

Urban infrastructure

9.80 Over a third of the Country's population lives in urban areas. There are 35 Urban Agglomerations with population of more than one million, and about 37 percent of the total urban population live in these million-plus cities. Urbanisation in India is proceeding at a modest pace. According to the 2001 census, there has been an increase of 2.1 percent in the proportion of urban population in the 1991 census. The 74th Constitutional Amendment Act, 1992 has given Constitutional status to municipal governments, has defined municipal responsibilities in broad terms and has left the individual state finance commissions both the task of assigning the expenditures and revenues, and the task defining the nature of financial relations between state and local governments. As a result, there has been considerable variation in the rigor and quality, across states, on the nature of state finance commissions' recommendations, and the extent to which they have been implemented.

9.81 In many states the devolution of administrative powers related to planning, financing and managing municipal services has not yet become effective. The expected improvement in services, as an outcome of decentralization, is based on the notion that as expenditure responsibilities are devolved, local elected representatives would have decision making authority, however, the range of issues on which elected municipal representatives can take a decision is limited. There is a wide variation in availability of infrastructure and services in different cities. The larger cities have the ability to raise resources from the capital market, while smaller towns lag behind because of lack of resources, and expertise. Urban Local Bodies (ULBs) and state development agencies have an important role to play in development of urban infrastructure. City Challenge Fund (CCF) has been created in the budget 2001-02 to support Urban Local Bodies (ULBs) to undertake reforms. The CCF seeks to directly support the grassroot institutions like ULB, and partially finance

the cost of developing a reform program and its implementation.

9.82 Programmes such as Mega City Project, Integrated Development for Small and Medium Towns (IDSMT), Accelerated Urban Water Supply Program (AUWSP) have shown some success in meeting the urban needs. IDSMT and Mega City schemes are being implemented in states to meet the requirements of water supply, sanitation, solid waste management, urban transport and development of new extensions like residential colonies and satellite towns to relieve congestion. The IDSMT was launched in 1979-80, 1,310 small and medium towns have been assisted under the scheme. Central assistance released under the scheme is Rs. 599.4 crore (upto January 31, 2003). Mega city scheme was introduced in 1993-94, the scheme covers the five cities namely, Mumbai, Kolkata, Chennai, Hyderabad and Bangalore. The Central assistance released the scheme has been Rs. 809.3 crore (upto January 31, 2003). The central assistance in these schemes has not been adequate in terms of amount and coverage of cities. Moreover, the implementation of the scheme has not been satisfactory in terms of timely completion of projects, augmentation of resources by ULBs, tie-up of institutional finance etc.

9.83 With a view to augment resources in the urban infrastructure, 100 percent foreign direct investments (FDI) has been permitted in the development of integrated township since 2001. However, investments have not materialized because of very rigid existing conditions relating to land procurement specially in urban areas, where land revenue and land reform legislation have precedence over organization. Moreover, there are problems relating to lack of clear titles, old protective tenancy and rent control. The system of maintenance of land record need to be improved through computerization. This, together with rationalization of stamp duty, will make things easier for those interested in entering into partnership for development of townships.

9.84 Little attention has been paid to development of mass rapid transport systems in most major cities. In fact, urban transport is one of the most important components of urban infrastructure which has been neglected due to various reasons. Bus services and urban rail services have been extremely limited. Only seventeen largest cities of the country have organized bus services, and only three cities – Mumbai, Kolkata and Chennai have a suburban rail system. A good network of roads coupled with efficient mass urban transport system makes a substantial

contribution to the efficiency of the cities and enables them to become catalyst of the economic and social development. The capital city of Delhi has experienced a phenomenal growth in population, from 57 lakhs in 1981 to 138 lakhs in 2001. The city however lacked an efficient mass transit system. The setting up of the Delhi Metro Rail Transit System which was inaugurated on December 24, 2002 is expected to bring about a great improvement in efficiency and quality of life of the citizens of Delhi (Box 9.13).

Box 9.13 : Delhi Metro Rail Transit System

- Delhi Metro Rail Transit System (DMRTS) is a joint venture between Government of India and Delhi Government. DMRTS is one of the largest infrastructure projects being undertaken, and is being developed on lines of mass rapid transit systems in Hong Kong and Singapore. The first phase of the project comprises of three routes totaling 62.16 km. due to be completed in March 2005. The entire project is expected to be completed by 2008, and this will be the first mass rapid transport system in the country that will match international standard and incorporate new technologies.
- The estimated completion cost of the project will be Rs.10,570 crore, including the cost of land and rolling stock. 30 percent of the project cost is to be financed through equity contributions equally by Central Government and State Government. The Japanese Government has agreed to finance about 56 per cent of the cost through a soft loan from Japan Bank of International Corporation (JBIC).
- DMRTS Phase I is expected to carry 21.8 lakh passengers per day in the year 2005, the share of underground corridor being 5 lakh, and the rest being catered to by the surface corridors.
- Train frequency of three minutes during peak hours has been proposed on both the corridors, with an ultimate system capacity to carry 60,000 – 75,000 passengers per hour each way. The rolling stock, both for underground and surface corridors, will be 3.2 m wide, of state-of-art design in stainless steel, with three phase AC drive, VVVF Control, chevron rubber/air bag suspension system and regenerative braking.
- The first phase of the DMRTS will generate substantial benefits to the economy by way of siphoning off the roads 21.8 lakh commuter trips per day; this will mean 2,500 buses less on the road, increase in average speed of road buses from 10.5 km. per hour to 14 km. per hour, saving of 20 lakh man hour per day due to reduced journey time and saving of fuel cost worth 500 crores per year. The project is expected to bring about substantial reduction in pollution, reduction in accident rates and improvement in quality of life.