.

Lack of opportunities in the rural labour market is also due to discrimination. Amartya Sen (2000) has mentioned various meanings and dimensions of the concept of social exclusion, indicating where some people

are being kept out (or left out), and some people are being included (may be even forced to be included) in deeply unfavorable terms, and described the two situations as “unfavorable exclusion” and “unfavorable inclusion”.

Two types of discriminations—gender and caste—were found in the study villages. However, during the slack season, due to limited private irrigation, only a fraction of the land, which belonged to the upper caste families, was cultivated. The upper caste land owners preferred to employ labourers from the same caste in their fields; and second priority was given to backward caste labourers. However, they did not provide employment to the lower caste labourers such as those belonging to the Scheduled Castes and Scheduled Tribes. The lower caste labourers were not given any opportunity to work during the slack season in the village. Hence, they had to migrate-out to urban areas during the slack season and return during the peak season to cultivate their own lands, as well as to work as casual labourers in others fields.

Furthermore, lack of opportunities is also due to the existence of absentee landowners in the villages; they were found to be high in the village in the Krishna and Godavari region (Parthasarathy and Prasad Rao, 1969). This village has 100 per cent irrigation through public canals, and two crops are cultivated here every year. However, more than 60 per cent of the cultivable

land is under tenancy (Land Committee Report, 2006). All the lease exchanges occurs under fixed rent, which is around 50 per cent of the total output per acre, per crop. Most of the employers who have leased-out their lands engage in non-agricultural activities in urban areas. This is very beneficial for them as they get rental income as well as non-agricultural income. These land owners are not interested in investing in the development of agriculture, or to generate labour employment in the village. This tendency has not allowed the wage labour market in the village to develop or become more active. The landless labourers easily lease-in land on the basis of fixed rent. Hence, though the labour market is not functioning well, easy access to land, especially for the landless labour, has not forced them to migrate to urban areas for survival. However, the household's resources such as animal power and agricultural implements do not play any role in getting leased-in land in the village, because there are other markets in the village for agricultural implements, seeds and output.

Unequal Distribution of Resources

Earlier studies identified that unequal access to resources plays a significant role in inducing migration (Connell *et al.*, 1977; Lipton, 1980; De Haan, 1997). Traditionally some segments of people were excluded from resources such as land, irrigation, education, etc. There was high inequality

in terms of ownership of resources among the rural households, which was one of the reasons for migration (Ellis, 2003). Some studies have indicated that the remittances from migration can help improve assets and resources such as livestock, seeds, fertilizers, silver jewellery (Rani and Shylendra, 2001), investment in land, land improvements (Tiffen *et al.*, 2002), investment in better farm inputs (Carter, 1997), and investment in children's education (Hoddinott, 1994) in rural areas. Studies have also shown that if seasonal migration is for survival or subsistence needs then it will not help improve the asset base of the household (Bremar 1985; De Haan and Rogaly, 2002). Hence, migration due to compulsion will not help in improving assets, or reducing the vulnerability or poverty of the poor families.

III. Migration and Poverty

The reason why some households migrate and some do not migrate, and

the intensity of migration depends upon the local resource situation. The literature on migration suggests that people from poorer villages (usually unirrigated and/or remote) tend to migrate-out to urban areas or to relatively richer areas (Dev and Evenson, 2003; Kundu, 2003). On the other hand, some studies have shown that the highest rates of out-migrations are not from the poorest villages (The Indian village studies project of the Institute of Development Studies, 1970; Connel *et al.*, 1977; Lipton, 1980).

However, there seem to be different opinions on out-migration from the rural areas. Yao's (2001) study suggests that where households have limited access to land and other assets there is likely to be high rate of out-migration. Hence, migration depends on many factors such as resources owned, access to family resources, village conditions and resources, local markets, and economic and political situations. Table 1 provides the extent of migration in the four study villages.

Table 1: Distribution of Migrating and Non-Migrating Households in the Study Villages

Villages	Non-Migrating Households	Migrating Households	Total
Kothapalli	76.44 (159)	23.56 (49)	100 (208)
Seethampet	85.29 (145)	14.71 (25)	100 (170)
Arepalli	64.2 (217)	35.8 (121)	100 (338)
Tatiparthy	76.85 (166)	23.15 (50)	100 (216)
Total	73.71 (687)	26.29 (245)	100 (932)

Note: Figures in brackets indicate percentages.

Source: Field Survey.

Table 1 shows that about 36 per cent of the households in Arepalli migrate-out, while in only 15 per cent of the households in Seethampet migrate-out. In the two other villages, i.e., Kothapalli and Tatiparthy, about 23 per cent of the households migrate-out. In Arepalli, migration is quite high due to non-availability of employment during the slack season, while in Seethampet there is low migration due to availability of employment during both seasons.

A) Who Migrates?

Studies have shown that rural-urban migration is dominated by males (Srivastava and Bhattacharya, 2003; De Haan, 1999). However, this trend is changing, and one observes that women are also increasingly migrating either due to compulsion or due to better opportunities in service and expanding industries.

Table 2: The Number of Migrants Distribution in Terms of Males, Females and Children in Different Study Villages

Villages	Male	Female	Children	Total
Kothapalli	65.28 (47)	29.17 (21)	5.56 (4)	100 (72)
Seethampet	76.47 (26)	23.53 (8)	0 (0)	100 (34)
Arepalli	55.23 (153)	25.99 (72)	18.77 (52)	100 (277)
Tatiparthy	40.2 (82)	34.31 (70)	25.49 (52)	100 (204)
Total	52.47 (308)	29.13 (171)	18.4 (108)	100 (587)

Note: Figures in brackets indicate percentages.

Source: Field Survey.

Table 2 shows the distribution of migrants in terms of men, women and children. On an average, men constitute more than 50 per cent of the migrants, while women and children constitute 30 per cent and 18 per cent, respectively in the four study villages. We also observe that except in Tatiparthy, in all other villages male migrants are more than 50 per cent. However, the proportion of female migrants is quite high (34 per cent) in Tatiparthy because the entire household including children migrates,

while in other villages, only individual males migrate.

B) Types of Migration

Three types of time-bound migrations can be identified in the study villages: seasonal, temporary and permanent migrations. Seasonal migration implies migration to other places for employment during the lean season, and returning back to the village during the peak season. We define migration for less than 60 days as

“temporary migration”, and migration for more than the six months as “permanent migration”. Most of the migrations are seasonal (76 per cent) in nature, though a significant proportion of the households migrate permanently (15 per cent). In Arepalli and Tatiparthy 90 per cent of the migration is seasonal in nature, while in

Kothapalli and Seethampet a higher proportion of them have migrated on a permanent basis. A larger proportion of the households migrate outside the state (62 per cent), and outside the district (24 per cent); only a small proportion of them migrate either to nearby villages (3.1 per cent) or within the district (10.4 per cent).

Table 3: Percentage of Migrants and their Destinations

Village	Nearby Village	Within the District	Outside the District	Outside the State	Total
Kothapalli	6.94 (5)	40.28 (29)	38.89 (28)	13.89 (10)	100 (72)
Seethampet	17.65 (6)	8.82 (3)	23.53 (8)	50 (17)	100 (34)
Arepalli	0.36 (1)	5.78 (16)	29.24 (81)	64.62 (179)	100 (277)
Tatiparthy	2.94 (6)	6.37 (13)	13.24 (27)	77.45 (158)	100 (204)
Total	3.07 (18)	10.39 (61)	24.53 (144)	62.01 (364)	100 (587)

Note: Figures in brackets indicate actual number of migrants.

Source: Field Survey

C) Reasons for Migration

Migration is a routine livelihood strategy for poor households. The surplus labour arises from scarcity of cultivated land, inequitable land distribution, low agricultural productivity, high population density, and concentration of the rural economy almost exclusively on agriculture. Furthermore, drought is the classic push factor affecting millions of people especially in sub-Saharan Africa and South Asia (Bryceson, 1999), resulting in loss of livelihoods (Hardoy and Satterthwaite, 1989). RESAL (1999) has

pointed out that migration is likely to play an increasingly important role as a coping mechanism for food-insecure rural households. Having little access to land in a predominantly agrarian society leaves the landless with few alternatives but to migrate out. Stiglitz (1973) indicated that the landless are more likely to leave their residence than the landed households in the village. Furthermore, Connel *et al.* (1976), Scudder (1962), Schmid (1967), Hill (1972), Griffin, (1976), and Shaw (1974) also support Stiglitz's claim that the landless population in the villages and the poorest

peasants have a higher propensity to migrate out. However, urbanization has been a major driver of internal migration in many countries and has overtaken other factors in many Asian locations (Gazdar, 2003 on Pakistan; Afsar, 2003 on Bangladesh; Rogaly and De Haan *et al.*, 2002 on India). The rural-urban wage differences or income differences also induce migrations (Geithman, 1974).

Moreover, migration also occurs particularly among the disadvantaged groups such as tribes, lower castes and women (Rani and Shylendra, 2001). In the study villages, we have classified three main reasons for out-migration: because survival during the slack season, for higher income / better job, and due to labour market uncertainty (see Table 4).

Table 4: Reasons for Migration (in Percentage)

Villages	For Survival	For Higher Income/Better Job	Due to Labour Market Uncertainty	Total
Kothapalli	0.00 (0)	98.61 (71)	12.50 (9)	100.00 (72)
Seethampet	0.00 (0)	100.00 (34)	29.41 (10)	100.00 (34)
Arepalli	90.61 (251)	9.39 (26)	99.64 (276)	100.00 (277)
Tatiparthy	95.10 (194)	4.90 (10)	100.00 (204)	100.00 (204)
Total	75.81 (445)	24.02 (141)	85.01 (499)	100.00 (587)

Note: Figures in brackets indicate actual number of households.

Source: Field Survey.

i) For survival during the slack season

In rain-fed regions seasonal agriculture is very dominant and is one of the main reasons for migration in order to meet their subsistence needs. In backward villages such as Arepalli and Tatiparthy, majority of the people migrate during the slack season in order to meet their subsistence needs, as there is very high labour market uncertainty in the village.

ii) For higher income / better job

Migrations occur for higher income / better job in developed regions such as Kothapalli and Seethampet. Most of the migrants (98.61 per cent) here migrate in order for this reason. On the other hand, in backward villages, a smaller proportion of migrants reported migration in order to enhance their incomes or for a better job—Arepalli (9.39 per cent) and Tatiparthy (4.90 per cent).

iii) Due to labour market uncertainty

Labour market uncertainty in their existing villages was reported as one of the causes for migration in all the study villages. This was observed very clearly in the backward villages of Tatiparthi and Arepalli, while in Kothapalli and Seethampet it was a combination of labour market uncertainty and meeting their survival needs.

The purpose of the migrations are quite different in the two regions: backward villages such as Arepalli and Tatiparthi witnessed seasonal migrations for their subsistence, while in the relatively developed villages such as Kothapalli and Seethampet the purpose of migration was for better income or employment. This means that these households have access to resources and there is employment availability

within the village. Thereby, they can migrate for better income or job. In case of backward villages, however, the migrants do not have access to resources neither at the household level nor at the village level. Besides, there are no alternatives for employment within the villages. This has indicated that the purposes of migrations are different between resources-less households and households owning resources.

Theory expects that migration equalizes income differences between rural and urban areas. However, this does not occur when the households do not have resources; their purpose of migration is only for their subsistence. Hence, only when households have resources or access to resources, there is possibility to equalize incomes between rural-urban areas through migrations.

Table 5: Summary Statistics in the Four Study Villages

	Kothapalli	Seethampet	Arepalli	Tatiparthi	Total
Proportion of Migrating HHs	19.27	12.12	39.46	23.78	26.28
HHs that do not Migrate	25	20.00	15.00	27.00	29.00
Illiterates*	19.3	12.10	39.50	23.80	26.90
Caste					
Scheduled Caste and Tribes	25.30	13.79	69.76	32.00	34.63
Backward Caste and Forward Caste	22.40	14.89	30.84	20.48	23.93
Classification					
Landless	25.32	23.08	48.15	33.33	29.01
Marginal	20.83	20.00	39.45	26.67	33.33
Small	37.50	-	32.14	18.46	22.91
Semi-Medium	-	-	27.78	34.00	25.81
Medium	-	-	36.11	16.36	18.64
Large	50.00	-	20.69	10.00	14.81
Leased-in Land HHs					
Landless	37.50	9.52	3.85	-	19.10
Marginal	20.00	-	4.65	-	5.40

Small	33.33	-	-	-	3.00
Semi-Medium	-	-	6.67	5.88	6.20
Medium	-	-	7.69	11.11	9.10
Loans					
Institutional for Agriculture	-	-	16.70	33.30	13.30
Institutional for Consumption	20	6.10	37.30	25.00	28.10
Non-Institutional for Agriculture	22.2	15.60	43.40	14.80	29.20
Non-Institutional for Consumption	28.2	22.70	38.50	18.90	30.20
Dependents					
One Person	16.9	13.70	27.50	24.50	21.10
Two Persons	25.7	16.70	30.80	22.90	25.20
Three Persons	23.8	6.70	50.70	21.40	34.20
Four Persons	50	50.00	46.20	17.60	37.20
Five Persons	-	-	80.00	33.30	54.50
Six Persons	-	-	100.00	-	66.70

Note: *Households with more than 49 per cent of the members who are illiterate.

Source: Field Survey.

It is observed from Table 5 that across castes, a higher proportion (19 per cent) of non-dalit households migrated compared to the proportion of dalit households (7.3 per cent). This was true in all the four study villages. In Seethampet, the migration of dalit households was very low—2.35 per cent—due to more number of labourers having personal bondage with their employers.

Across the classes, the majority of the migrants belong to landless (10 per cent) and marginal farmer (6 per cent) households, though in other villages, migration occurs among all classes of households. In Arepalli, migration is much higher among marginal and small farmer households; while in Tatiparthy, it is much higher among the small and semi-medium farmer households. It is observed that landholding may not be a determining factor because without

irrigation there is no value for land. The number of dependents in the household also plays an important role in migration—among the small and semi-medium farmer households in Tatiparthy, there are more number of dependents compared to the other categories.

Across the leased-in land households, majority of the migrants belong to landless (19.1 per cent) and marginal leased-in households (5.4 per cent). In Kothapalli Village, migration was more among the landless (37.5 per cent), marginal (20. per cent), and small farmers (33.3 per cent). In Seethampet, migration was observed only among the leased-in landless households (9.52 per cent). In Arepalli, migration occurred among all leased-in land households, while in Tatiparthy, it was largely among the semi-medium (5.88 per cent) and medium (11.11 per cent) farmer households. In Seethampet and

Tatiparthi villages, it is observed that migration was very low among the leased-in households. However, in Kothapalli Village, migration was higher among the leased-in households due to the high risk and uncertainty involved in the agricultural output. Though Kothapalli has 100 per cent irrigation through public canals, more than 60 per cent of the land is under tenancy, and more than 50 per cent of the output goes for paying the rent, which is in the form of fixed kind per crop—16 to 20 bags (one bag = 75 kg) of output. However, in this village, the land lease market has a significant impact on migration; it can control distress migration from the village.

The poor tenants do not have any permanent rights on the leased-in lands and hence, cannot introduce new technology, or develop the land to enhance productivity, as these require huge capital investments. Similarly, further agricultural investments are not made by the absentee landowners, because they receive rent in the form of fixed kind, which is more than 50 per cent of the total output. This is one of the main reasons why agricultural productivity became stagnant.

All tenants cultivate paddy in two seasons, and most of the paddy produced goes for self consumption rather than for sale in the market. Only when the landowners produce surplus, it is possible to develop other rural markets such as labour market, credit market, etc.

This is an incentive for the farmers to enhance agricultural productivity. However, the tenants in this village seek food security rather than cash crop production for the market. If mixed tenants lease-in lands there is a possibility to generate markets and as a result, commercialization of agriculture would take place in the rural economy.

The landowners have access to institutional as well as non-institutional credit, while the landless households have access only to informal sources of credit. Since traditionally, the landless are excluded from institutional credit, the Self Help Groups (SHGs) play an important role to provide capital to the poor as well as to the tenants. Moreover, the landowners have the advantage of getting subsidized credit in the form of crop loans, for seeds and fertilizers, or co-operative loans, etc. Hence, the local credit market is highly segmented on both the supply and demand side. On the supply side, among different sources of credit, the village bank does not provide credit facilities to the landless poor. They turn to informal credit sources in order to meet seasonal needs such as productive household consumption (e.g., housing construction, education and migration), agricultural cultivation, and ceremonial expenditures. As such, landless households have difficulty accessing land and formal sources of credit in all the study villages.

The majority of migrants have taken more non-institutional credit for the

purpose of consumption (30.20 per cent); and small amounts of institutional credit for agricultural purpose (13.3 per cent). The credit borrowing among the migrants is much higher in Arepalli (45.9 per cent) and Tatiparthi (22.5 per cent), while in Kothapalli and Seethampet no institutional credit for agriculture was taken due to certainty in agricultural output. In Arepalli and Tatiparthi credit borrowing is high due to high uncertainty in agriculture. The proportion of credit taken from informal finance institutions is high, compared to formal institutions in all the four study villages. The purpose of credit is more for consumption rather than for production. This indicates that there is no single type of credit source that can meet the needs of people, and no single type of credit is accessible for all in the village (Hoff Full Text via CrossRefView Record in ScopusCited By in Scopus (98)Hoff & Stiglitz, 1990). The informal agents, i.e., the moneylenders are more in Tatiparthi, while commission agents are more in Kothapalli and Seethampet. The local traders and commission agents play an important role in terms of credit-output linkages in Kothapalli, whereas the credit-labour linkages exist in Tatiparthi and Seethampet. Credit-output linkages exist between tenant farmers and commission agents—the tenants need capital to start cultivation, and hence take credit from commission agents or village traders at high interest rates through written agreements. The tenants have to repay credit through sale of output after

the crop is harvested. Meanwhile, the employers who leased-out lands for fixed rent do not provide any credit or other inputs to the tenants. For the resourceless and poor households, who accumulate debt over a period of time, it becomes essential to migrate-out in order to meet their subsistence needs or to pay back their debt.

In all the study villages it was observed that the households having more number of dependents migrate more: migration was observed among 21.1 per cent of the households with one dependent; 25.2 per cent of the households with two dependents; 34.2 per cent of the households with three dependents; 37.2 per cent of the households with four dependents; 54.5 per cent of the households with five dependents; and 66.7 per cent of the households with six dependents. This shows that as the number of dependents in the household increases, migration for survival also increases.

IV. Conclusions and Policy Recommendations

Migration continues to be a challenge for development across the world. Hence, global governance is required to make a policy for alleviation of poverty and take into account the diverse nature of migration and poor groups involved. The global policy to enhance access of resources to the poor and to protect discriminated migrant groups. This would help in reduction of poverty across the world, and ensure a situation of equity as well as efficiency.

Internal migration seems to be an important livelihood strategy in rural areas. Migration occurs for the purpose of earning better income or jobs, or for the purpose of subsistence. The second type of circular seasonal migration neither changes the asset base nor helps the migrants come out of poverty. Most of the permanent migrants are found in Kothapalli and Seethampet, who migrate in order to enhance their income or to seek better employment, while circular seasonal migrations are dominant in backward villages such as Arepalli and Tatiparthy. In all the study villages, however, we have evidence that more migration has occurred among the landless, marginal and small farming households. Households with large landholdings seem to migrate lesser than the households with small size of holdings. Similarly, Schedules Castes and Tribes are observed to be migrating more than the Backward and Forward Castes. Most of migrants move to nearby cities or out of the state.

The nature of rural labour markets is a major reason for rural migrations. The migrants have expressed that labour market uncertainty is one of the major causes that forces them to migrate-out during the slack season in Arepalli and Tatiparthy. In Kothapalli there is a decline in labour demand for wage labourers due to the land-lease market, as majority of the landless and marginal households are cultivating as tenants. Hence,

employment is available in both seasons, and most of these households migrate-out for better income or employment. On the other hand, the wage labour market in Seethampet is active, due to which there is less migration from the village. The migrants have taken more non-institutional loans than institutional loans, and the purpose of the credit is largely to meet their consumption needs. Many of the labourers migrate-out of the villages to meet their subsistence needs and to earn more income so that they can repay their debt. Another finding is that where there is more number of dependents in the households there is high possibility of migrating-out.

The lower castes are excluded from land and water ownership rights, while the upper caste people have complete access to ground water; this is due to unequal ownership of land—the land owners play a dominant role in water users association. Moreover, there is no public provision of irrigation for those who do not own land. Unequal access to resources induces seasonal or temporary migration for survival among the rural poor. Households owning resources have free movement among different multiple forms of labour and with bargaining capability. They have the potential to migrate-out and select from different choices the best alternative. On the other hand, the resource-less households do not have other alternatives in the village. If these households do not get employment in the

village they have no other option but to migrate-out. Such migration, however, can neither improve assets nor reduce poverty.

In one of the study villages, namely Kothapalli in West Godavari District, the large land owners migrated to cities and invested in the non-agricultural sector; but they did not leave their permanent right on the agricultural lands. This is a positive migration as they are earning both from the non-agricultural sector as well as rental income from the agricultural sector. However, such migrations do not occur among the landless households in the village, who do not have any assets except labour power. In Arepalli and Tatiparthi villages, which are backward, most of the agricultural households own land but they do not have water for irrigation. They do not have any alternative except to migrate-out during the slack season; they come back to the village in the peak season. In such a situation, how can they come out of poverty? In these conditions, there is a need for state intervention, to provide basic resources such as land, irrigation, electricity and education for their children, in order to alleviate the household distress conditions for migration and to have a positive impact on the household

Policy Recommendations

The challenge to policy makers is to facilitate the types of migration that are most likely to lead to alleviation of

poverty. Skeldon has pointed out in his study that “policies that accept the wider mobility of the population are likely to accord with policies that will enhance the well-being of greater numbers of people” (Skeldon, 1997b: 3). The seasonal rural migrant labourers attempt to seek work in agriculture and non-agricultural sectors for survival and subsistence, as regular employment is not available throughout the year in their village. They do not migrate-out voluntarily but due to compulsion for survival—it is a distress migration. When the labourers have resources and alternatives in the village, they migrate voluntarily for better opportunities or for their development. Hence, there is a need to redress policies and enhance the resources within the village in order to extend help and support to the poor households.

While a number of laws exist to provide resources to the poor, namely the land reforms in India, they are widely disregarded by Governments and intermediaries not only because of lack of political will to implement them but also due to the ignorance among the illiterate landless labourers. Particularly needed is ownership as well as access to other resources such as irrigation, electricity, education, etc., for the poor. In Kothapalli and Seethampet, irrigation is available for cultivation but majority of households do not own land. Hence, there is a need to provide land to the landless households here. On the other hand in Arepalli and Tatiparthi there are lesser

number of landless households but there is no irrigation for their lands. Hence, there is a need to provide irrigation for the lands here in order to control distress migration.

Policy makers generally perceive migration as a problem that poses a threat to social and economic stability, rather than viewing it as an important livelihood option for the poor, and therefore attempt to control it. Thus, there is more information regarding the migrants and their destinations. The Government must maintain official records on internal migration in order to understand the phenomenon of migrations and its impact on poverty alleviation.

Poverty alleviation programmes have failed to significantly reduce poverty in the four study villages. The number of households living below the poverty line is quite high, and there are large sections of landless, marginal and small farmers who do not earn sufficient income to meet their basic needs due to lack of access to resources. This could be the result of rural markets in the village—land, labour, credit, and output transactions or exchanges that occur informally. Moreover, there are farm servants who are exploited by landlords in the rural labour market. However, institutional credit access is limited, and there is no access for loans for consumption purposes. Apart from non-institutional credit, majority of the poor depend on informal credit, even though they charge

a high interest rate. Furthermore, labour-credit and output-credit linkages are prevalent in the villages. In areas where there is public irrigation, there is high informal tenancy.

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Reform Initiatives in Financing and Cost Recovery of India's Urban Infrastructure

T. Aishwarya

Introduction

The recent census held in 2011 has placed India's urban population as 377 million persons being 31.16 per cent of total population of the country. Successive census results since independence reveal a steady growth in urban population from 17.3 per cent of India's population in 1951 to 31.16 per cent in 2011. In absolute terms the urban population has grown from 62.4 million to 377 million registering a little over six time increase in number of urban dwellers in the country between 1951 to 2011.

Census data (2011) present welcome trends on the process of urbanization in the first decade of 21st Century. It has recorded (i) identification of highest ever number of settlements as census towns across the country being 2774 which indicate changes in the economic characteristics of human settlements and form a basis for further development of economies of scale and economies of settlements among the new urban centres. (ii) reversal of decline in the net increase in the percentage point of urban population over previous decade since 1981 which was declining from 3.4 in 1971-1981 to 2.4 in 1981-

1991 and 2.1 in 1991-2001, (iii) 3.4 percentage point increase in 2001- 2011 which is equal to highest ever increase since Independence and (iv) highest ever increase in the urban population in absolute terms being 9.1 million persons during first of the twenty first century decade.

It is equally important to note that according to the recent projections by UN, India by the year 2050, will add another 497 million people in the population of its cities and towns which is more than current urban population (377 million) and will also cross fifty per cent mark during 2045-50 (UN Projections, 2009). These developments reaffirm that India is on a rapid pace of urbanization and 21st Century will see India transforming into urban majority society sooner than projected Urbanization is a natural corollary of development and agglomeration economies tend to create large cities, especially in developing countries, which cannot afford the cost of recreating a similar quality of urban infrastructure in smaller clusters. The number of cities with a population of more than one million has gone from 5 in 1951 to 35 in 2001 to 53 in 2011 constituting

about 33 percent of urban population in the country. China by comparison has nearly a 100 cities that have a population of more than million. Urban India today contributes more than 60% of GDP.

Urban economic activity depends heavily on infrastructure such as power, roads and water. A in most of the developing countries, urban development is mostly unregulated in India coupled with poor development planning and control mechanisms in our cities development of infrastructure, which continues to remain in the public domain was lagged behind the growth in housing, commercial, and industrial development. It is therefore essential to create infrastructure facilities with increasing urbanization to foster economic growth. However, since the nature and extent of growth is unplanned and unanticipated, the provision of services is not proactive, but reactive. By the time infrastructure is provided to address demand, it is already overloaded and need of further expansion. The demand for services such as transport, water, and sewerage continually outstrips supply resulting in a situation of perpetual scarcity and shortage.

Urban infrastructure is enormously costly as funds are required for capital investment, both to cover the costs of providing and up grading services, costs of debt services and operation and maintenance. Most cities have not been in a position to sufficiently

fund them from their own resources. In the past, urban infrastructure was funded through budgetary allocations. But as urban areas got inundated with huge populations and faltered in management, budgets were unable to locate resources within themselves. Cities therefore have had to look beyond budgets and grants to maximizing revenue through tax reforms, privatization, borrowing from the open market and increasing collection efficiency.

Status of Urban Infrastructure

Water Supply

- Only 74 per cent of urban households are connected to piped water supply (65th round of NSS; 2008- 09).
- Most cities do not have 24x7 water supply.
- Leakages on account of water are fairly high being in a range of 40 to 50 percent.
- 80 per cent of the current distribution network in the cities needs to be replaced for delivering continuous water supply and industrial demand for water for cities above 500,000 population is assumed to be at 20 per cent.

Sanitation

- As per sanitation rating of 423 class I cities done in 2009-10 (MoUD, GoI), only 39 cities

qualified on 3 basic water quality parameters of turbidity, residual chlorine and Thermo Tolerant Coliform bacteria.

- It is noted that Installed sewage treatment capacity is only 30 per cent (as per Central Pollution Control Board Report 2009). The capacity utilisation is around 72.2 per cent, which means that only about 20 per cent of sewage generated is treated before disposal in most of the cities and towns.

Solid Waste Management

- According to the CPCB Report 2005, about 1,15,000 MT of municipal waste is generated daily. Collection performance varies from city to city to the extent of 50 to 75 per cent of generation.
- Staff deployed to manage SWM is also fairly low as per requirements.(1as compared to 3-5 per thousand population)
- Down time of municipal fleet is 3 to 5.
- Scientific disposal is only around 10 per cent of solid waste collected.
- Disposal of solid waste is largely done through open dumping.

Municipal Road, Transport and Related Services

- Condition of municipal roads in

terms of regular maintenance and repair and access to support infrastructure is fairly poor. This includes footpath, foot over bridge, bypass fly over, relief road etc.

- Provision of open spaces, public conveniences, and community services, such as parks, playground, stadium, burial ground, and crematorium is far from satisfactory.
- Public transport accounts for only 22 per cent of urban transport in India, compared with 49 per cent in lower middle income countries (e.g. the Philippines, Venezuela, Egypt) and 40 per cent in upper middle income countries (e.g. South Africa, South Korea, Brazil). Out of 423 class I cities only 65 cities have a city bus service. (NDC Report, 2011)

Municipal Resources for Basic Services and Infrastructure

The fiscal domain of municipal governments in India consists of a large array of tax (property tax, tax on vehicles, animal, trade, theatre/show tax, and advertisement tax etc.) and non-tax sources (Rent and income from municipal areas to and undertakings, user charges, fees and taxes and income from municipal investment etc.) of revenue. They also receive funds from state governments in the form of grants-in-aid (general and specific purpose) as

also shares in taxes (Entertainment, motor vehicle & stamp duty etc.) collected by state governments.

The state of municipal finances in India suggests that the present revenues are insufficient to meet the growing expenditure needs of urban areas. Present levels of municipal expenditure are far below the norms suggested by the Zakaria Committee way back in 1963. According to a NIPFP study (2000), of 249 sample municipalities, only 10 met the expenditure norms suggested by the Zakaria Committee. For municipal governments to reach these recommended expenditure norms, their revenue receipts will have to increase significantly.

Municipal governments are legally required to have a balanced budget. Municipal expenditures are thus conditioned by the level of resources available. In states where municipal receipts are very low, municipal expenditures too are low. The quality and nature of services provided by the municipality are limited by these low levels of expenditures. Often repairs and maintenance of services are poor and expenditure on capital works is postponed.

Municipal expenditure could be categorized into three main components; wages and salaries; operations and maintenance (O&M); and interest payments. Wages and salaries

constitute nearly 60 per cent of total municipal expenditure, followed by O&M (20 per cent) and interest on payments (7.17 per cent) (NIPFP (2000). Expenditure on O&M accounts for only one-fifth of the total expenditure of municipal services. The level of spending on O&M of core services is important for maintaining a minimum standard of services in the urban settlements.

The study conducted by NIPFP (2000) also shows that on an average, municipalities spend Rs. 747 per capita (approx. US \$ 17) annually on various municipal activities and functions. Further, of the total expenditure, municipalities spent more than 58 per cent on core municipal services. Cost recovery in some of the basic services like water supply is extremely low. On average, local governments recover only 20-30 per cent of the total expenditure incurred on the O&M of water supply. Therefore, rationalization of user charges for services is expected to mobilize substantial revenues for financing urban infrastructure and services. The finance commissions of many states have recommended effective pricing of municipal services with a view to balancing revenue and expenditure of ULBs. The Punjab Finance Commission has suggested that domain of user charges be extended to water supply/sewerage.

Drawbacks in the Existing Tariff

Structure

- There is only partial recovery of capital costs.
- Tariff determined as per existing practices is unable to meet long-term incremental costs and increased investment needs of an expanding system.
- Tariff structure is not strictly followed due to political interference.
- Attention is not focused on the affordability and willingness to pay.
- It is not linked to the quality of service.
- Minimum lifeline rates not defined.

To get rid of these drawbacks, certain measures are essential. It is important to delink service charges from property tax. A two-part tariff structure for water – one for access and another for use or consumption is essential. Metering in the water supply system, and a limited cross-subsidy mechanism would need to be instituted. Tariff indexation, keeping in view the rising cost of the service provision, is a way out of frequent political and bureaucratic whetting. Improved efficiency in delivery of service including billing and collection can considerably lower estimates of required tariffs for full cost recovery. There are also economies of scale in expanding and rationalization of coverage, as also in increased supplies of water.

Cost Recovery Mechanisms

As stated earlier, it is being contended in the ongoing discourse on financing of urban infrastructure that service charges or user fee should be levied on all urban services to generate adequate resources for meeting the capital as well as O & M cost of providing these services. At the same time, it is also widely agreed that not all urban services are amenable to levying of user charges. In theory, it is possible to recover user charges of exclusionary services where the consumers are easily identified and the quantum of their consumption is measurable, such as, water supply, sewerage and public transport. In the case of non-exclusionary services popularly known as public goods meant for collective consumption, it is not possible to identify the users and levy a user charge or to exclude the non-payers. Such services are roads, streetlights, drainage, solid waste collection and disposal and public parks and playgrounds. Cost of providing these services are generally recovered through grants, receipts from general taxation etc. The whole range of capital and O&M cost recovery modernism generally practiced in India are discussed below.

Capital Cost Recovery

In India, urban infrastructure usually financed through budgetary allocations. Under such mode of financing, service charges and user fee are generally not perceived as major

instruments of capital cost recovery suitable to meet the entire cost of establishing the production and distribution system. The capital cost recovery mechanisms are designed to meet only a fraction of the fixed capital cost. Often the service charges and user fees levied are not perceived as major instruments of capital cost recovery and are meant to generate the additional capital cost required for extending the service to the individual consumers.

a) Land Based Instruments

The predominant land-based revenue generation instruments adopted in India for laying down all types of urban infrastructure are development charge, betterment levy, sale of land and cess on development charge or betterment levy. Development charge, based on the unit area of land, is levied on new areas that are being developed by urban development authorities or city improvement trusts to recover the capital cost of land and infrastructure development. Often the rates prescribed in legislations have no bearing on the actual cost of development and the recovered amount is only a small proportion of the total capital investment. Many cities also levy a betterment charge through implementation of land readjustment under town planning schemes as observed for instance in Maharashtra and Gujarat. However, these schemes did not generate even one-tenth of the development cost, owing to long delays in finalising the schemes,

estimating the notional increase in the market value of the developed land and in recovering the betterment charges.

b) Non-Land Based Instruments

Capital cost recovery for extending specific services such as water supply and sewerage in already developed areas of cities occurs in a variety of ways. The major instruments of capital cost recovery for water supply are tap application fee, connection charges/deposits, road cutting charges, meter cost/deposit and regularisation of unauthorised connections. The common instruments of capital cost recovery for sewerage are one-time drainage cess on new buildings, connection charges and road cutting charges. No specific capital cost recovery mechanisms are in practice for solid waste management and for construction of city roads. However, the amount of revenue generated from the above-mentioned instruments for water supply and sewerage is nominal and is expected to meet a part of the additional cost of getting each consumer connected to the system rather than pay for the cost of the entire system.

Cost Recovery of Operation and Maintenance Costs

As per the various Municipal Acts enacted in India since the early twentieth century, urban local bodies are empowered to recover the cost of providing basic municipal services, such as, water supply, sanitation, street lighting, garbage removal and fire fighting, through user charges and taxes.

The key instruments of the O & M cost recovery currently in practice in India can be put in three broad categories, namely, consolidated service charge/tax, taxes for individual services linked to the property tax, and user charges

Levying of specific taxes on property tax for various services is more predominant in India, such as, water tax, drainage and sewerage tax, conservancy tax, street lighting and local road tax. Some cities depend entirely on this type of taxation while others apply a combination of tax and user charges. Service tax as the only instrument of O & M cost recovery has several shortcomings. Service tax rates are determined as a percentage of annual rate able value (ARV) of the property. There are several problems associated with the assessment of ARV and its periodic reassessment. When the basis for a tax is low, the total yield is also bound to be low. The present tax collection efficiency is also poor and as a result, the service tax collection is adversely affected. Legal disputes regarding assessment of ARV and the time taken to settle them, is a common problem faced by urban local bodies. Secondly, these service charges are levied irrespective of the consumption level. Thirdly services are provided to all households even if they do not pay property tax.. It is well known that only 30 to 40 per cent of the properties in various cities are assessed for property tax collection. This means that the urban

local bodies provide various services without recovering any charges from the bulk of the consumers. Given these problems the service tax receipts are far below the O & M expenditure incurred by the local bodies. For these reasons, delinking of service charges from property tax and adoption of user charges wherever applicable is being strongly recommended.

As, stated earlier, user charges or exact price paid in exchange of use of a service is being propagated as the most efficient cost recovery mechanism. Such user charges have a transparent link between the service providing entity and consumers, and hence, also enable better management of the service. However, only a few urban services are amenable to levying of user charges, namely, water supply, sewerage and transport. In India; user charges are most commonly adopted for recovering the O & M cost of water supply, often in addition to water tax. Some urban local bodies also levy a sewerage/drainage cess on water charges. This is practiced predominantly in those cities where the underground drainage system covers a major part of the city. In addition, urban local bodies recover other costs through instruments such as meter rentals, meter testing/repairing/damage charges, disconnection and reconnection charges, septic tank cleaning charges, sanitary inspection fee, debris/rubble removal charges, hospital waste clearing charges and parking fees. Barring meter

rentals and hospital waste clearing charge, these instruments largely help to recover incidental charges for which the consumers pay whenever they use the service, These charges also form a small proportion of the O & M cost recovery. But, generally the entire user charges collection is nowhere near the total cost of even the O & M let alone provide surplus for capital. Investment for extending the service to other consumers. Besides, there is wide variation in the pricing and extent of cost recovery.

Pricing and Cost Recovery of Urban Services

The study (Bagchi, Soumen, 2003) on pricing and cost recovery of urban services in three selected cities of India has shown, that the tariff rates are in no way related to the cost of water supply and/or collection or treatment of waste water in any of the three cities. No demand-side management for water or cost estimates for its provision has been done to make sector more efficient, cost effective or responsive. Even the revision are done on the basis of proportionate increase over the existing ones without taking into account the increase in the treatment cost and the cost of supply. The study has also shown that cost recovery in water supply and sewerage services is comparatively better where there are looked after by state level water utility boards. The boards seem to be comparatively better because of its lesser accountability

towards people, being an administratively autonomous body than an elected one. This is, however, often considered to be argument against decentralization. Besides, it has often been argued that the low cost recovery has been mainly due to irrational and non-transparent tariff structure. As a consequence, there is a need to look into the fact whether an increase in tariff has brought about an improvement in collection efficiency and hence capacity to generate revenue by the sector.

The concepts of pricing and recoveries through taxation for different type of services have considerable variation not only in the way they are collected but the percentage of costs recovered from the consumers. In many states and cities even the cost of providing a service is not clearly quantified. Under these circumstances, a phased and gradual approach has been taken to introduce the commercial principles for assessing the cost of production of these services and to introduce appropriate pricing mechanism to attain full cost recovery.

The basic principle of “user pay”, “abuser pay or polluter pay” has been used as far as possible. While determining the service charges it was necessary to assess the practical aspect of pricing in view of certain factors. These are:

Category I

Where beneficiaries are identifiable and the benefits accrued to

each beneficiary can be quantified. In this category the concept of direct service charge is promoted in most of the cases. However, the concept of cross subsidy among the beneficiaries themselves is applied to meet the economic and social objectives as well as resource conservation.

Category II

Where the beneficiaries are identifiable but the benefits accrued to each beneficiaries are not quantifiable directly. Under this category, indirect methods of estimating the benefits accrued to various beneficiaries or group of beneficiaries is necessary. In such cases, the service charges linked to the indirect method of measurement are levied. Under this category, the example of sewer system linked with the consumption of water by each household for assessing the waste water discharged by each household could be connected. Hence, the water rates can be determined to include the cost of sewer also in a pre-determined ratio based on overall costing.

Category III

Where it is difficult to identify individual beneficiaries as well as to quantify the benefits accrued to the individuals or the groups of beneficiaries. Examples under this category are:

- urban roads,
- street lighting;
- environmental improvement, etc.

In such cases, general

contribution by the residents of the area is the solution. Accordingly, normally such community services are provided through community taxation.

Key Issues in Pricing and Cost Recovery of Urban Services

- Lack of autonomy on the part of local governments and infrastructure agencies to levy appropriate water charges. Urban infrastructure services are generally considered as "social goods" and for equity consideration, the state governments prescribe the tariffs. Municipal governments have to seek the state governments approval for all tariff revisions. This mismatch in functional responsibility and fiscal autonomy is responsible for inability of local governments to raise tariffs to the required level.
- It is politically unacceptable to frequently revise user charges on arguments of un-affordability of the poor to justify continuation of the existing low tariffs. In a situation where municipal governments are subordinate to political control and interventions, it becomes difficult to adopt full cost recovery pricing of services.

Changing Paradigm of Infrastructure Financing

Management of urban infrastructure and the supporting financing system

changed significantly during the second half of the 1980s and 1990s. The Eighth Plan (1992-97) envisaged building cost recovery into the municipal finance system. This is being further reinforced during the Ninth Plan period (1997-2002) with a substantial reduction in budgetary allocations for infrastructure development. The metropolitan and other large cities are expected to make capital investments on their own, besides covering the operational costs for their infrastructure services. Most of the development projects are to be undertaken through institutional finance rather than budgetary support. A strong case has been made for making the public agencies accountable and financially viable. The costs of borrowing have gone up significantly, and as a consequence, they can no longer lend money at a rate below that prevailing in the market. This has come in their way of taking up socially desirable schemes that often turn out as financially non remunerative. Projects for the provision of water and sanitation facilities, improvement of slum colonies, etc., that generally require a substantial component of subsidy, have, thus, received a low priority in this changed policy perspective.

The Housing and Urban Development Corporation (HUDCO), set up in the 1960s by the Government of India to support urban development schemes, has tried to give an impetus to infrastructure projects by opening a

special window in the late 1980s. Availability of loans from this window, generally at less than the market rate, has made the state and city level agencies, including the municipalities, borrow increasingly from HUDCO. This is more so for projects in cities and towns with less than a million populations since their capacity to draw upon internal resources is limited.

An analysis of infrastructure finances disbursed through HUDCO shows that the development authorities and municipal corporations that operate at the city level have received more than half of the total amount. On the other hand, agencies like the Water Supply and Sewerage Boards and Housing Boards, that have the entire state within their jurisdiction, have received altogether less than one third of the total loans. Municipalities with less than a hundred thousand people or local agencies with weak economic bases often find it difficult to approach HUDCO for loans. This is so even under the central government schemes that carry a subsidy component, like the Integrated Development of Small and Medium Towns, routed through HUDCO. These towns are generally not in a position to obtain state government guarantee due to their uncertain financial position. In many states, the central government and the Reserve Bank of India have proposed restrictions on giving guarantees to local bodies and parastatal agencies, in an attempt to ensure fiscal discipline. Also,

the states are being persuaded to register a fixed percentage of the amount guaranteed by them as a liability in their accounting system. More importantly, in most states, only the para-statal agencies and municipal corporations have been given state guarantee to the total exclusion of smaller municipal bodies. Understandably, getting a bank guarantee is even more difficult, especially, for cities in less developed states and all small and medium towns.

The Infrastructure Leasing and Financial Services (ILFS), established in 1989, has come up as an important financial institution in recent years. It is a private sector financial intermediary in which the Government of India owns a small equity share. Its activities have more or less remained confined to the development of industrial-townships, roads and highways where risks are comparatively less. It basically undertakes project feasibility studies and provides a variety of financial as well as engineering services. Its role, therefore, is that of a merchant banker rather than of a mere loans provider as far as infrastructure financing is concerned and its share in the total infrastructure finance in the country remains limited. The role of ILFS may, thus, be seen as a promoter of a new perspective of development and a participant in project financing. It is trying to acquire the dominant position for the purpose of influencing the composition of infrastructure projects and the system of their financing in India.

Mention must be made here of the Financial Institutions Reform and Expansion (FIRE) Programme, launched under the auspices of the USAID. Its basic objective is to enhance resource availability for commercially viable infrastructure projects through the development of a domestic debt market. Fifty per cent of the project cost is financed from funds raised in the US capital market under the Housing Guaranty fund. The funds under the programme are being channeled through ILFS and HUDCO who are expected to raise a matching contribution for the project from the domestic debt market. A long list of agenda for policy reform pertaining to urban governance, land management, pricing of services, etc. has been proposed for the two participating institutions. In order to provide loans under the programme, the two agencies are supposed to examine the financial viability or bank ability of the projects. This, it is hoped, companies, municipal bodies, parastatal agencies, as well as the state governments that have to stand guarantee to the projects.

Funds are also available under the Employees State Insurance Scheme and Employer's Provident Fund. These have a longer maturity period and are thus more suited for infrastructure financing. However, there are regulations requiring the investment to be channeled into government securities and other debt instruments in a "socially desirable" manner. The Government,

however, is seriously considering proposals to relax these stipulations so that the funds can be made available for infrastructure financing, in accordance with the principle of commercial profitability.

Unfortunately, among the urban infrastructure projects in India which have been perceived as commercially viable, few can have municipal bonds issued in the market. The weak financial position and revenue sources of the urban local bodies make this even more difficult. As a consequence, a new type of credit instrument has been designed to enable the local bodies to tap the capital market. "Structured debt obligations" (SDOs) are arrangements through which bonds are issued on the condition that the borrowing agency pledges or escrows certain buoyant sources of revenue for debt servicing. This is a mechanism by which the debt repayment obligations are given utmost priority and kept independent of the overall financial position of the borrowing agency. It ensures that a trustee would monitor the debt servicing and that the borrowing agency would not have access to the pledged resources until the loan is repaid.

There are several other international actors that are active in the urban sector and whose share in total infrastructure investment increased in the 1990s. The governments of the United Kingdom (through the Department for International Development),

Australia, and the Netherlands, for example, have taken up projects pertaining to urban infrastructure and basic amenities under their bilateral co-operation programmes. Their financial support, although a small fraction of the total, has generally gone into the areas that are unlikely to be picked up by the private sector and that may have problems of cost recovery. The World Bank, the Asian Development Bank, and the Overseas Economic Cooperation Fund (Japan), on the other hand, are the agencies that have financed infrastructure projects that are commercially viable and potentially reproducible on a large scale.

The most important development in the context of investment in infrastructure and amenities is the emergence of credit rating institutions in India. With the financial markets becoming global and competitive and the borrowers' base increasingly diversified, investors and regulators prefer to rely on the opinion of these institutions for their decisions. The rating of the debt instruments of the corporate bodies, financial agencies and banks are currently being done by institutions such as Information and Credit Rating Agency of India (ICRA), Credit Analysis and Research (CARE) and Credit Rating Information Services of India Limited (CRISIL), etc. The rating of the urban local bodies are done on (a) functions and managerial capabilities including the legal and administrative framework, (b)

existing financial position and (c) the economic base of the service area, as well as aspects relating to the project under consideration.

Also, the requirements of the capital market for issuing bonds enable only these few cities to mobilize resources and make it extremely difficult for small and medium towns to stand up as potential beneficiaries. Further, financial intermediaries including credit rating agencies are trying to ensure that infrastructure investment takes place in projects with assured cost recovery and they want to introduce an appropriate legal and administrative restructuring, at the state and city level, for their commercial viability. This would seriously restrict the choice of projects, rendering the launching of schemes that yield a low rate of return, such as provision of water and sanitation facilities for the poor, slum improvement, etc., virtually impossible.

The Report of the Sub Committee on Financing Urban Infrastructure in the 12th Plan prepared by the Ministry of Urban Development, Government of India has estimated the requirement of investment in urban infrastructure by various sources, including the HPEC, as being of the order of Rs. 40 to 50 thousand crore.

It has also suggested that meeting the requirements of funds for XII Plan has to be attempted through a multi pronged strategy covering the following:

I. Stimulations of municipal own

sources covering (a) efficient application of revenue instruments and (b) use of fiscal monitoring and control innovations. There is a strong realization regarding the constraints faced by the municipal bodies in the levy and collection of own sources of revenue. However, realizing these weaknesses and their potential to generate more revenue, the Municipalities have to initiate specific actions under various instruments. Individual actions which can be taken up to mobilize own sources from include (i) appropriate placement of revenue instruments and (ii) efficiency in fiscal monitoring and control. A basic minimum standard of performance for the Urban Local Bodies should be to ensure full cost recovery of O&M through user charges and at least partial recovery of capital expenditure.

Another set of actions in the form of fiscal monitoring and control innovations in the overall financial management system need to be taken up by Municipalities to utilize revenue instruments more effectively.

- i. States have to push accounting sector reforms through necessary provisions/approvals to apply Double Entry Accounting (DEA) at the ULB level so as to build transparency and borrowing capacity among Municipalities.
- ii. Budgeting needs to be rationalized for normative performance oriented, participatory budget, which is implemented throughout

the year in a fixed manner.

- iii. Carry out innovative asset management, which includes listing, classification, valuation and finally assessment of each asset for optimum utilization of its revenue potential.

Some municipalities in Tamil Nadu have proved that cost recovery could be as high as 300 to 400%, leading to recovery of the capital expenditure too, besides the O&M charges. Such local bodies include a small municipality of Porur (Town Panchayat), an intermediate size municipality- Tambaram and a large-size one, Madurai. The user charges in these cases range from Rs. 90 to 150 per month for residential users and higher for the commercial and industrial users. Similar examples are available in respect of solid waste management sector too. The report has suggested the land monetization, increasing property tax in the influence zone or the catchment area of MRTS corridor and the additional FAR/Development charges to mop up part of the steep financial and economic benefits that becomes available to the owners and users of the properties in the influence zone of such transit corridors.

Regulatory and Fiscal Reforms: Some Initiatives

The huge backlog in the urban infrastructure assets for delivering essential services would necessitate all tiers of governments to accelerate the creation of physical assets so that the

perception of Cities as an attractive investment avenue and its competitiveness for economic activity is enhanced. Hence, creation of effective climate for provision of efficient delivery of urban services also requires policy and process reforms, which in turn will also affect the cities capabilities to attract private investors to invest in the city's urban infrastructure too.

The Government of India has initiated institutional, fiscal and financial reforms. First generation urban sector reform known as the 74th Constitutional Amendment Act of 1992, recognises the principles of local self governments and empowers urban local bodies with financial resources through Central Finance Commission and State Finance Commissions. Subsequently, in order to strengthen these local bodies, second generation reform (JNNURM) are in progress. In the last decade, enormous progress has been made in removing impediments to efficient investment.

In August 1996, the Central Government guidelines entitled 'Urban Development Plans Formulation and Implementation' were circulated to all State Governments for adoption. These guidelines, apart from other issues, suggest innovative approaches for fiscal resource mobilization. These guidelines are in the process of revision. In the backdrop of the New Economic Policy, it was suggested that the traditional system of funding based on Plan and budgetary allocations be reduced and

ultimately withdrawn due to fiscal deficit. Subsidies need to be rationalized and urban development plans and projects need to be placed on a commercial format by designing commercially viable urban infrastructure services and area development projects. This can be achieved by restoring a proper match between functions and source of revenue by giving additional tax measures. Other innovative resource mobilization measures include using land as resource, increase in the non-property taxes and using Public- Private Partnership in service delivery.

Reforms Regulatory Framework

The participation of the private sector in financing and the delivery of infrastructure at the municipal level, especially in the water and sanitation sector, requires a regulatory framework to protect consumers, apply environmental standards and support the delivery to the poor. As there are a variety of models of regulation from centralised to decentralised systems, guidelines will be developed at the National level to ensure consistency across the country. Appropriate training programme and capacity support to regulators will also be developed in partnership with the private sector and urban research institutions.

Model Legislation

The Model Municipal Law for facilitating private sector participation in urban infrastructure. This is necessary, as the present legislative scenario does

not encourage private sector participation in this field. A model Municipal Act which is recommended to the State Governments, would include modification and simplification of Municipal bylaws, provision for enhanced borrowing, allowing the entry of private sector and authorising concessionaires to penalise users for non payment of tariffs.

Municipal Accounting System

The existing Municipal accounting system does not provide enough information for analysing the financial performance and status of an Urban local Body. In addition, the single entry cash-based system used by most Urban Local Bodies has several defects resulting in misappropriation of assets, non-preparation of profit and loss statements and balance sheets. As suggested above, States have to push accounting sector reforms through necessary provisions/approvals to apply Double Entry Accounting (DEA) at the ULB level so as to build transparency and borrowing capacity among Municipalities.

Public-Private Participation Guidelines

The guidelines for involvement of the private sector in infrastructure are prepared, which will ensure competitive bidding process in a transparent manner. These guidelines will not only protect the consumers but also ensure integrity of

the process. This would support municipalities in designing the PPP process on the lines of the BOT Centre in Philippines or the PPP in the Ministry of Finance in South Africa.

Fiscal Incentives

Foreign Direct Investment (FDI)

Hitherto Foreign Investment Promotion Board (FIPB) allowed direct investment in providing urban services on a case-to-case basis. This scenario has changed with the decision of the Central Government removing restrictions on FDI in urban infrastructure facilities, which are now open both under FIPB and the automatic route as per sector specific guidelines. Guidelines have since even issued for FDI in development of integrated township including housing and building material.

External Assistance

Since independence, externally assisted urban sector projects have accounted for US\$ 2300 million. A review of these projects indicated a need to adopt a programme approach rather than a project approach for availing external assistance. It also indicated the need to encourage a multiple donor scenario and tapping low cost funds for urban infrastructure.

Tax Free Municipal Bonds

Municipal Bonds were successfully issued by several Municipal Corporations like, Bangalore, Ahmedabad, Ludhiana, Nagpur, Nasik,

Madurai for raising resources for urban infrastructure. The Central Government had announced tax exemption in case of bonds issued by Municipal/Local Governments. Under the guidelines, such bonds will be issued for raising resources for capital investment in creation of new infrastructure as well as augmentation of existing systems. Tax-free bonds worth Rs. 100 crore (U.S.\$ 23 million) by Ahmedabad Municipal Corporation have been permitted for improving infrastructure. Hyderabad Municipal Corporation has also been permitted to issue tax-free municipal bond for Rs. 82.50 crore (U.S.\$ 18 million)

Pooled Financing for Municipal Infrastructure

Traditionally, municipal corporations and urban local bodies have relied on subsidised funds for providing urban services which constraints the constraints the introduction of user charges and efficient project operation and maintenance. In view of the huge resource gap, direct access to capital market would now be an accepted viable option. However, access to capital market requires financial discipline and enhanced credit rating. It has been the experience that only bigger municipal corporations are in a position to take the advantage of the resources available in capital market. Medium and smaller municipalities are unable to do so due to weak financial position and lack of capacity to prepare viable project

proposals. A State level pooled financing mechanism is being proposed for smaller and medium municipalities. The objective of a State level pooled finance mechanism is to provide a cost effective and efficient approach for smaller and medium sized ULBs to access the domestic capital markets for urban infrastructure and to introduce new institutional arrangements for mobilising Urban Infrastructure Finance.

City Restructuring

Government of India is also encouraging citywide reforms and restructuring so as to ensure that, cities are managed efficiently and become creditworthy (to attract private finance) which will enable them to prepare long term plans for infrastructure investments and implement poverty alleviation programs. Citywide reforms and restructuring will, however, result in significant transaction costs during the period of transition. Leaving cities to finance these costs by themselves will delay and make it difficult to implement these reforms. It is to partly offset this disadvantage that the Ministry of Urban Development is proposing to set up a performance based City Challenge Fund for catalyzing city level economic reform programmes. The resources from the Fund would be given as grants but should ideally be matched by equal allocations either from the cities themselves or from the respective State governments. Access to the fund would be on a

competitive basis.

JNNURM – Flagship Programme for Investment Promotion and Sectoral Reforms

Jawaharlal Nehru National Urban Renewal Mission (2005-12) has been a most important feature since last decade to engage states and ULBs to promote investments in the urban infrastructure along with a reform package which gave due cognizance to 74 CAA and recommendations of XIII Finance Commission and Second ARC. The Mission comprises two broad segments, namely Sub-Mission (I) - on Urban

Infrastructure and Governance; and Sub-Mission (II) - on Basic Services to the Urban Poor (BSUP). The main thrust of the sub-mission on Urban Infrastructure and Governance is on major infrastructure projects relating to water supply including sanitation, sewerage, solid waste management, road network, urban transport and redevelopment of inner (old) city areas with a view to upgrading infrastructure therein, shifting industrial/commercial establishments to conforming areas etc. (MoUD Annual Report 2010-11) To achieve this objective, State Governments and Urban Local Bodies are required to accept implementation of an agenda of reforms. The proposed reforms broadly fall into two categories:-
i. Mandatory Reforms (State and Local level) and ii. Optional Reforms.

Funds have been allocated under

the mission to States/UTs as per the population criteria. The criteria for allocation for Urban Infrastructure & Governance (UIG) Component are based on urban population of mission cities. Planning Commission has allocated Rs. 31,500 crore for the whole mission period i.e. 2005- 2012 for all components of JNNURM and `31,500 crore (including additional allocation of `6000 crore in February, 2009) for UIG component of JNNURM for the mission period. (MoUD Annual Report 2011)

JNNURM has made a significant dent in the provision of infrastructure and services in the mission cities and other towns under UIDSSMT and IHSDP. Projects approved under the mission have crossed the total cost of Rs.1000 billion out of which a vast majority tends to cover water, sanitation, SWM, roads and related services. Finally, it appears that ULGs are undergoing a reform process to provide services and infrastructure in a participatory manner. This has diversified their line of action and ULGs have to give more emphasis on assessment of gap, identification of partners, revenue mobilization, monitoring and evaluation of the delivery of services.

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