

Urban Infrastructure

9.85 The Government has taken up a number of Central and Centrally Sponsored Schemes to improve the economic and physical infrastructure and also to provide essential facilities and services in the urban areas. These schemes have made some progress in the quality of life in urban areas though the magnitude of the problem of urbanization demands faster and larger interventions in the urban areas. The India Infrastructure Report (1996) on investment requirements for Infrastructure had estimated an annual requirement of funds of Rs.28,000 crore for providing infrastructure facilities (Water Supply and Sanitation to urban population). As compared with this, the total allocation for the schemes pertaining to Urban Water Supply and Sanitation during the whole 9th Five Year Plan period (1997-2002) was Rs.18,624 crore and this gap in investment gives an idea of the huge shortfall in urban infrastructure investment.

9.86 The major Plan schemes in urban infrastructure sector include (i) Integrated Development of Small and Medium Towns; (ii) Mega City Scheme – Infrastructure Development; (iii) Special Component Plan for National Capital Region Planning Board; (iv) Accelerated Urban Water Supply Programme; (v) Low Cost Sanitation, and (vi) Urban Transport.

9.87 The Integrated Development of Small and Medium Towns scheme aims at improving infrastructure facilities and helping the creation of public assets in small and medium towns. The Centre and the States contribute to the cost in the ratio of 60:40 (grant-in-aid) apart from funds from other sources. Out of the 3697 urban local bodies, this scheme has covered 1058 towns up to March 31, 2001. As against the 9th Plan allocation of Rs.275 crore, the estimated expenditure for the scheme is Rs.267.37 crore.

9.88 The Infrastructure Development of Mega Cities scheme was initiated in 1993-94, targeting cities having a population of above 4 million excluding Delhi. These cities are Mumbai, Kolkata, Chennai, Bangalore and Hyderabad. The funds under the scheme are channelised through a specialized institution/nodal agency

at the State level, which provides project-related finance for urban infrastructure, like water supply, sewerage, drainage, sanitation, city transport networks, land development, slum improvement, solid waste management, etc. The objective is to create and maintain a special fund for the development of infrastructure assets on a sustained basis. So far 394 projects costing Rs.3378 crore have been approved. The allocation for the 9th Plan was Rs.500 crore, out of which the estimated expenditure during the period is Rs.406 crore.

9.89 The National Capital Region Planning Board (NCRPB) was created by an act of the Parliament to plan the capital in its regional context by delineating the region. The National Capital Region model is a unique model for fostering and promoting balanced and harmonized development around Delhi. To give fillip to the regional development process, NCR has been visualized as Common Economic Zone requiring a consensus approach by the member States on the rationalization of fiscal measures, banking system, integrated transport and communication system, improved power and water supply which influence trade, commerce and industrial activities in the region. The resource base of the NCRPB includes budgetary allocation through plan provision and institutional borrowings in the form of line of credit, priority sector loans from financial institutions and market borrowings in the form of taxable and tax-free bonds as extra budgetary resources. The 9th Plan provision for the NCRPB was Rs.200 crore which will be fully utilized. During the 9th Plan, the Board envisaged an Internal and Extra Budgetary Resources (IEBR) of Rs.3120 crore, to be mobilized from the capital market. The NCRPB has facilitated development of a variety of infrastructure facilities in different cities of the region which include residential plots/flats, industrial plots/sheds, commercial plots/shops, office spaces, physical infrastructure including roads, bridges, tunnels, water supply, sewerage disposal facilities, Street lights, etc.

9.90 The Accelerated Urban Water Supply Programme was launched during the 8th Plan in 1993-94. It aimed at providing water supply to

towns with a population of less than 20000 as per 1991 census. 2151 towns qualify for consideration under the scheme as per this criterion. As on December 31, 2001, 601 schemes in 601 towns (including 379 sanctioned during the 9th Plan) have been approved at an estimated cost of Rs.739.5 crore. As against this, Rs.293.5 crore have been released by the Government of India during the 8th and 9th Plan periods and the State Governments have released Rs.243.8 crore during this period.

9.91 The Low Cost Sanitation scheme was envisaged to convert the existing dry latrines into low cost pour flush latrines. The objective of the scheme, as far as the sanitation part is concerned, is to eliminate manual scavenging totally. Under the scheme, a loan and subsidy is extended simultaneously by the HUDCO. The Central subsidy is being routed through the HUDCO. So far 836 schemes in 1285 towns have been sanctioned, in addition to 3966 community toilets. 353 towns have been declared scavenger free.

9.92 Urban Transport is one of the most important components of the urban infrastructure. As cities grow in population and size, the demand for transport increases proportionately. A good network of roads coupled with an efficient mass urban transport system makes a substantial contribution to the efficiency of the cities and enables them to become catalysts for economic, social and political development.

In the 9th plan major allocation was for Delhi Metro Rail Corporation (DMRC) where the government has been contributing towards equity of the company. The 9th Plan provision for Urban Transport was Rs.1012 crore which included Rs.425 crore equity to DMRC and Rs.362 crore for "Pass Through Assistance" to DMRC from Overseas Economic Cooperation Fund of Japan (now, Japan Bank for International Cooperation – JBIC). The expenditure incurred on the project till November 30, 2001 is Rs.1575 crore.

9.93 As on December 31, 2001, HUDCO has sanctioned an amount of Rs.2153 crore for 42 urban infrastructure schemes covering areas such as water supply, sewerage and sanitation, transport, area development, commercial and social infrastructure schemes. In the year 2000-01, for the water supply sector, HUDCO has financed 16 schemes amounting to 34 per cent of the total loan assistance. A line of credit of Rs.560 crore has been extended to the Saurashtra pipeline project for supplying water to the parched towns and villages of Gujarat. Assistance has also been provided for rural water supply schemes in Tamil Nadu and Maharashtra. Proper sanitation is essential and complimentary to potable water supply. HUDCO has sanctioned five schemes for development of appropriate sewerage system in Punjab and Maharashtra apart from the ILCS schemes to improve the sanitation facilities, thereby contributing to environmental upgradation.