

TABLE OF CONTENTS

CHAPTER	TITLE	PAGE NO.
1.	Introduction	1
2.	Corporation of Chennai	37
3.	Directorate of Municipal Administration	81
4.	Directorate of Town Panchayats	189
5.	Chennai Metropolitan Water Supply and Sewerage Board	217
6.	Tamil Nadu Water Supply and Drainage Board	261
7.	Tamil Nadu Urban Development Fund	305
8.	Tamil Nadu Urban Finance and Infrastructure Development Corporation Limited	337
9.	New Tiruppur Area Development Corporation Limited	377
10.	Conclusion	379

Municipal Administration and Water Supply Department

Policy Note - 2010-2011

1. Introduction

Urbanization, as a universal phenomenon, is inexorable and relentless in its scope and progression. After the industrial and agrarian revolutions, it is the third wave of definitive change sweeping the globe.

Tamil Nadu, the most urbanized State in India, is in the vanguard of this movement, and has consciously evolved a measured, comprehensive and pro-active approach to cope with the myriad challenges accompanying urbanization.

This strategy has been multifaceted and at its core, has been the role of this Government, under the dynamic leadership of the Honourable Chief Minister Dr. Kalamangar M.Karunanidhi.

The basic thrust and philosophy of this approach has involved the empowerment of Urban Local Bodies into robust, self-sufficient and vibrant pillars of local self-government, invoking both the letter and the spirit of the 74th Constitutional Amendment Act of 1992.

As per the 2001 census, Tamil Nadu's urban population was 2.748 crores, amounting to 44 % of the total population. The State at present has 10 City Municipal Corporations; 148 Municipalities and 561 Town Panchayats, which constitute the urban matrix.

Far-reaching initiatives, such as the conduct of periodical elections to the Urban Local Bodies; the constitution of successive State Finance Commissions; the progressive enhancement of devolution of funds to these entities from the State's own resources; epitomized by the setting apart of 3% towards the Infrastructure Gap Filling Fund and 2% for the Operation and Maintenance Gap Filling Fund, the substantial delegation of powers down the hierarchy; the profoundly strategic sanction of

debt relief to the Corporations and Municipalities; the rationalization of the levy of Vacant Land Tax; and the regularization of unauthorized layouts are credible instances of this Government's resolute and exemplary perseverance in this sector.

Apart from these, the firm and unwavering commitment to the creation of core infrastructure; upgradation of the delivery of civic services; urban poverty alleviation; continuity in urban reforms and the encouragement of Private – Public Partnerships for service delivery and infrastructure development are the defining hall marks of the policies of this Government towards the Urban Local Bodies.

Tamil Nadu is one of the best performing States in the implementation of the Jawaharlal Nehru National Urban Renewal Mission (JnNURM), and several of its completed projects are being benchmarked as examples worthy of emulation. This is a matter of justifiable pride.

The State has been implementing the pioneering Anaithu Peruratchi Anna Marumalarchi Thittam (APAMT), since 2007-08, in a phased manner, as

a consequence of which, every Town Panchayat in Tamil Nadu will have a template of cement concrete roads; storm water drains; drinking water systems, improved amenities to bus stands and burial grounds; community halls; street lights; parks and office buildings, by 2011. A similar scheme, nomenclatured the Anna Marumalarchi Thittam (AMT) was extended to 30 financially weak Municipalities, in 2008-09 with far-reaching benefits.

The Municipal Administration and Water Supply Department is responsible for the implementation of various Centrally sponsored, State-funded and Externally-aided schemes for the creation of essential basic infrastructure, poverty alleviation and capacity building, aimed at ameliorating the quality of life of every citizen residing in urban areas.

The Directorates of Municipal Administration and Town Panchayats and the Corporation of Chennai are intrinsic parts of this department.

The Chennai Metropolitan Water Supply and Sewerage Board (CMWSSB) and the Tamil Nadu

Water Supply and Drainage Board (TWAD)), which are engaged in exemplary work with regard to provision of Water Supply and Under Ground Sewerage Schemes for the Urban Local Bodies, come under the purview of this department.

Apart from these, the TNUIFSL (Tamil Nadu Urban Infrastructure Financial Services Limited) and TUFIDCO (Tamil Nadu Urban Finance and Infrastructure Development Corporation), and the NTADCL (New Tiruppur Area Development Corporation Limited) , also function under the aegis of this department.

TUFIDCO, apart from being the State Level Nodal Agency for the JnNURM, also functions as a specialized organization to fulfill the infrastructure requirements of the urban local bodies. TNUIFSL plays the role of a financial catalyst channelising the flow of capital to the urban sector. It currently operates three lines of credit, from the World Bank, the Japan International Co-operation Agency (JICA) and the KfW of Germany respectively.

1.1 The Constitution (74th Amendment) Act, 1992

The 74th Constitutional Amendment Act 1992, was the first serious attempt to ensure stabilization of democratic municipal government through constitutional provisions.

Its salient features are :-

(i) Introduction of the Twelfth Schedule which lists out the mandated functions of the Urban Local Bodies as indicated:-

- (1) Urban planning, including town planning
- (2) Regulation of land use and construction of buildings
- (3) Planning for economic and social development
- (4) Roads and bridges
- (5) Water supply for domestic, industrial and commercial purposes

- (6) Public health, sanitation, conservancy and solid waste management
- (7) Fire services
- (8) Urban forestry, protection of environment and promotion of ecological aspects.
- (9) Safeguarding the interests of weaker sections of society, including the disabled and mentally retarded.
- (10) Slum improvement and upgrading.
- (11) Urban poverty alleviation.
- (12) Provision of urban amenities and facilities such as parks, gardens, playgrounds.
- (13) Promotion of cultural, educational, and aesthetic aspects.
- (14) Burials and burial grounds, cremations, cremation grounds, and electric crematoriums.
- (15) Cattle pounds, prevention of cruelty to animals.

- (16) Vital statistics including registration of births and deaths.
- (17) Public amenities including street lighting, parking lots, bus stops, and public conveniences.
- (18) Regulation of slaughter houses and tanneries.
- (ii) Mandatory conduct of Urban Local Body elections every 5 years and conduct of elections before the expiry of the duration of the Local Body or before the expiry of the period of six months from the date of its dissolution.
- (iii) Specifying, by law, the sources of municipal finance and their periodical review by its statutorily constituted State Finance Commissions and by making it obligatory on the part of the Central Finance Commission to recommend measures to augment State resources to assist the municipal governments;

- (iv) Introduction of reservation of seats (i.e. Ward Members) and offices (i.e. Chairpersons / Mayors) for SC/STs, in proportion to their population in Urban Local Bodies with provision for rotation of the reserved seats and offices.
- (v) Introduction of reservation of not less than 1/3 of total number of seats and offices for women with provision for rotation.
- (vi) Specification by law of the powers and responsibilities of the Urban Local Bodies.

Pursuant to this, the Tamil Nadu Acts 24 and 25 of 1994 were enacted in the form of conformity legislations and the provisions of the 74th Constitutional Amendment Act have been consolidated and incorporated in the Acts governing the various Urban Local Bodies in the State.

1.2 Conduct of the 2006 Local Body Elections

After the enactment of the 74th Constitutional Amendment Act, three ordinary elections to the

Local Bodies have been conducted in the State. The first ordinary elections to all the urban and rural local bodies were held in 1996. The second ordinary elections to the Local Bodies were conducted during October 2001. The third ordinary elections, based on the results of which the present local bodies have been constituted, were conducted in October 2006.

For the 2006 elections to the local bodies, Government was of the considered view, that if fresh delimitation of divisions or wards were taken up based on the 2001 Census figures, elections could not be held on time, as the ward wise 2001 Census figures had been received only then. The Government therefore decided to conduct the ordinary elections to the urban local bodies, based on the existing territorial areas of the divisions or wards, total number of wards and the total number of councillors or members to be returned from such divisions or wards. Accordingly, special provisions were inserted in the Acts governing the urban local bodies of this State.

Following are the details of the seats and offices of the urban local bodies.

Seats

1.	Municipal Corporation Wards	474
2.	Chennai Corporation Wards	155
3.	Municipal Wards	3392
4.	Grade III Municipal Wards	987
5.	Town Panchayat Wards	8807
	Total	14534

Offices

1.	Mayors of Municipal Corporations	6
2.	Municipal Chairpersons	102
3.	Grade III Municipal Chairpersons	50
4.	Town Panchayat Chairpersons	561
	Total	719

In respect of Chennai Corporation, ordinary elections to all the 155 wards were held during

October 2006. Subsequently, due to the resignation of 99 councillors, casual elections to the said vacancies were held in February 2007.

1.2.1 Reservation of Seats and Offices and Rotation

Article 243T of the Constitution of India mandates reservation for Scheduled Castes, Scheduled Tribes and Women in the seats and offices of chairpersons of urban local bodies. Provisions of Section 7 of the Tamil Nadu District Municipalities Act, 1920 are relevant in this regard, in respect of Municipalities. Similar provisions in respect of Grade III Municipalities and Town Panchayats are also available in the said Act. For City Municipal Corporations, similar provisions are available in the respective Acts. The Tamil Nadu Town Panchayats, Municipalities and Corporations (Delimitation of Wards or Divisions and Reservation) Rules, 1996 details the procedure to be adopted with regard to the reservation of seats and offices.

For the 2006 local bodies elections, the Government decided that rotation will be done only

in respect of the offices (Presidents/Chairpersons) reserved for Scheduled Castes, Scheduled Tribes and Women. In respect of the reserved seats (ward members), only seats reserved for women will be rotated and status quo will be maintained with regard to the seats reserved for Scheduled Castes, Scheduled Tribes, subject to any marginal changes due to the application of the 2001 census figures.

The following Table provides the details of Reservation of Offices and seats for Scheduled Cases, Scheduled Tribes and Women.

Sl. No	Category of Reservation	Total No. of seats/ Offices	Reserved for Women (Excluding SC/ST)	%	Reserved for Scheduled Castes				Reserved for Scheduled Tribes			
					G	%	W	%	G	%	W	%
1	Corporation Mayors	6	1	17	0	0	1	17	-	-	-	-

2	Muni- cipal Chair- persons	102	30	29	7	7	4	4	-	-	-	-
3.	Grade. III Muni- cipal Chair- persons	50	14	28	4	8	3	6	-	-	-	-
4.	Town Pan- chayat Chair persons	561	156	28	59	11	30	5	2	0.36	1	-
5.	Corpo- ration Wards	474	140	30	32	7	19	4	-	-	-	-
6.	Chennai Corpo- ration Wards	155	45	29	14	9	7	5	-	-	-	-
7.	Muni- cipal Wards	3392	967	29	222	7	164	5	-	-	-	-

8.	Grade III Municipal Wards	987	262	27	73	7	64	6	-	-	-	-
9.	Town Pan-chayats Wards	8807	2207	25	787	9	707	8	3	-	21	-
	Total	14534	3822	26	1198	8	999	7	5	-	22	-

1.3 No Confidence Motions

As a large number of no confidence motions were being received against the Chairpersons and Vice-Chairpersons of urban local bodies, Government felt that though moving and passing of no-confidence motions are considered to be democratic rights, frequent use and misuse of the same will have regressive and debilitating effects on the democratic functioning of these entities.

In a move to curb these undesirable trends, Government decided to make the provisions relating to moving and passing of no-confidence motions more stringent by amending the laws relating to

the urban local bodies. Accordingly an Ordinance, namely, the Tamil Nadu Municipal Laws (Amendment) Ordinance 2007, (Tamil Nadu Ordinance 5 of 2007) was promulgated on 04.10.2007, later repealed by the Tamil Nadu Municipal Laws (Amendment) Act, 2007 (Tamil Nadu Act 37 of 2007).

For presenting a notice for moving a no-confidence motion, the required strength has been enhanced from 'not less than one-half of the sanctioned strength of the council' to 'not less than three-fifths of the sanctioned strength of the council'. For passing of a no-confidence motion, the required strength has been enhanced from 'not less than three-fifths of the sanctioned strength of the council' to 'not less than four-fifths of the sanctioned strength of the council'. Further, the time lag between a failed motion and the moving of the next motion, against the same Chairperson / Vice-Chairperson / Mayor / Deputy Mayor has also been enhanced from a period of 'six months' to 'one year'. It has also been provided that no notice of a no-confidence motion shall be received within one year of assumption of office and during the last

year of the term of office of a Chairperson / Vice-Chairperson / Mayor / Deputy Mayor. This has gone a long way in ensuring continuity and stability of tenures of the various elected representatives.

1.4 Devolution of Powers

Local government is a State subject figuring as item 5 in List II of the 7th Schedule of the Constitution of India. Article 243W of the Indian Constitution enshrines the basic principle for devolution of powers to the Urban Local Bodies. As per this article, subject to the provisions of the Constitution, the Legislature of the State may by law, endow the Municipalities with such powers and authority as may be necessary to enable them to function as institutions of self-government and such law may contain provisions for the devolution of powers and responsibilities upon municipalities, subject to such conditions as specified therein with respect to the preparation of plans for economic and social justice; the performance of functions and the implementation of schemes as may be entrusted to them including those in relation to the matters listed in the Twelfth Schedule.

This Government, in continuance of its commitment to devolve greater powers and responsibilities to the Rural and Urban Local Bodies, constituted the Third High Level Committee in G.O.Ms.No.6, RD&PR (C1) Department, dated 22.01.2007. The Committee was required to study the duties, functions and powers already entrusted to the Rural and Urban Local Bodies and make recommendations for further devolution of the same, in order to make them more effective.

The Committee held constructive and meaningful deliberations and arrived at several considered recommendations which were presented in the form of a report to the Hon'ble Chief Minister on 10.12.2007.

The significant recommendations of the Committee include substantial enhancement of the administrative and technical sanctioning powers of the various Municipal authorities, debt relief to Municipalities and certain Corporations, payment of arrears of devolution, constitution of a Committee to fix staffing norms for local bodies and rationalization of the levy of vacant land tax.

The most important outcome of the recommendations of the Committee has been the debt relief to the Urban Local Bodies. In G.O.Ms. No.149, MA&WS Department, dated 09.11.2007, the Government issued orders writing off the outstanding dues amounting to Rs.787.41 crore under the consolidated Government loan, as on 31.03.2007, with respect to 102 Municipalities and 5 Municipal Corporations. This has been a significant measure which has gone on a long way in relieving these Urban Local Bodies from their crippling debt burdens. This has also facilitated the Urban Local Bodies in availing assistance from various financial institutions for executing developmental works.

1.5 State Finance Commission's Recommendations

In accordance with Article 243Y of the Indian Constitution, the Finance Commission constituted under Article 243-I shall also review the financial position of the Municipalities and make recommendations towards –

- (i) the distribution between the State and the Municipalities of the net proceeds of the taxes, duties, tolls and fees leviable by the State which may be divided between them and the allocation between the municipalities at all levels of their respective shares of such proceeds.
- (ii) the determination of the taxes, duties, tolls, and fees which may be assigned to, or appropriated by, the Municipalities.
- (iii) the grants-in-aid to the Municipalities from the consolidated fund of the State.
- (iv) the measures needed to improve the financial position of the Municipalities; and
- (v) any other matter referred to the Finance Commission in the interests of sound finance of the Municipalities.

Based on the recommendations of the Third State Finance Commission, a higher share of the

State's Own Tax Revenues for the rural and local bodies beginning with 9 % (it being 8% till 2006-2007) has been allocated for the year 2007-2008 and 2008-2009. For 2009-2010, Government have increased the allocation to 9.5% of the State's Own Tax Revenue to the Urban Local Bodies. The percentage of devolution will be progressively increased to 10% with the award of Third State Finance Commission for the years 2010-2011 and 2011-2012, as indicated:-

2007-08	:	9%
2008-09	:	9%
2009-10	:	9.5%
2010-11	:	10%
2011-12	:	10%

The ratio of the vertical sharing between Urban and Rural Local Bodies will be 42:58 as before. In respect of Urban Local Bodies, the horizontal sharing among them is as indicated below:

Municipal Corporations	:	30%
Municipalities	:	41%
Town Panchayats	:	29%

Amounts Devolved from 2006-07 to 2009-10

	Municipalities	Corporations	Town Panchayats	% of Devolution
Rs. in crore				
2006-07 (II SFC)	363.08	274.94	248.88	8.00
2007-08 (III SFC)	471.64	345.11	316.92	9.00
2008-09 (III SFC)	509.60	372.89	342.43	9.00
2009-10 (III SFC)	569.82	416.95	382.89	9.50
Total	1914.14	1409.89	1291.12	

Infrastructure Gap Filling Fund

	Municipalities	Corporations	Town Panchayats	% of Devolution
Rs. in crore				
2007-08 (III SFC)	14.15	10.35	10.01	3% from out of the Devolution amount
2008-09 (III SFC)	15.29	11.19	10.81	
2009-10 (III SFC)	17.09	12.51	12.09	
Total	46.53	34.05	21.94	

O&M Gap Filling Fund

	Municipalities	Corporations	Town Pan chayats	% of Devolution
Rs. in crore				
2007-08 (III SFC)	9.43	6.90	6.67	2% from out of the Devolution amount
2008-09 (III SFC)	10.19	7.46	7.21	
2009-10 (III SFC)	11.40	8.34	8.06	
Total	31.02	22.70	21.94	

Government in G.O.No.549, Finance (FC-IV), dated 01.12.2009 have constituted the Fourth State Finance Commission to study the financial position of village panchayats, panchayat union councils, district panchayats, town panchayats, municipalities and municipal corporations and to make suitable recommendations.

1.6 Central Finance Commission's Recommendations

A distinguishing feature of the Indian Constitution is that it provides for an institutional mechanism

to facilitate the transfer of resources from the Centre to the States.

The institution assigned with such a task under Article 280 of the Constitution is the Finance Commission, which is to be appointed at the expiry of every five years or earlier.

Under the Constitution, the main responsibilities of a Finance Commission are the following:

1. The distribution between the Union and the States of the net proceeds of taxes which are to be divided between them and the allocation between the States of the respective shares of such proceeds.
2. Determination of principles and quantum of grants-in-aid to States which are in need of such assistance.

3. Measures needed to augment the Consolidated Fund of a State to supplement the resources of the Panchayats and Municipalities in the State on the basis of the recommendations made by the Finance Commission of the State.

The last function was added following the 73rd and 74th amendments to the Constitution in 1992 conferring statutory status to the Panchayats and Municipalities.

On the basis of the recommendations of the Twelfth Finance Commission, a sum of Rs.411.50 crore to the Municipal Corporations and Municipalities and Rs.160.50 crore to the Town Panchayats has been released from 2005-2006 to 2009-2010.

The amounts released were utilized by the Urban Local Bodies for activities such as solid waste management, road works, construction of storm water drains, payment of dues to the Tamil Nadu Electricity Board and the other miscellaneous items of work.

The year-wise allocation to the Urban Local Bodies is as indicated:

Year	(Rs. in crore)			
	Chennai Corporation	Other Municipal Corporations	Municipalities	Total
2005-06	19.10	16.36	46.84	82.30
2006-07	19.10	16.36	46.84	82.30
2007-08	19.10	16.36	46.84	82.30
2008-09	19.10	16.36	46.84	82.30
2009-10	19.10	16.36	46.84	82.30
Total	95.50	81.80	234.20	411.50

Town Panchayats

Year	Rs. in crore
2005-06	32.10
2006-07	32.10
2007-08	32.10
2008-09	32.10
2009-10	32.10
Total	160.50

1.7 Creation of the Entertainment Tax Compensation Fund for the Urban Local Bodies

With a view to encouraging the Film Industry and to promote the Tamil Language, Government had announced that a full exemption from Entertainment Tax will be given to new films that are named in Tamil. This was announced in the Budget for the year 2006-2007.

Accordingly, in G.O.Ms.No.72, Commercial Taxes and Registration Department, dated 22.07.2006, orders were issued to this effect. A considered decision was then taken that the consequential revenue loss caused to the Urban Local Bodies would be compensated. Accordingly, an amount of Rs.27.00 crore is being allotted every year under the Budget Provision of the Commercial Taxes and Registration Department, commencing from the year 2007-2008, as the Entertainment Tax Compensation Fund (ETCF).

It has been mandated that this fund is to be maintained by TUFIDCO. The Secretary to

Government, Municipal Administration and Water Supply Department, has been designated as the Controlling Officer of this fund and the monies are allotted to the Urban Local Bodies for implementing special and innovative schemes at the discretion of Government.

This has been a commendable initiative which has led to the funding of several important projects, some of which are:-

- (i) The renovation and refurbishment of the Communicable Diseases Hospital, Tondiarpet which is a very veritable jewel in the crown of the Chennai Corporation.
- (ii) The retrieval and rehabilitation of the Buckle Odai in Thoothukudi Corporation.
- (iii) The funding of the Anna Marumalarchi Thittam for 30 financially weak municipalities; and
- (iv) Financing the massive programme of the conversion of earthen roads to cement concrete and bitumen roads in the Urban Local Bodies.

1.8 Creation and Expansion of certain City Municipal Corporations

Government, taking into consideration, the necessity to meet the growing demands and aspirations in terms of quality infrastructure and civic services, have during the course of the last four years, constituted the City Municipal Corporations of Tiruppur, Erode, Vellore and Thoothukudi, and expanded the limits of the Corporation of Chennai.

These considered decisions of the Government will have a significant impact on the all these urban agglomerations, in terms of civic infrastructure and the overall industrial and commercial milieu.

Government, in G.O.(Ms.) No.256, Municipal Administration and Water Supply Department, dated. 26.12.2009, issued orders announcing its decision to include nine Municipalities, eight Town Panchayats and twenty five Village Panchayats, spread over eight Assembly Constituencies, within the limits of Chennai Corporation. This expansion will take effect in 2011, after the present term of the elected bodies is over.

Similarly, in G.O.(Ms.) Nos. 50; 51; 52 and 53 of the Municipal Administration and Water Supply Department, dated. 17.03.2010, Government issued orders on the local bodies to be annexed to the recently constituted City Municipal Corporations of Tiruppur; Erode; Vellore and Thoothukudi.

The Tiruppur City Municipal Corporation is proposed to be expanded with the merger of three Grade III Municipalities and eight Village Panchayats. As far as the Erode City Municipal Corporation is concerned, four Grade III Municipalities; two Town Panchayats and five Village Panchayats are to be amalgamated. With regard to the Vellore City Municipal Corporation, three Municipalities; three Grade III Municipalities, eight Town Panchayats and sixty one Village Panchayats are to be incorporated. The Thoothukudi City Municipal Corporation is to be formed with the merger of ten adjacent Village Panchayats.

All the proposed mergers are to take effect in 2011, after the present tenure of the local bodies come to an end.

It would be appropriate to state at this juncture that these decisions are far-reaching and significant, with tremendous implications for the overall development of all these areas.

Special Officers have been appointed for each of these Corporations and have been instructed to initiate the exercise of ward delineation and other related activities.

1.9 Regularization of Plots in Unapproved Layouts

A long standing and perennial problem faced by the Urban Local Bodies had been the demand for basic amenities from the public living in unapproved layouts. The proliferation of these layouts over the years had brought immense pressure on the local bodies for the provision of essential basic infrastructure in these areas. The Tamil Nadu District Municipalities Act, 1920, and the respective Acts governing the various Corporations do not provide for the provision of infrastructure facilities in unapproved layouts.

Earlier attempts at resolving this vexatious issue had been unsuccessful because of complicated differential payments envisaged towards Open Space Reservation Charges, Development Charges and Regularisation Fees.

After a wide ranging consultative exercise and taking into account the persistent demands articulated on this issue and the various nuances associated with it, Government arrived at a considered decision that a single, simplified charge may be collected for the regularization of unapproved layouts.

To achieve this objective, G.O.Ms.No.59, Municipal Administration and Water Supply Department, dated. 25.07.2006 was issued with detailed guidelines and the prescription of a single regularization fee at the following rates:-

Sl. No.	Urban Local Body	Rate per square feet (in Rupees)
1.	Corporations (other than Chennai)	5
2.	Municipalities	2
3.	Town Panchayats	1

The scheme was ordered to be in force till 31.12.2006 and was extended upto 31.12.2007 by orders issued in G.O.Ms.No.56, Municipal Administration and Water Supply Department, dated. 30.04.2007, and later extended for a further period of six months, by the orders issued in G.O.(Ms.) No.244, Municipal Administration and Water Supply Department, dated. 05.12.2008.

The details of requisite charges collected so far are given below:-

Sl. No.	Urban Local Body	No. of Plots regularized	Amount of Regularisation charges collected (Rupees in crore)
1.	Corporations (other than Chennai)	69846	74.85
2.	Municipalities	53047	23.29
3.	Town Panchayats	30900	7.65

Individual plots in unauthorized layouts configured after 01.01.1980, but before the date of issue of the Government order, have been brought

under the ambit of this regularization scheme. The urban local bodies were directed to provide common basic infrastructure in these layouts, after collecting the requisite charges from the plot owners. They were also mandated to provide amenities to individual plots such as water supply and sewerage connections after collecting the prescribed deposits and House-Service connection charges. The scheme also envisages the approvals of individual building plans for the regularized plots.

This decision of the Government has gone a long way in ameliorating a genuine grievance and has been widely welcomed. An added feature of this has been the ploughing back of these proceeds to provide the requisite infrastructure in these areas.

1.10 Rationalization of Vacant Land Tax

Prior to 01.09.2009, the vacant land tax was being levied on the basis of the capital value of the vacant sites. However, the property tax on buildings is assessed, based on the rental value prevailing in an area. This had created an incongruous and

assymmetrical situation, wherein, the tax on vacant lands was much higher than the property tax on buildings. This had led to considerable hardship to the general public, and had resulted in poor collection of tax on vacant lands.

Government, taking into consideration the above situation and accepting the recommendations of the Third State Finance Commission and the High Level Committee constituted to examine and recommend devolution of more powers to the urban local bodies, decided to rationalize the method of levy of vacant land tax.

With effect from 01.09.2009, the basis of levy of property tax on vacant lands has been changed. The vacant land tax is now being levied on the basis of area, worked out on a square-feet matrix, subject to the minimum and maximum rates per square feet fixed by the Government, instead of the earlier method, namely, the capital value of the vacant lands. The period of levy of this tax has also been standardized.

The Acts governing the urban local bodies of this State have been amended by the Tamil Nadu Municipal Laws (Amendment) Act, 2009 (Tamil Nadu Act 15 of 2009) and the Tamil Nadu Town Panchayats, Grade III Municipalities, Municipalities and Municipal Corporations (except Chennai) (Levy of Property Tax on Vacant Lands) Rules, 2009, have been issued in G.O.(Ms.)No.151, Municipal Administration and Water Supply Department, dated. 20.08.2009, for achieving the said objectives. The Amended Act and the rules have been brought into force with effect from 01.09.2009.

This far-reaching decision has brought considerable relief to the public by way of a rationalized tax structure. Further, the urban local bodies will also benefit by way of realization of higher revenue from vacant land tax through more willing and prompt payments.

2. Corporation of Chennai

Chennai, a tiny village on the east coast of India, has transformed into a magnificent city, which is now the fourth largest metropolis in the country. It can be best described as a city with a unique and harmonious blend of tradition and modernity.

The city was established in the 17th century by the British, who developed it into a major urban agglomeration. By the 20th century, it had become an important administrative centre, as the capital of the Madras Presidency. The East India Company issued a charter constituting the "Town of Fort St. George" and all the territories there unto belonging, not exceeding the distance of ten miles from the Fort, into a Corporation on the 30th of December 1607. The Corporation of Chennai was established on the 29th of September 1688. The Parliamentary Act of 1792 gave the Corporation, the powers to levy municipal taxes in the city. The Chennai City Municipal Corporation Act, 1919 provides the basic statutory authority for the administration of the city.

2.1 Expansion of the limits of the Corporation

The city has been growing both in size and population. Chennai's present boundaries with an extent of 174 sq. kilometers were fixed in 1978. The Chennai Metropolitan Area (CMA) has experienced rapid growth and the Corporation encounters multi-dimensional problems. It is therefore incumbent on the local bodies to provide suitable infrastructure to keep pace with the growing demand. The level of services provided by the local bodies in the CMA varies to a large extent. The capacity to effectively deliver these services can be met better only by an organized urban local body like a Municipal Corporation, instead of a cluster of Municipalities, Town Panchayats and Village Panchayats.

Therefore, A Committee was constituted in G.O. (Ms).No.30, Municipal Administration & Water Supply (Elections) Department dated 20.02.2007 with the following members, to examine the various aspects of expansion and make suitable recommendations to the Government.

- | | |
|--|----------|
| i) Vice-Chairperson, CMDA | Chairman |
| ii) Commissioner of Revenue
Administration | Member |
| iii) Secretary to Government
MA&WS Department | Member |

The Government in G.O. (Ms) No. 182, MA&WS (Elections) Department dated 19.09.2008 directed the Chennai Metropolitan Development Authority (CMDA) to take up the task of consulting all the concerned stakeholders, compile the objections and the suggestions received during the process and forward them to Government. The CMDA accordingly carried out the exercise and submitted its report on 19.08.2009.

After considering all options, Government decided to expand the boundaries of the Corporation to an extent of 424.45 sq. kilometers by amalgamating 9 Municipalities, 8 Town Panchayats and 25 Village Panchayats adjacent to the Chennai and issued orders in G.O (Ms).No.256, MA& WS (Election) Department dated 26.12.2009.

2.2 List of local bodies to be amalgamated with the Corporation of Chennai

Sl. No	Name	District
Municipalities		
1	Kathivakkam	Thiruvallur
2	Thiruvottiyur	Thiruvallur
3	Manali	Thiruvallur
4	Madhavaram	Thiruvallur
5	Ambattur	Thiruvallur
6	Maduravoyal	Thiruvallur
7	Valasaravakkam	Thiruvallur
8	Alandur	Kancheepuram
9	Ullagaram-Puzhuthivakkam	Kancheepuram

Sl. No	Name	District
Town Panchayats		
1	Chinnasekkadu	Thiruvallur
2	Puzhal	Thiruvallur
3	Porur	Thiruvallur
4	Nandambakkam	Kancheepuram
5	Minambakkam	Kancheepuram

6	Perungudi	Kancheepuram
7	Pallikaranai	Kancheepuram
8	Sholinganallur	Kancheepuram

Village Panchayats			
S. No	Panchyat	Panchayat Union	District
1	Edayanchavadi	Minjur	Thiruvallur
2	Sadayankuppam	Puzhal	Thiruvallur
3	Kadappakam	Puzhal	Thiruvallur
4	Theeyambakkam	Puzhal	Thiruvallur
5	Mathur	Puzhal	Thiruvallur
6	Vadaperumbakkam	Puzhal	Thiruvallur
7	Surappattu	Puzhal	Thiruvallur
8	Kathirvedu	Puzhal	Thiruvallur
9	Puthagaram	Puzhal	Thiruvallur
10	Nolambur	Villivakkam	Thiruvallur
11	Karambakkam	Villivakkam	Thiruvallur
12	Nerkundram	Villivakkam	Thiruvallur
13	Ramapuram	Villivakkam	Thiruvallur
14	Mugalivakkam	Kundrathur	Kancheepuram
15	Manapakkam	Kundrathur	Kancheepuram

16	Kottivakkam	St.Thomas Mount	Kancheepuram
17	Palavakkam	St.Thomas Mount	Kancheepuram
18	Neelangarai	St.Thomas Mount	Kancheepuram
19	Injambakkam	St.Thomas Mount	Kancheepuram
20	Karapakkam	St.Thomas Mount	Kancheepuram
21	Okkiyam thuraipakkam	St.Thomas Mount	Kancheepuram
22	Madipakkam	St.Thomas Mount	Kancheepuram
23	Jaladampettai	St.Thomas Mount	Kancheepuram
24	Semmancheri	St.Thomas Mount	Kancheepuram
25	Uthandi	St.Thomas Mount	Kancheepuram

A Committee has been constituted under the chairmanship of the Commissioner, with the Joint Commissioner (Works) as the Special Officer for infrastructure, the Deputy Commissioner (Health) as the Special Officer for re-organization and the Chief Engineer (General) as the coordinator.

2.3 Schemes sanctioned under the Jawaharlal Nehru National Urban Renewal Mission

2.3.1 Improvement of the Micro and Macro Storm Water Drainage networks in Chennai

The terrain of the city is flat and the average level of the land in the city is only 8 feet above the mean sea level (MSL). Because of this terrain and the partial coverage of roads with storm water drains, flooding and water stagnation is a regular feature in the city during the monsoons.

In order to alleviate flooding, a comprehensive proposal was prepared by the Corporation of Chennai in association with the Public Works Department (PWD). This proposal was approved by the State Level Sanctioning Committee, and subsequently appraised and sanctioned by the Central Sanctioning and Monitoring Committee of the Ministry of Urban Development, Government of India, in four packages. The details of the four packages are tabulated below;

(Rs.in Crore)					
Sl. No.	Basins	Chennai Corporation's component	Public Works Department's component	Quantums Approved	Date of approval by CSMC: GOI
1.	Northern Basin	277.17	82.69	359.86	19.12.2008
2.	Central Basin	261.11	83.89	345.00	29.12.2008
3.	Eastern Basin	140.40	303.67	444.07	14.01.2009
4.	Southern Basin	136.20	162.78	298.98	22.01.2009
	Total	814.88	633.03	1447.91	

The Government of India's grant component is Rs.285.25 crore being its 35% share. The Government of Tamilnadu's contribution is Rs.122.25 crore, being its 15% share of expenditure and the remaining Rs. 407.44 crore is to be borne by the Corporation. The Administrative sanction has been accorded for the project in G.O.(Ms). No.116, Municipal Administration and Water Supply Department dated 06.07.2009.

The Corporation of Chennai's component of the project involves the construction of 290 kilometers of new drains at an estimated cost of Rs.343.00 crore, re-modeling of 183 kilometers of existing micro drains at a cost of Rs.276.00 crore and the improvement of 16 canals to a length of 29 kilometers at a cost of Rs.160 crore. The works in the four basins have been divided into 12 watersheds. Tenders were called for the works on the basis watersheds and the details are as indicated:

Sl. No.	Nomenclature of the Water sheds	Estimate amount (Rs. in crore)	Date of receipt of Bids	Status
1	Kolathur Water Shed (Northern Basin)	25.53	20.11.09	Tender approved and work order issued on 05.03.10
2	Velachery Water Shed (Southern Basin)	47.52	20.11.09	Tender approved and work order issued on 05.03.10
3	North B Canal Water Shed (Eastern Basin)	20.50	27.11.09	Tender approved and work order issued on 05.03.10

4	Virugambakkam & Arumbakkam Water Shed (Central Basin)	60.32	20.11.09	Bids received and are being processed
5	Otteri Nallah Water Shed (Northern Basin)	106.64	27.11.09	Bids received and are being processed
6	Adyar Water Shed (Southern Basin)	83.37	27.11.09	Bids received and are being processed
7	South B Canal Water Shed (Eastern Basin)	39.96	11.12.09	Bids received and are being processed
8	Captain Cotton Canal Water Shed (Northern Basin)	108.18	- - -	Retender called and will be opened on 28.05.10
9	Cooum Water Shed (Central Basin)	87.57	- - -	Retender called and will be opened on 28.05.10
10	Royapuram Water Shed (Eastern Basin)	30.00	- - -	Tender opened on 19.03.10 and in process

11	Centre B Canal Water Shed (Eastern Basin)	47.17	- - -	Tender opened on 19.03.10 and in process
12	Mambalam & Nandanam water shed (Central Basin)	121.53	- - -	Tender opened on 19.03.10 and in process

The Public Works Department's component involves, improvements to three waterways to a length of 65.10 kilometers, at an estimated cost of Rs.378 crore, the formation of four new link canals for 9.90 kilometers at a cost of Rs.148 crore, and improvements of surplus channels to five tanks, for a length of 96.39 kilometers at an estimated cost of Rs.107 crore. The new link canals are 1) Otterri Nallah to the Cooum river in Anna Nagar 2) Virugambakkam canal to the Cooum river along Jawaharlal Nehru Salai, 3) Velachery lake canal to the Buckiingham canal along the Velachery to Taramani Road, and 4) South Buckiingham canal to the sea, along Okkium Maduvu.

2.4 Solid Waste Management

The Corporation of Chennai has prepared a comprehensive proposal to modernize the existing solid waste collection and management system in the city. The proposal was approved by the State level Sanctioning Committee and subsequently appraised and sanctioned by the Ministry of Urban Development, Government of India, in its meeting held on 2nd February 2007, for Rs.255.32 crore. The main components of the project are, modernization of transfer stations, at a cost of Rs.8.00 crore, purchase of equipment, at a cost of Rs. 50 crore and setting up of two integrated solid waste management facilities at Kodungaiyur and Perungudi, at a cost of Rs. 190 crore.

The works relating to the construction of the transfer stations and procurement of equipment have been completed at a cost of Rs.49.64 crore under this project. The work of construction of a modern transfer station at Saidapet and the construction of compound walls at the existing Kodungaiyur and Perungudi Compost yards will be

completed in 2010. The Government in G.O.(MS) No. 73, MA&WS department dated 08.05.2008 has accorded its administrative sanction for the setting up of these integrated solid waste management facilities. In pursuance of various guidelines issued by the Government of India, the Corporation of Chennai has taken the initiative to execute the projects of setting up of the integrated solid waste management facilities and the creation of sanitary landfills on Design, Build, Operate and Transfer (DBOT) methodology, involving public private partnership. The work orders were issued.

For the project at Perungudi, a detailed project report was submitted for obtaining statutory clearances from the Ministry of Environment and Forests and Pollution Control Board. A presentation was made before the State Expert Appraisal Committee on 21.5.2009 which directed that a public hearing be conducted. Accordingly, the Tamilnadu Pollution Control Board was approached and the hearing was conducted on 23.03.2010. With respect to the project at Kodungaiyur, presentation was made before the State Environmental Impact

Assessment Authority on 19.05.2009 which referred the matter to the Central Pollution Control Board. The Corporation has sent the required project documents to the Government of India and made a presentation before the Central Expert Committee on 22.12.2009. It has been directed to prepare an Environmental Impact Assessment /Environmental Management Plan for the facility and conduct a public hearing.

2.5 Construction of Rail Over Bridges and Rail under Bridges at eight locations

The Central Sanctioning and Monitoring Committee at its meeting held on 7th April, 2007 sanctioned an amount of Rs.82.77 crore for the construction of eight Rail Over Bridges and Rail Under Bridges. The estimated cost of these works including shifting of utilities and land acquisition is Rs.131.71crore. These include,

- 1) The work related to the Rail Over Bridge at Perambur which has been completed. The estimated cost is Rs.51.00 crore

and the project was inaugurated by the Hon'ble Chief Minister of Tamil Nadu on 28.3.2010.

- 2) The Rail Under Bridge at Jones Road at an estimated cost of Rs.4.33 crore was completed and opened to traffic on 11.12.2009.
- 3) Work on the Rail Under Bridge at Monegar Choultry Road (M.C.Road) which is in progress at an estimated cost of Rs.10.55 crore and will be completed by September 2010.
- 4) Works relating to the Rail Over Bridge at Rangarajapuram at an estimated cost of Rs.15.74 crore, which are in progress and will be completed by October 2010.
- 5) The High level bridge at Alandur Road at an estimated cost of Rs.6.03 crore which was operationalised on 11.12.2009.
- 6) The Rail Over Bridge works at the Kathivakkam High Road – Cochrane Basin

Road at an estimated cost of Rs.12.20 crore, which are in progress and will be completed by December 2010.

- 7) The Rail Under Bridge works at Villivakkam at an estimated cost of Rs.13.39 crore, which are in progress and are scheduled to be completed by August 2010.
- 8) The Rail Under Bridge works at Korukkupet, the alignment for which has been revised by the Southern Railways is to be taken up after the completion of the Kathivakkam Cochrane basin road over bridge.

2.6 Conservation of heritage precincts along the EVR Periyar Salai

The Stretch of road from the College of Arts and Crafts on the EVR Periyar Salai to the Central station is dotted with thirteen buildings which are very important from a heritage and historical perspective. Of these, only the Ripon Buildings and the Victoria Public Hall are maintained by the Corporation of Chennai.

To restore these buildings to their original glory, a detailed project report was prepared and presented before the Central Sanctioning and Monitoring Committee of Ministry of Urban Development, Government of India, for sanction of funds under the heritage component of the Jawaharlal Nehru National Urban Renewal Mission. The Committee appraised the proposal and sanctioned the project in its meeting held on 20.02.2009, for an amount of Rs. 610 lakhs.

2.7 Restoration of the Ripon Building

Ripon Building is a distinctive structure constructed in the year 1913. It was named after Lord Ripon, who was earlier the Governor of the erstwhile Madras Presidency and later the Viceroy of India (1880 – 84). It was he who pioneered the concept of local self government. The Corporation in an effort to resurrect its original glory, had proposed a comprehensive restoration of the Ripon Buildings. Tenders for the Ripon Buildings restoration works have been approved by the Council in its resolution no.338/2009 dated 30/09/2009 and work orders

were issued on 05.10.2009. The restoration work is in progress and shall be completed in 18 months.

2.8 Restoration of the Victoria Public Hall

The Victoria Public Hall located on the heritage precincts on E.V.R. Periyar Salai and adjacent to the Ripon Building was constructed in 1887 and has been taken up for restoration. The physical possession of the Hall was taken by the Corporation of Chennai on 01.04.2009. Subsequently, other encroachments inside the premises of the Hall have been removed in a systematic manner. The tenders for the restoration works were approved by the Council in its resolution no. 93 / 2010, dated 26.02.2010. The restoration work will be completed in 18 months.

2.9. Implementation of e-governance

A. detailed project report on the information technology related service initiatives of the Corporation was approved by the State level Sanctioning Committee and subsequently appraised and sanctioned by the Ministry of Urban

Development, Government of India in its meeting held on 22nd January 2010 for a total project cost of Rs 12.07 crore. The project involves the design, development, and implementation of web based enterprise resource planning software, hardware procurement and networking of computers to the Corporation of Chennai intranet.

The entire gamut of administrative work of the Corporation with the National Municipal Accounting Manual as the axis covering cash transactions, collections and miscellaneous receipts have been taken up for computerization in eleven modules.

The development of connected software at a cost Rs. 1.80 crore has been entrusted to the Electronics Corporation of Tamilnadu Limited (ELCOT). The software application complies with the National Municipal Accounting Manual. As of now the software for Public Grievance Redressal, Property tax collection, Inventory Management, and Asset Management are operational. The Municipal Accounting, and the Collection modules are in the final stages of testing and the Personnel Information

System and the Payroll modules are in an advanced stage of development.

2.10 Basic Services to the Urban Poor (BSUP-Phase I) 2008-09

A Project for providing basic amenities to 236 slums has been sanctioned at an estimated cost of Rs.127.43 crore, by the Central Sanctioning and Monitoring Committee of the Ministry of Housing and Urban Poverty Alleviation, during its meeting held on 27.10.07, under the Basic Services to the Urban Poor (BSUP) component of the Jawaharlal Nehru National Urban Renewal Mission (JNNURM) scheme.

The major components of the project are construction of 1370 in situ houses and improving infrastructure facilities by constructing cement concrete roads, storm water drains, community centres, erection of new street lights, improvement of parks, play grounds and rain water Harvesting structures in these 236 slums.

Each of the sanctioned in-situ houses has a minimum area of 30 square metres and is built at cost of Rs.1.30 lakh. Of this, the central share is Rs.65,000/- (50%), state's share being Rs.52,000/- (40%) and beneficiary contribution is Rs.13,000/- (10%). All the 1370 beneficiaries have been identified. The works are being executed by the beneficiaries.

Infrastructure improvement works, at a cost of Rs.80.96 crore have been completed and the remaining works are under progress. The fourth and final installment for the project has been released by the State Government in G.O. Ms. No. 153, MA & WS Department, Dated 31.03.10.

2.11 Basic Services to the Urban Poor (BSUP Phase II) 2009-10

A project for providing basic amenities to 186 slums has been sanctioned for Rs.72.63 crore by the Central Sanctioning and Monitoring Committee in its meeting held on 28th January 2009.

The main components of the project are, laying cement concrete roads, construction of storm water drains, kitchen sheds, gymnasium buildings, community centers and provision of new streetlights in 186 slums.

Under this project, infrastructure improvement work at a cost of Rs.39.06 crore has been completed and the remaining items of work are under progress. The third and penultimate installment of Rs.17.29 crore was released by the State Government on 31.03.2010.

2.12 Entertainment Tax Compensation Fund

The Government has been sanctioning funds to take up development works under the Entertainment Tax Compensation Fund (ETCF). The following major work has been sanctioned under this Scheme.

2.13 Modernization of the Communicable Diseases Hospital at Tondiarpet

In 2008-09 and 2009-10, funds have been sanctioned to take up improvement works at the Communicable Diseases Hospital. The existing

building on Thiruvottiyur High Road was constructed in 1914. Over a period of time, it has become a major centre for the treatment of communicable diseases in Chennai city and its surrounding areas. The existing building required extensive repairs and improvement. In recognition of its strategic importance in the treatment of communicable diseases, it was proposed to modernize the hospital. The Government has sanctioned a sum of Rs.8.00 crore in G.O.(Ms).No.262, dated 24.12.2008 for the construction of a new building for an administrative block, an auditorium and three wards. The work orders were issued on 27.07.09 and works are in progress.

In its G.O. (Ms). No.251, dated 18.12.2009, Government has sanctioned another tranche of Rs 8.00 crore for augmenting facilities and creating capacity in the Hospital. The proposed works are an additional construction in the administrative block, a modern laboratory and an auditorium, at a cost of Rs.5.28 crore. Besides additional wards, a dedicated out-patient block at a cost of Rs. 1.55 crore including equipment for the proposed, state

of the art micro biology and virology laboratories for Rs. 2.10 crore will be provided. Tenders for all the civil works are being processed and the equipment will be procured once these are completed. This will increase the bed strength of the hospital from 240 beds to 360 beds.

2.14 Capital works of the Corporation of Chennai

2.14.1 Bridges and Flyovers

During the years 2007 - 2010, the following four Grade Separators were completed and opened to traffic by the Hon'ble Chief Minister of Tamilnadu.

- 1) The Grade Separator at the North Usman Road - Mahalingapuram Road Junction was completed at an estimated cost of Rs.9.72 crore and inaugurated on 30.03.2008.
- 2) The Grade Separator at Usman Road – Duraisamy Road Junction was completed at an estimated cost of Rs.19.80 crore and operationalised on 14.08.2008.

- 3) The grade Separator at G.N.Road - Thirumalai Road Junction was completed at an estimated cost of Rs.16.50 crore and opened to traffic on 29.12.2008.
- 4) The Grade separator at Turnbulls Road - Cenatoph Road Junction was completed at an estimated cost of Rs.19.93 crore and commenced functioning on 11.12.2009.

Government has accorded its administrative sanction of Rs.23.00 crore in G.O.(Ms).No.117, dated 06.07.2009 for the construction of a grade separator at the Mint junction. Tenders have been invited on a turnkey basis for the execution of this work and bids received on 26.02.10.

Government has also accorded an administrative sanction of Rs.61.70 crore in G.O.(Ms).No.115, dated 06.07.2009 for a road over bridge over the Ganesapuram Subway. The estimates include Rs.16.00 crore for the acquisition of private properties. The utilities in the alignment have to be shifted in consultation with the Railways and the

Chennai Metro Water Supply and Sewerage Board after which construction work will commence.

2.15 Modernization of the Slaughter house at Perambur on a Design Build Operate and Transfer (DBOT) concept with Public Private Partnership

The slaughter house at Perambur was built in 1903. It is one of the oldest slaughter houses meeting the demands of fresh meat in the city. It is spread over an area of 9.30 acres. There was a long pending need for the introduction of modern technology and treatment and disposal of offal and waste. Bids were invited to modernize the slaughter house to international standards on **(DBOT)** basis with Public Private Partnership (PPP). The contract has been awarded to a private operator who has commenced work in September 2009 with a contract period of twenty four months being stipulated.

The new facility will have a capacity to handle 150 cattle and 1500 goats per day. The concession period is for 22 years and the concession fee for the first year is Rs. 40.00 lakhs .The modern slaughter

house will cater to the local demand of slaughtering in the first phase and then cater to the DBOT operator.

2.16 City Beautification and Park Improvements

The Corporation has taken several initiatives for the beautification of the city. In G.O.(Ms) 30, dated.27.2.2008, Government had permitted the Local Body to commence the Marina beautification works at a cost of Rs.20.65 crore. Consequently, Rajaji Salai from the Reserve Bank of India to the War Memorial and the stretch of the Marina Beach on Kamarajar Salai from the Napier Bridge to the Light House have been taken up for implementation.

The promenade along the Marina has been developed, interspersed with 14 galleries with lush green landscaping; colorful tile patterns and granite cladding. All the galleries are provided with adequate seating areas and modern street furniture. Modern pergolas and fountains have been constructed at several locations. The lighting along the water

front has been significantly improved with aesthetic fittings. The Ministry of Tourism, Government of India has given a grant of Rs. 4.92 crore for this item of work in Tourism Department's G.O, (Ms).No. 190, dated: 30.11.07. The renovated Marina Beach was opened to the public by the Honourable Chief Minister on 20.12.2009.

The local body is in the process of developing and improving a large number of parks in the city. A few of the important parks which have been formed and developed are the Jai Nagar Park adjacent to the Chennai Metropolitan Bus Terminus, the Panagal Park in Theyagaraya Nagar, and the Dr.Visvesvaraiya Tower Park in Anna Nagar.



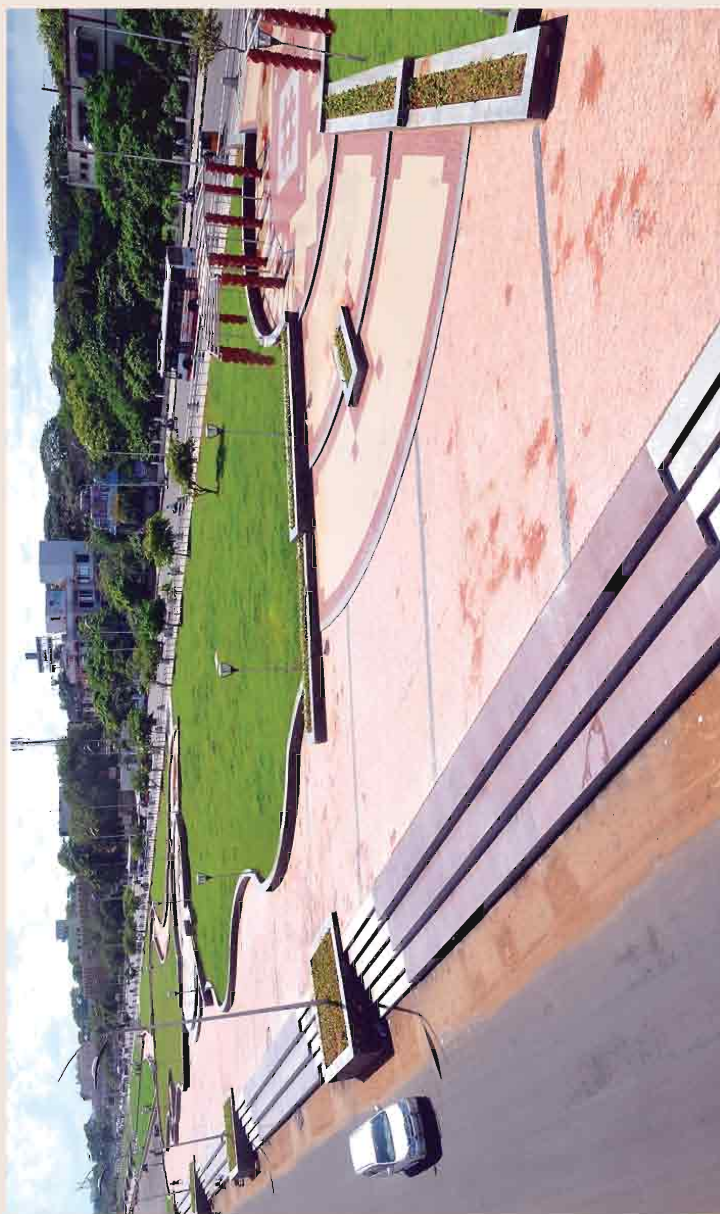
Rail Over Bridge at Perambur



Rail Over Bridge at Perambur



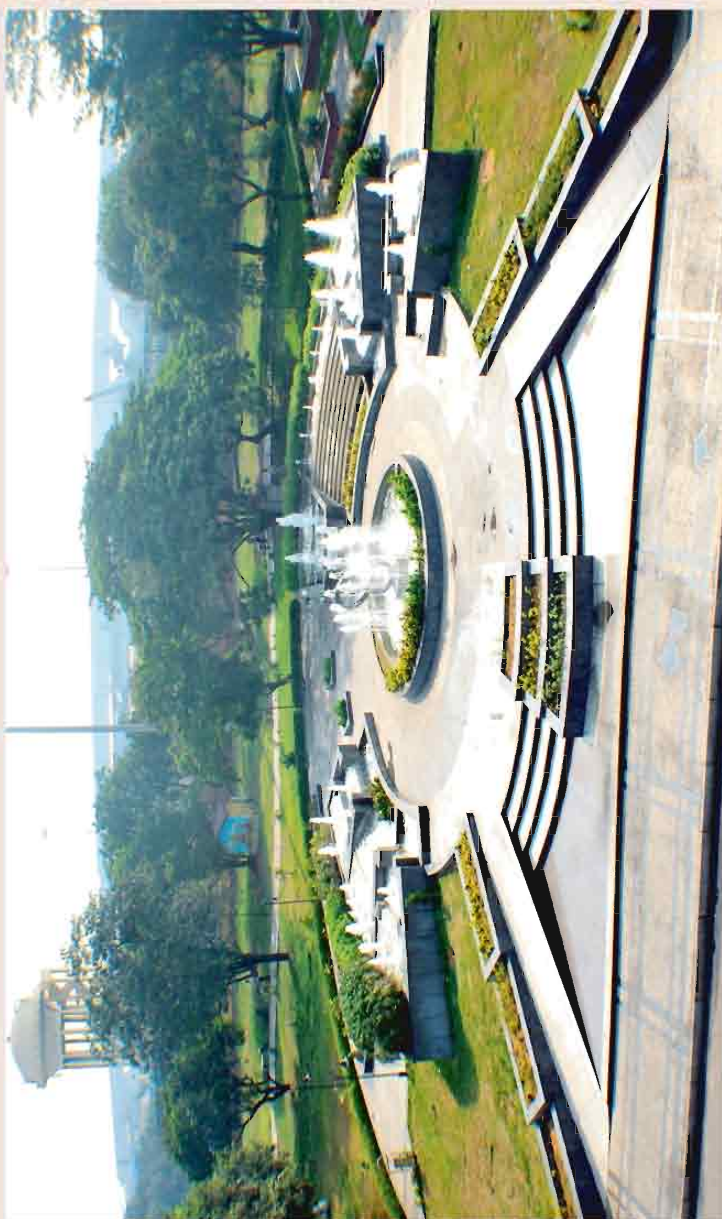
Victoria Public Hall, EVR Periyar Salai



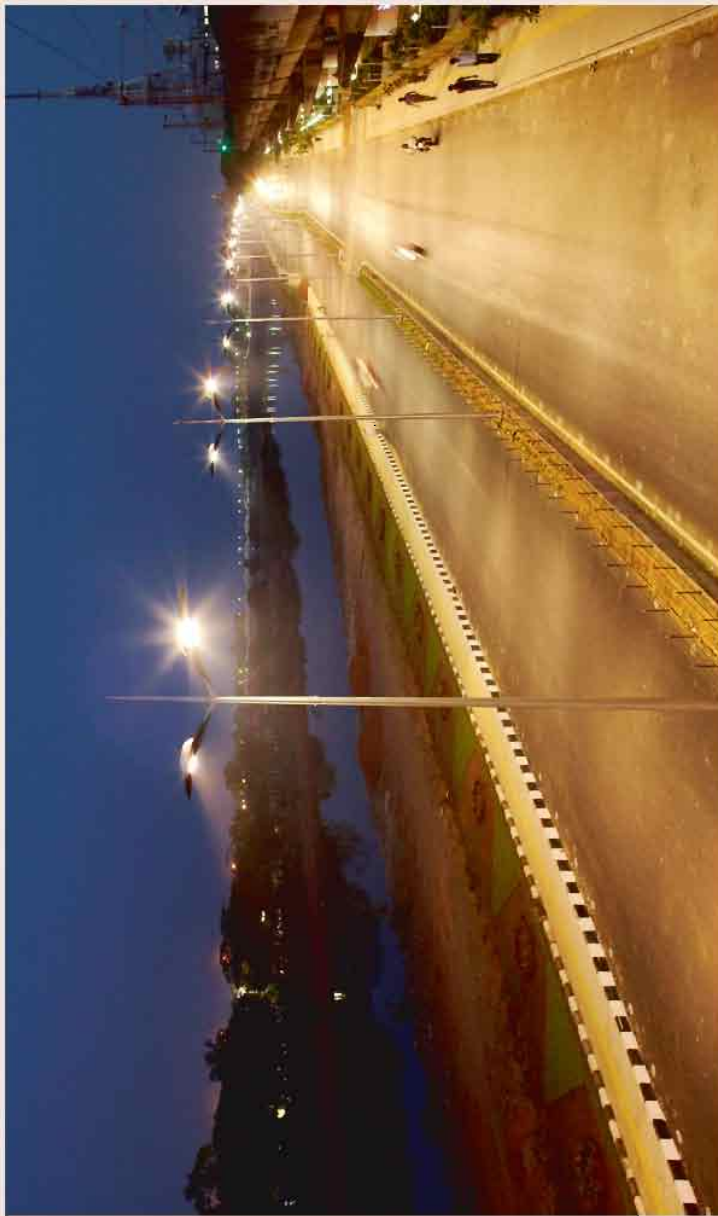
Beautification of the Marina



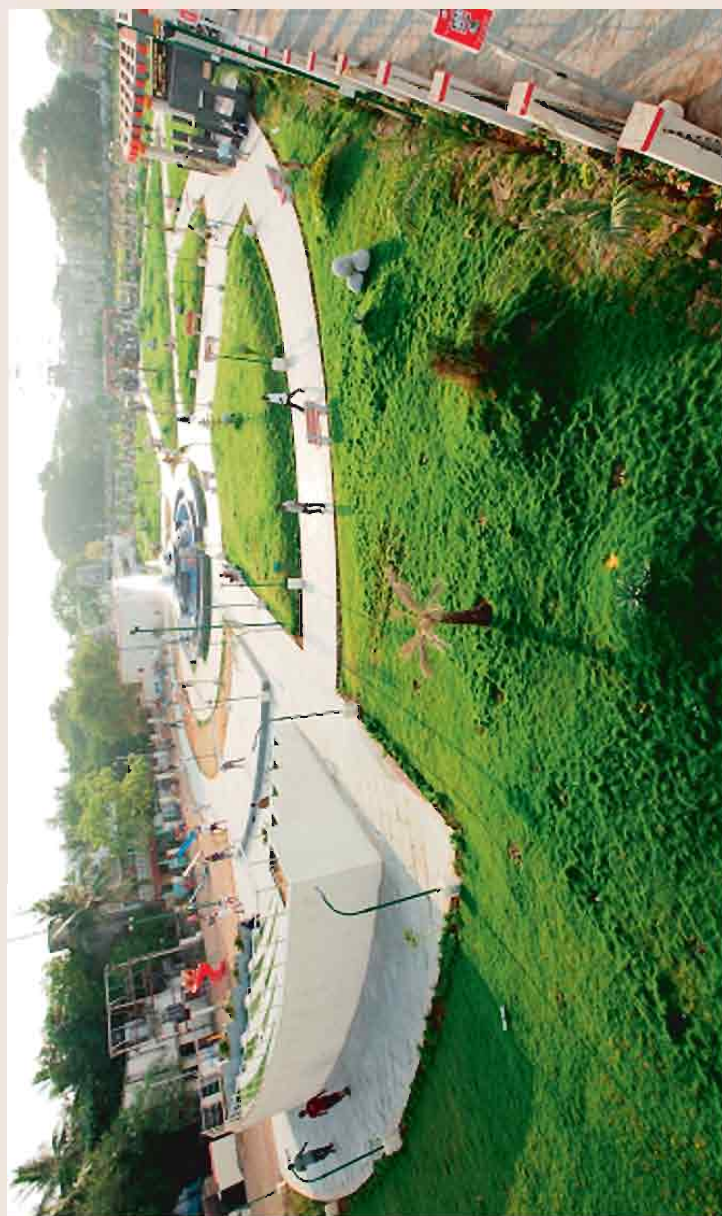
Beautification of the Marina



Park at Rajaji Salai



Improvements of Sivananda Salai



Park at Jai Nagar, Koyambedu

3. Directorate of Municipal Administration

Urbanization is an index of the transformation of a rural economy into a modern industrial and service oriented milieu. Urban development and urban renewal are crucial for improving the infrastructure of the Urban Local Bodies. With the expansion of the scope of activities and to fulfill the aspirations of the public, a number of infrastructure projects are being implemented.

The Nine Corporations of Madurai, Coimbatore, Thiruchirappalli, Salem, Tirunelveli, Erode, Tiruppur, Vellore and Thoothukudi and 148 Municipalities are under the administrative control of the Directorate of Municipal Administration.

The Municipalities are classified into five Grades based on their annual income and population. There are, at present, 20 Special Grade Municipalities, 29 Selection Grade Municipalities, 29 Grade-I Municipalities, 21 Grade-II Municipalities and 49 Grade-III Municipalities.

3.1 Filling up of vacancies

Taking into consideration the importance of skilled man power to improve the delivery of public services in the Urban Local Bodies, orders have been passed by the Government to fill up vacancies in various categories of posts and to create new posts.

As of now, 7535 vacancies that existed in the Urban Local Bodies in the categories of Municipal Commissioners, Medical Officers, Assistant Engineers, Town Planning Officers, Sanitary Inspectors and other cadres, have been filled up in the last four years, by appointing personnel, following the orders in force and regularising the services of staff in the Nominal Muster Rolls (NMRs) in the regular time scale of pay.

The details of the appointments made are -

S. No.	Method of appointment	Total Number
1.	Direct recruitment	2799
2.	Compassionate Ground appointments	1528

3.	Regularisation of NMRs in time scale of pay	3074
4.	Re-employment of retrenched employees of Public Sector Undertakings	134
Total		7535

3.2 Infrastructure Development

Over the last four years, there has been unprecedented scaling up of infrastructure development in the Urban Local Bodies. The infrastructure development has been given a boost by the drawal of funds from the State Government, the Central Government through Jawaharlal Nehru National Renewal Mission (JnNURM) and other external funding agencies like, the World Bank, the Japan International Cooperation Agency (JICA), and the Kreditanstalt fur Wiederaufbau (KfW).

3.2.1 Modern Bus Stands

Based on the decision taken by the Government to construct new bus stands with modern amenities along the National and the State Highways and to

improve the existing ones, these works were taken up as indicated:

Works completed

SI No	ULB	Nature of work	Project cost (Rs. in crore)
1	Krishnagiri	New Bus stand	6.78
2	Rajapalayam	New Bus stand	3.95
3	Ullagaram-Puzhuthivakkam	New Bus stand	0.30
4	Nellikuppam	New Bus stand	0.90
5	Kodaikanal	New Bus stand	4.87
6	Anakaputhur	New Bus stand	0.50
7	Poovirunthavalli (Phase -I)	New Bus stand	2.05
8	Kovilpatti	Additional Bus stand	1.80
9	Pollachi	Additional Bus stand	1.75

10	Palani	Additional Bus stand	6.60
11	Nagercoil (Vadassery)	Improvement in Bus stand	1.65
12	Thiruvannamalai	Improvement in Bus stand	0.38
13	Erode	Improvement to Bus bays	2.50
Total cost			34.03

Works in progress

Sl. No	ULB	Nature of work	Project cost (Rs. in crore)
1	Hosur	New Bus stand	6.89
2	Vandavasi	New Bus stand	3.80
3	Maraimalainagar	New Bus stand	2.50
4	Vellakoil	New Bus stand	1.00
5	Kuzhithurai	New Bus stand	3.70
6	Devakottai	New Bus stand	0.20

7	Sathyamangalam	New Bus stand	0.75
8	Coimbatore Corporation - Mettupalayam road	Additional Bus stand	7.00
9	Poovirunthavalli (Phase II)	Additional Bus stand	1.25
Total cost			27.09

Works to be taken up

Sl. No	ULB	Nature of work	Project cost (Rs. in crore)
1	Tambaram	New Bus stand	4.95
2	Sattur	New Bus stand	4.50
3	Manali	New Bus stand	0.55
4	Tindivanam	New Bus stand	6.75
5	Vaniyambadi	New Bus stand	3.30
6	Dindigul	Improvements to the existing Bus stand	0.39

7	Arani	Improvements to Bus stand	1.00
8	Nagercoil	Improvements to Anna Bus stand	3.00
		Total cost	24.44

The completed projects have yielded additional revenue to the respective local bodies. On completion of the remaining projects, these towns will have modern Bus stands with all service amenities such as ramps for the differently abled, rest rooms, cloak rooms and modern toilets, for the benefit of the public.

In order to maintain and upkeep the bus stands efficiently, it has been proposed to engage maintenance management agencies through privatization. The Bus stands at Kodaikanal and Palani have been awarded the ISO certification.

3.2.2 Modern Gasifier Crematoria

The cremation sheds and the burial grounds in the Municipalities were posing environmental

hazards due to the conventional method of cremating the dead. Therefore, as a measure of making these environment friendly, the construction of Modern Gasifier Crematoria had been taken up in the local bodies with funding from the Part-II Scheme and the Infrastructure Gap Filling Fund.

From 2006-07 to 2008-09, 59 projects were taken up both under the Part II Scheme and the Infrastructure Gap Filling Fund at a cost of Rs.29.17 crore. Of them in nineteen places, i.e., in Erode, Madurai, Thiruchirappali, Tirunelveli, Thoothukudi and Salem Corporations and in Madhavaram, Karur, Dharmapuri, Villupuram, Thiruvannamalai, Alandur, Ambattur, Avadi, Kancheepuram, Namakkal, Mettur, Chengalpattu and Bodinaikkanur Municipalities, the works have been completed while in other places the works are at various stages of implementation and will be completed shortly. For the maintenance of these crematoria, Government has issued instructions to the local bodies to form trusts involving reputed Service Organizations. These Service Organizations who form these trusts will be required to maintain a corpus fund and charge a reasonable amount from

the public for their services. This fund will be utilized for the maintenance of the crematoria. These trusts will also deploy vehicles to transport the corpses .

The newly constructed Crematoria at Erode, Madurai, Thiruchirappalli and Thoothukudi Corporations have been accorded the ISO certification. Encouraging the good performance of the crematoria in Erode and Madurai Corporations, they have been sanctioned an additional grant of Rs.0.20 crore and Rs.0.60 crore respectively under the Infrastructure Gap Filling Fund 2009-10 for constructing additional units.

3.2.3 Modern Slaughter Houses

In order to conduct slaughtering hygienically, the construction of modern slaughter houses have been taken up in the local bodies. The Government has given an assistance of Rs. 23.53 crore to 121 Municipalities so far, to modernize the slaughter houses under the Part II Scheme and the Infrastructure Gap Filling Fund. Of this, 95 works have been completed. The rest will be completed

shortly. These modern slaughter houses have been designed to have all the components for hygienic slaughtering including the installation of Effluent Treatment Plants, at these locations.

3.2.4 Under Ground Sewerage Schemes

In consonance with the decision of the Government to implement the Under Ground Sewerage Scheme in all the Municipal Towns in a phased manner, these have been taken up in 58 locations with financial assistance from the National River Conservation Programme (NRCP), TNUDP III, JnNURM, JICA and KfW. The status of implementation of these works are given below:-

Sl. No.	Locations	No. of local bodies covered	Estimated Cost (Rs.in crore)
1	National River Conservation Programme (Madurai, Tirunelveli, Tiruchirapalli, Thanjavur, Kumbakonam, Mayiladuthurai, Karur and Inam karur)	8	575.30

2	Tamil Nadu Urban Development Project III (Cuddalore, Dindigul, Namakkal, Ramanathapuram, Thoothukudi Udhagamandalam, Virudhunagar, Vellore, Pudukkottai, Salem, Sivagangai, Krishnagiri, Thiruvavarur, Dharmapuri, Thiruvannamalai, Madhavaram, Chinna-manur, Thiruvallur, Perambalur, Ambattur, Pallavapuram, Thiruvottiyur, Theni-Allinagaram Nagapattinam and Kancheepuram)	25	1044.46
3	KfW (Villupuram & Erode Corporation)	2	244.89
4	JICA (Chidambaram, Rameswaram and Pattukkottai)	3	92.62
5	UIG (JnNURM) (Madurai, Coimbatore, Tambaram, Ullagaram-Puzhuthivakkam, Avadi, Ambattur and Maduravoyal)	7	1141.94

6	UIDSSMT (Maraimalainagar, Hosur, Aruppukottai, Udumalaipet, Aranthangi, Ariyalur, Bodinayakkanur, Thiruthuraipoondi, Gudiyatham and Thiruvathipuram)	10	266.14
7	Other Funds (Valasaravakkam Rs. 20.00 crore, Alandur Rs.34.00 crore & Tiruppur Rs. 95.00 crore)	3	149.00
	Total	58	3514.35

Apart from the above, necessary action has also been taken to finalize the Detailed Project Reports for implementing these schemes in all the urban local bodies in a phased manner.

In order to avoid the usage of manual labour for the maintenance of sewerage networks, mechanical equipment such as Jet rodding machines, and desilting machines have been procured and put into use in Coimbatore, Tirunelveli, Tiruchirappali

and Tiruppur Corporations, and in Ambattur, Chidambaram, Valasaravakkam, Karur, Inam Karur, Kumbakonam and Mayiladuthurai Municipalities. It is also proposed to procure Jet rodding machines for Thoothukudi Corporation and Virudhunagar, Ramanathapuram, Dindigul and Kancheepuram Municipalities and desilting machines for Tirunelveli and Tiruppur Corporations, Thanjavur, Alandur, Karur, Inam Karur and Sattur Municipalities under the Infrastructure Gap Filling Fund and the Operation and Maintenance Gap Filling Fund.

Effecting House Sewer connections

1,14,474 house sewer connections have been provided, as on 31.03.2010, to the public from the completed Under Ground Sewerage Schemes in Tiruchirappali, Tirunelveli, Madurai and Tirupppur Corporations and Thanjavur, Mayiladuthurai, Kumbakonam, Karur and Inam Karur Municipalities.

3.2.5 Roads and Storm Water Drains

The Government is engaged in a massive effort to convert all the earthen roads in the urban local

bodies into Cement Concrete and Black Topped roads. A programme has been formulated and the earthen roads are being improved every year with the financial assistance under various schemes.

Conversion of earthen roads to CC/BT roads

In 2007, earthen and water bound macadam (metal) roads to a length of 3356.14 km have been identified in the urban local bodies through a survey and a decision has been taken to convert these roads into Cement Concrete and Black Topped roads in a phased manner. So far, 1722.92 kilometres of roads have been taken up for conversion at the cost of Rs 251.03 crore

The details of the works taken up in the last four years are as follows.

Year	Schemes	Kilometers upgraded	Cost (Rs.in crore)
2006-07	Under various schemes	284.33	42.53

2007-08	II SFC Reserve, Equalization & Incentive Fund	138.20	21.17
	Unspent Election Amount	47.87	6.91
	Part II Scheme 2007-08	75.06	12.06
	General Fund	153.30	20.83
	Regularization of Unapproved Layouts	53.66	6.96
	Other schemes	121.73	21.37
	Total	589.82	89.30
2008-09	Part II Scheme	61.72	11.18
	Entertainment Tax (Sanctioned for the year 2007-08)	62.59	10.58
	Regularization of Unapproved Layouts	48.46	7.97
	General Fund	120.00	20.00
	Other Schemes	60.00	10.00
	Total	352.77	59.73

2009-10	O&M Gap Filling Fund(2007-08)	31.28	4.93
	O&M Gap Filling Fund (2008-09)	7.54	1.10
	Entertainment Tax Compensatory Fund (2008-09)	44.75	5.30
	Part II Scheme (2009-10)	67.70	10.00
	Entertainment Tax Compensatory Fund (2009-10)	24.60	3.62
	General Fund & other schemes	320.13	34.52
	Total	496.00	59.47

In 2007-08, the Government announced that 36 Municipalities and the Erode Corporation would be declared as earth/metal road free towns and accordingly, 300 works costing Rs.10.58 crore were taken up in these 37 towns and completed.

In 2010-11, it has been proposed to convert 500 kms of earthen roads into CC/ BT roads at a cost of Rs.60.00 crore with financial assistance from

the Part II scheme for 2010-11, Entertainment tax Compensatory Fund, O&M Gap Filling Fund and the General Funds.

3.2.6 Water Supply Schemes

With a view to provide daily water supply to the public in urban areas, steps are taken to augment the Water Supply System with the financial assistance from various funding agencies as given below:

Sl. No.	Scheme	No. of Projects	Project Cost. (Rs.in crore)
1	Tamil Nadu Urban Development Project III,	8	390.57
2	Urban Infrastructure & Governance (JnNURM)	13	910.71
3	UIDSSMT (JnNURM)	25	340.12
4	JICA	1	143.00
5	KfW	1	22.22
	Total	48	1806.62

The implementation of water supply schemes were taken up by the parastatal agencies such as TWAD Board, CMWSS Board so far. Due to a conscious upgradation of capacity in the local bodies, several of the Corporations and Special and Selection Grade Municipalities have started implementation of major water supply schemes on their own.

The following local bodies have taken up the execution of water supply schemes:-

S. No.	Location	Scheme	Project Cost (Rs.in crore)	Status
1	Madurai	UIG (JnNURM)	59.32	Completed
2	Bodinayakanur	TNUDP-III	2.32	Completed
3	Pollachi	TNUDP-III	8.64	Completed
4	Devakottai	UIDSSMT	0.30	Completed
5	Karur	UIDSSMT	1.10	Completed
6	Gobichettipalayam	TNUDP-III	4.05	Completed
7	Coimbatore	UIG (JnNURM)	113.74	Under progress

8	Erode	UIDSSMT	5.88	Under progress
9	Thanjavur	UIDSSMT	9.04	Under progress
10	Salem	TNUDP-III	283.09	Tender Stage
	Total		487.48	

Modern Water Management Systems

In order to transfer the data on water flow and the parameters of pumps and motors on performance, and also the physical and chemical quality parameters of water, it has been proposed to install, the Supervisory Control and Data Acquisition System (SCADA) in the water supply installation in Tirunelveli Corporation at a cost of Rs.3.15 crore. In respect of the Madurai Corporation, the SCADA is proposed at a cost of Rs.2.50 crore in the Second Vaigai Water Supply Improvement Scheme.

It is also proposed to install the SCADA system in the Second Pillur Water Supply Improvement Scheme implemented at the Coimbatore Corporation

at an estimated cost of Rs.4.00 crore and the work has been taken up under the Part II Scheme, 2010-2011.

Uninterrupted Power Supply for Water Supply Schemes

It has been proposed to install generators in the water supply network in 52 financially weaker Urban Local Bodies at a cost of Rs.7.59 crore between 2006-07 and 2009-10 to ensure continuous operation of the pumps in the water supply schemes. This expenditure is met from the Part II Scheme, Infrastructure and O&M Gap Filling funds. These works have been completed in 45 local bodies so far.

Uniform rates for effecting House Service Connections

In order to ensure the trouble free issue of water supply House Service Connections to the public, the Government has decentralized the sanction of House Service Connections by the local bodies. After the issue of the connected Government order, 1,67,061

new House Service Connections have been provided by the local bodies, as on 31.03.2010. While the Corporations have effected 47,675 connections, the Municipalities have given 1,19,386 connections.

3.2.7 Office Buildings for Urban Local Bodies

With a view to provide better amenities to the citizens and good working environment to the Municipal Officials, the construction of new office building to the Municipalities is being taken up. The Government has sanctioned funds for this purpose as indicated:

Sl. No	Year of sanction	Scheme	No of local bodies covered	Grants sanctioned Rs. In crore
1.	2007-08	Part II scheme	9	3.08
2.	2008-09	Part II scheme	10	3.10
3.	2007-08	Infrastructure Gap Filling Fund	37	25.69
4	2008-09	Infrastructure Gap Filling Fund	1	0.50

5	2008-09	O&M Gap Filling Fund	2	0.85
6	2009-10	Infrastructure Gap Filling Fund	5	6.25
		Total	64	39.47

Of the above 64 works, as on 31.03.2010, 14 works have been completed. The remaining works will be completed soon.

3.2.8 Improvements to School Infrastructure

The Government had announced the improvement of school Infrastructure at a cost of Rs.100 crore in 2008-09. Accordingly, to provide better amenities to the students, studying in Municipal and Corporation Schools, Government has taken steps to improve the infrastructure and laboratory facilities in the Municipal and Corporation Schools, utilising the Education Fund. In 100 Urban Local Bodies, 1684 works have been taken up, covering 1133 schools, at an estimated cost of Rs.124.63 crore. 1156 works have been completed as on 31.03.2010 and the remaining works are

under progress. The expenditure incurred so far has been Rs.65.95 crore. Priority has been given for providing additional class rooms, additional computers, laboratory upgradation, construction of compound walls, cycle sheds, electrification, water supply, furniture and toilets.

3.2.9 Tamil Nadu Urban Road Infrastructure Project

The Government has taken up the implementation of Underground Sewerage Schemes in several urban local bodies in a phased manner and in eleven of these, works have been completed. After the completion of these works, the roads require to be improved in these local bodies. Hence, Government had announced a new scheme called the "Tamil Nadu Urban Road Infrastructure Project" for this purpose and issued orders in G.O.(Ms) No.235, Municipal Administration and Water Supply Department, dated.27.11.2008.

The Tamil Nadu Urban Infrastructure and Financial Services Limited has called for tenders

for the appointment of Design, Supervision and Management consultants in connection with the implementation of this project and appointed six consultants to prepare the Detailed Project Reports, work on which is in progress.

3.2.10 Infrastructure and O&M Gap Filling Fund

In order to bridge the gap between the fund requirement and the fund availability, two separate funds have been created by the Government, viz., the Infrastructure Gap Filling Fund and the Operation and Maintenance Gap Filling Fund.

The details of the funds sanctioned and the local bodies covered are furnished below.

Infrastructure Gap Filling Fund

Year	Local Bodies covered	Amount sanctioned (Rs. in crore)
2007-08	60	24.50
2008-09	46	24.91

2009-10	45	31.86
Total	151	81.27

Operation and Maintenance Gap Filling Fund

Year	Local Bodies covered	Amount sanctioned (Rs. in crore)
2007-08	33	16.34
2008-09	26	16.61
2009-10	46	21.23
Total	105	54.18

3.2.11 Anna Marumalarchi Thittam

Following the announcement made in the Assembly in April 2008 that, the "Anna Marumalarchi Thittam" would be implemented in thirty financially weaker Municipalities at a cost of Rs.0.75 crore each, during the years, 2008-09 and 2009-10, these were selected and the Government had sanctioned a grant of Rs.22.50 crore in G.O.(Ms) No.232 Municipal Administration and Water Supply (MA-V) Department, Dated.19.11.2008 for taking up the following types of work.

1	Water Supply upgradation
2	Construction of Office Buildings
3	Improvement to Bus stands
4	Providing Roads and Storm Water Drains
5	Setting up of Parks, construction of Public Toilets, providing Street lights, setting up of Bus Shelters, laying of arterial roads leading to burial grounds

These Municipalities had taken up 208 works at an estimated cost of Rs.24.02 crore (Government Grant - Rs.22.50 crore and Municipal General Fund - Rs.1.52 crore). Of these, 198 works have been completed as on 31.03.2010 and the remaining 10 works will be completed soon.

3.3 Regularisation of plots in unapproved layouts

The Government had issued orders on 25.07.06 to regularize the plots in the unapproved layouts till 31.12.2006, and subsequently the time for payment of regularization charges was extended

upto 05.06.2009. During this period, an amount of Rs.98.94 crore has been collected by the Corporations and Municipalities as regularization fees. Infrastructure development is being executed in the newly regularized layouts utilizing these funds.

3.4 Jawaharlal Nehru National Urban Renewal Mission

The Jawaharlal Nehru National Urban Renewal Mission calls for an integrated approach to bring infrastructure development in the Mission Cities and their suburbs. In Tamil Nadu, Chennai, Madurai and Coimbatore are the Mission Cities.

The infrastructure development works are taken up under the

(I)	a.	Sub-Mission on Urban Infrastructure and Governance
	b	Sub-Mission on Basic Services to the Urban Poor

(II)		Urban Infrastructure Development Scheme for Small and Medium Towns and
(III)		Integrated Housing and Slum Development Programme

3.4.1 Urban Infrastructure and Governance

Madurai Corporation

The Madurai Corporation has been sanctioned the Second Vaigai Water Supply Improvement Scheme, Solid Waste Management Project, construction of Storm Water Drains, implementation of Under Ground Sewerage Scheme and the construction of three Check Dams across the River Vaigai at a total a cost of Rs.623.91 crore.

Of these projects, the Second Vaigai Water Supply Improvement Scheme and the construction of three Check Dams across the River Vaigai have been completed and dedicated to the public on 24.10.2009. The other works are at various stages of implementation.

The following projects have been sanctioned in the Municipalities in the Madurai Urban Agglomeration under this scheme, at a cost of Rs. 137.06 crore

Sl. No	Projects	Project Cost (Rs. in crore)
1	Thirupparankundram Water Supply Scheme	9.70
2	Aanaiyur Water Supply Scheme	7.88
3	Thirumangalam Water Supply Scheme	58.74
4	Avaniyapuram Water Supply Scheme	60.74
	Total	137.06

Coimbatore Corporation

The Coimbatore Corporation has been sanctioned the following four projects at a cost of Rs. 767.38 crore .

Sl. No	Projects	Project Cost (Rs. in crore)
1	Solid Waste Management scheme	96.51
2	Second Pillur Water Supply Scheme	113.74
3	Under Ground Sewerage Scheme	377.13
4	Storm Water Drains	180.00
	Total	767.38

Of these projects, works on the Solid Waste Management scheme is nearing completion. The other projects are under implementation.

Chennai Urban Agglomeration

13 Projects have been sanctioned for the Chennai Urban Agglomeration which include water supply schemes, Under Ground Sewerage Schemes and Integrated Solid Waste Management works at a cost of Rs.1180.26 crore.

In Tambaram Municipality, the Water Supply Improvement Scheme has been completed and the residual works are in different stages of implementation.

3. 4.2 Reforms

As per the Memorandum of Agreements signed with the Government of India, both Mandatory Reforms and Optional Reforms have to be implemented by the State Government and the Urban Local Bodies. At the State Level, the following Mandatory Reforms are implemented.

Sl. No.	Reforms	Remarks
1	Implementation of 74 th Constitutional Amendment Act	Except for the fire services, other functions have been transferred. District Planning Committees have been constituted and are functioning.
2	Transfer of City Planning Functions	Effected.
3	Repeal of Urban Land Ceiling and Regulations Act	Urban Land Ceiling Act has already been repealed.
4	Enactment of the Public Disclosure Law	Municipal and Corporation Acts have been amended to introduce Provisions on Public Disclosure. The Amendment Act and the Rules have come into force from 1st September 2009.
5	Rent Control Act	Existing provisions in the Chennai City Tenants Protection Act –1921 and Rules 1970 serve the interests of both the tenants and the land owners.

6	Reducing of Stamp Duty to 5%	The stamp duty has been reduced from 13% to 8 %. Out of this 8%, a 2 % Surcharge on Stamp Duty is currently being collected and passed on to the local bodies.
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Reforms in Local Bodies

1	Property Tax coverage	Achieved.
2	Double Entry System	All the Urban Local Bodies are practicing Accrual Based Accounting System (ABAS)
3	Introduction of Computerized process of registration of land and property	Out of 568 Sub-Registrar offices, 450 offices have been computerized
4	E-Governance	16 different e-governance modules have been fully computerized and are in operation.

5	Internal earmarking	In G.O.(D) No.167 MAWS Dept 15.4.2008, orders have been issued to earmark a minimum of 25% of Municipal financial resources to provide basic services to the urban poor.
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Optional Reforms

1	Provision of Rain Water Harvesting in all buildings	Implemented. Provision for rainwater harvesting structures has been made mandatory as per rule 3-A of the Tamil Nadu District Municipalities Building Rules, 1972.
2	Reuse of Recycled Water	Implemented. Provision has been made for recycling the water from the bathrooms and wash basins, and reuse the same as per Rule 17-A of the TN District Municipalities Buildings Rules, 1972.

3	Introduction of Administrative Reforms	The Government has introduced far reaching administrative reforms like implementation of the Voluntary Retirement Scheme, Privatisation of Solid Waste Management and ULB functions including the introduction of the Public Disclosure Provisions and Rules.
4	Earmarking of 20-25% of developed land in all Housing projects (both public & Private agencies) for EWS & LIG.	Tamil Nadu Housing Board earmarks 40 % of the developed plots to EWS and LIG and whereas in the CMDA area Development Rules, 10% of allocation is mandatory.
5	Public Private Partnership in the Urban Local Bodies	Key initiatives including outsourcing of Solid Waste Management, maintenance of street lights, pumping station, maintenance of gasifier crematoria and STP maintenance, hiring of vehicles etc. have been introduced. A PPP cell has been created in the Finance Department of the State Government.

3.4.3 Urban Infrastructure Development Scheme for Small and Medium Towns

Under the UIDSSMT, the core projects such as Water Supply, Roads and drains, Solid Waste Management and Underground Sewerage Schemes have been taken up for implementation in those towns which are not covered under the Urban Infrastructure and Governance (UIG). The details of works taken up are:

Sl. No.	Nomenclature of the scheme	Local Bodies	Sanctioned amounts (Rs. in crore)	Number of projects	
				Taken up	Completed (as on 31.03.2010)
1	PHASE I				
	Roads & drains	13	59.83	272	241
	Water supply	10	81.68	10	4
2	PHASE II				
	Roads & drains	3	9.58	197	194
	Water supply	6	28.42	6	2

	Solid Waste Management	1	3.58	1	0
	Under Ground Sewerage Scheme	1	3.75	1	0
3	PHASE III				
	Water Supply	5	192.66	5	5
4	PHASE IV				
	Water Supply	3	28.63	3	0
	Under Ground Sewerage Scheme	8	236.84	8	0
5	PHASE V				
	Water Supply	1	6.16	1	0
	Under Ground Sewerage Scheme	1	25.55	1	0
	Total	52	676.68	505	446

All the pending works are at different stages of implementation.

3.5. Urban Poverty Alleviation Programmes

3.5.1 Swarna Jayanthi Shahari Rozgar Yojana

The Swarna Jayanthi Shahari Rozgar Yojana, a Centrally sponsored scheme had been introduced with effect from 1.12.1997. The Central and the State Governments share the funding in the ratio of 75: 25 respectively.

The GOI has issued the revised guidelines of this scheme which came into effect from 01.04.09.

This scheme consists of five major components as per the revised guidelines *viz.,*

- i) Urban Self Employment Programme
- ii) Urban Women Self help Programme
- iii) Skill training for Employment Promotion amongst the Urban Poor
- iv) Urban Wage Employment Programme
- v) Urban Community Development Network

Urban Self Employment Programme

This programme component has two sub components viz.,

- i) Assistance to individual urban poor for setting up gainful self employment ventures - Micro enterprises (Loan & Subsidy)
- ii) Technology /marketing /infrastructure & other support provided to the urban poor in setting up their products & marketing.

Urban Women Self help Programme

This programme has two sub components viz.,

- i) Assistance to groups of urban poor women for setting up gainful self employment ventures -UWSP (Loan & Subsidy)
- ii) Revolving fund for Self Help Groups –Thrift and Credit Societies formed by the urban poor (Revolving fund)

Skill training for Employment Promotion amongst the Urban Poor

The SJSRY focuses on providing assistance for skill upgradation of the Urban Poor to enhance their capacity to undertake self employment as well as access better salaried employment. During the current year the amount for skill training has been increased from Rs. 2000/- to Rs. 10000/- per beneficiary. The selected training institutions will provide certificates at the end of the training period and also provide placements for the candidates, thereby ensuring that the candidates are provided with gainful employment or have sufficient skills for self employment.

Urban Wage Employment Programme

The aim is to provide wage employment to the beneficiaries living below the poverty line in the Urban Local Bodies by utilizing their labour for construction of socially and economically useful public assets. This programme is taken up in the local bodies with a population of less than 5 lakhs as per 1991 census. The material and labour ratio is

60: 40. The works are identified by the Community Development Societies.

Urban Community Development Network

The SJSRY rests on the foundation of community development and empowerment. Rather than relying on the traditional method of top-down implementation, the Scheme relies on establishing and nurturing community organizations and structures that facilitate sustained urban poverty alleviation. Towards this end, community organizations like Neighbourhood Groups (NHGs), Neighbourhood Committees (NHCs) and Community Development Societies (CDSs) will be set up in the target areas. The CDSs will also identify viable projects suitable for the area. Promotion of Woman Self-Help Groups will be an important activity to be pursued by the CDSs. The details of the NHGs, NHCs and CDSs formed in the state are as follows

- | | |
|---|-------|
| 1. Neighbourhood Groups formed | 80956 |
| 2. Neighbourhood Committees constituted | 9364 |
| 3. Community Development Societies formed | 780 |

Allotment for the year 2009 - 2010

(Rs in crore)

Year	Government of India share	Government of Tamil Nadu share	Total
2009-2010	38.17	12.72	50.89

For the year 2010-2011, the tentative allotment under the SJSRY is Rs.68.17 crore ie. GOI's share Rs. 41.99 crore and the Government of Tamil Nadu share of Rs. 16.18 crore.

The Community Organizers working in the Urban Local Bodies were brought into the Time Scale in G.O.Ms.No.128, MAWS Dept., dated 30.10.2006. Apart from this, as per the orders issued in G.O.Ms. No.264, MAWS Dept dated 31.12.2008, 133 Community Organizers were given appointment under the time scale of pay of Rs.5200 – 20200- (2000 G.P) in the vacancies in the Municipalities and Corporations.

3.5.2 Integrated Low Cost Sanitation Scheme

To improve the sanitation of the towns, the Integrated Low Cost Sanitation Scheme has been announced in the year 2008 by the Government of India, to construct new toilets for the Economically Weaker Sections and households without toilets.

The maximum cost of a single unit under the project is Rs.10000/- with a contribution of 10% from the beneficiaries. In the first phase, projects are proposed to be taken up (i) in Mission Cities and their urban agglomerations, and (ii) temple towns and towns of tourist importance.

3.5.3 Housing for the Urban Poor

Basic Services to the Urban Poor

The JnNURM with the Sub-Missions *viz* Basic Services to the Urban Poor (BSUP) and the Integrated Housing and Slum Development Programme (IHSDP) aims at the provision of basic services to the urban poor including security of land tenure, affordable

prices, improved housing, water supply and it also ensures the convergence of the existing services of the Government such as health, education, and social security etc.,

The three Mission cities viz., Chennai, Coimbatore and Madurai including the Urban Local Bodies in their urban agglomeration are covered under the BSUP.

The Government of India has allotted a sum of Rs.1032.80 crore under the BSUP for the Mission period (2005-2012) as Additional Central Assistance to Tamil Nadu. So far, 51 projects have been approved at a total project cost of Rs.2327.30 crore involving the Central Assistance of Rs.1041.79 crore.

Name of the Implementing Agency	No. of projects	Housing units	Infra-structure works	Project cost (Rs. in crore)
Tamil Nadu Slum Clearance Board	6	35270	13	1208.54

Directorate of Municipal Administration	27	52765	2952	1072.34
Directorate of Town Panchayats	18	3283	249	46.42
Total	51	91318	3214	2327.30

The Tamil Nadu Slum Clearance Board is executing 6 projects at an estimated cost of Rs. 1208.54 crore. Out of the 35,270 housing units sanctioned, work orders have been issued for 16,818 units as on 31.03.2010.

The Directorate of Municipal Administration is implementing 27 projects at an estimated cost of Rs. 1072.34 crore. Out of the 52,765 housing units sanctioned, 7,260 units have been completed as on 31.03.2010 and works on 31,974 units are under progress.

18 projects have been sanctioned for the Directorate of Town Panchayats and Rs. 46.42 crore has been allotted. Out of the 3,283 units sanctioned,

895 units have been completed as on 31.03.2010 and the rest are at various stages of implementation.

Integrated Housing and Slum Development Programme

This Programme is applicable to all cities and towns which are not covered under the BSUP Project and aims at the holistic development of slums by providing adequate shelter and basic infrastructure facilities to the slum dwellers.

For the Mission period 2005-2012, the Government of India has sanctioned 84 Projects at a total cost of Rs.515.88 crore, involving the Additional Central Assistance of Rs.350.69 crore.

Name of the Implementing Agency	Total no. of projects	Housing units	Infra-structure works	Project Cost (Rs in crore)
Directorate of Municipal Administration	58	31603	1692	436.34
Directorate of Town Panchayats	25	4542	263	59.45

Tamil Nadu Slum Clearance Board	1*	1443	-	20.09
Total	84	37588	1955	515.88

* Sanctioned under VAMBAY

58 projects in 50 Municipalities and 6 City Municipal Corporations have been sanctioned for the Directorate of Municipal Administration and Rs. 436.34 crore has been allotted. Out of the 31,603 units sanctioned, 3,680 units have been completed as on 31.03.2010 and the rest are in different stages of implementation.

25 projects have been sanctioned for the Directorate of Town Panchayats and Rs. 59.45 crore has been allotted. As on 31.03.2010, out of the 4,542 units sanctioned, 1,687 units have been completed.

The Tamil Nadu Slum Clearance Board has been allotted 1,443 units at an estimated cost of Rs.20.09 crore under the Valmiki Ambedkar Housing Scheme (VAMBAY) in 2009-10.

Urban Statistics for Human Resources and Assessment

The Government of India has launched a scheme called "Urban Statistics for Human Resource and Assessment" (USHA). The purpose of USHA is to undertake planning, policy making, project design, formulation, implementation, monitoring and evaluation in the context of programmes relating to urban poverty and slums. The Government of India places emphasis on towns having about a population of 1 lakh and accordingly 34 towns have been selected. The Government of India has released Rs 1.06 crore for taking up the slum survey.

For the effective implementation of the JnNURM and other programmes like Swarna Jayanthi Shahari Rozgar Yojana, the data pertaining to the Status of Urban Poverty and slums in various parts of the State and cities needs to be collected. The data, apart from strengthening the Tamil Nadu database on urban poor, is also expected to strengthen the Central Statistical Systems pertaining to urban poverty, slums and housing for a better understanding of the issues for working out strategies at slum, city,

State and National levels and evolving policies on the urban poor.

To implement the projects effectively, a Program Management Unit for the Directorate of Municipal Administration and 10 Project Implementation Units for the different implementing agencies have been sanctioned.

3.6 Public Health

3.6.1 Solid Waste Management

A sum of Rs.35.48 crore has been released for the implementation of Solid Waste Management Schemes including purchase of sites for compost yards. A grant of Rs. 41.15 crore is also being released every year to all the Urban Local Bodies including Chennai Corporation under the 12th Finance Commission Grant and this amount is utilized for infrastructure development, purchase of vehicles and bins.

Under the JnNURM, projects have been sanctioned for the Madurai and the Coimbatore Corporations and Namakkal Municipality at a total

cost of Rs. 174.38 crore. Further, a common facility for the Alandur, Pallavapuram and Tambaram Municipalities has been sanctioned at a cost of Rs.44.21 crore.

3.7 Tamil Nadu Urban Development Project

Based on the Administrative Sanction accorded by the Government in G.O. Ms. No. 55, MA&WS Department dated 29.04.2005, the World Bank assisted TNUDP III is being implemented in this State for the Urban Local Bodies at an outlay of Rs.1996.40 crore for a period of 5 years. The main objectives of this Project are to develop the Tamil Nadu Urban Development Fund as a financial intermediary to provide financing for the infrastructure projects to the Urban Local Bodies on a sustainable basis, strengthening the urban reforms, to consolidate the achievements under the TNUDP II etc.

This project includes the Institutional Development Component and the Urban Investment Component through TNUDF. The component-wise financing plan of the Tamil Nadu Urban Development Project III is delineated herein:

	Component	Cost		Bank Financing	
		US \$ Million	% of Total	US \$ Million	%
A	Institutional Development Component	25.00	5.76%	15.00	5%
B	Urban Investment through TNUDF	407.50	93.89%	283.50	94.50%
C	Front End Fee	1.50	0.35%	1.50	0.50%
	Total Project Cost	434.00	100%	300.00	100%

3.7.1 Restructuring of the TNUDP-III and reallocation of funds among the various components

The Government of India and the World Bank have agreed to the re-structuring proposal of the State Government and executed an agreement to this effect in the Project Agreement and the Loan Agreement. The Government has accordingly, issued orders in G.O.Ms.No.247 MA&WS Department dated 16.12.2009 restructuring the Project, after which, the Project components and the funds allocated are as indicated.

	Project Components	Funding after Reallocation			
		Total Cost	Bank Financing	Total Cost	Bank Financing
		(US \$ Million)		(Rs. in crore)	
A	Institutional Development Component				
A1	Capacity Building of Municipal Staff	8.85	6.90	40.70	31.70
A2	Information and Communication Technology	4.30	4.20	19.80	19.30
A3	ULB Debt Monitoring Cell	0.30	0.25	1.40	1.20
A4	Project Preparation Facility	8.00	1.10	36.80	5.10
A5	Project Management, Incremental Operating Costs	3.55	2.55	16.30	11.70
	Sub Total (A)	25.00	15.00	115.00	69.00

B	Urban Investments through the TNUDF				
B1	(a) Loans to ULBs	181.00	125.00	832.60	575.00
	(b) Capital Grant to ULBs	176.50	112.50	811.90	517.50
	(c) Project Development Advisory Facility	9.00	9.00	41.40	41.40
B2	(a) Grant to CMDA for Traffic and Transportation projects	38.00	34.00	174.80	156.40
	(b) CMDA / Highways Project Management, Incremental Operating Costs	3.00	3.00	13.80	13.80
	Sub Total (B)	407.50	283.50	1874.50	1304.10
	Total A and B	432.50	298.50	1989.50	1373.10
	Front end fee	1.50	1.50	6.90	6.90
	Total Project cost	434.00	300.00	1996.40	1380.00

Government has also extended the date of closure of the Project to 31.03.2012.

3.7.2 Grant Funds 1 & II

Grant Fund I

The Grant Fund I is used to provide financing to implement infrastructure projects in the Urban Local Bodies and also to take care of the resettlement and the rehabilitation of urban poor.

Grant Fund II

The Grant Fund II is used to assist the Urban Local Bodies in the preparation and or supervision of more complex and innovative projects such as the Public Private Partnership (PPPs) and Build Operate and Transfer (BOT) concepts.

3.7.3 Capacity Building of Municipal Staff

This component aims at improving the functional skills of the elected representatives, the officials and the staff of the Urban Local Bodies by conducting continuous in-service training programmes and enhancing their managerial and technical

capabilities. Under this component, the Government had accorded the approval for the conduct of training programmes at an estimated cost of Rs. 9.49 crore. Based on the above sanctions, various training programmes, seminars, workshops, exposure visits, certificate courses and Post Graduate Diploma courses, have been organized by this Directorate. As on 31.03.2010, 5,882 elected representatives and 8,773 officials of the Urban Local Bodies have undergone training.

The Government in G.O.(D) No. 547, MA&WS (MA2) Department dated 24.12.2009 had accorded its Administrative Sanction of Rs. 16.39 crore for implementing a number of training programmes, based on the approval of the State Level Project Sanctioning Committee in its meeting held on 17.11.2009. These training programmes are being taken up for implementation.

3.7.4 Preparation of City Development Plans for the Grade-III Municipalities

The preparation of City Development Plans (CDPs) for the Grade III Municipalities have been

taken up by this Directorate with a view to study the existing situation and to plan for the future infrastructure requirements of these Municipalities. This is for the first time that a systematic attempt is being made in this direction. Five Consultants have been appointed for this purpose at a cost of Rs.1.46 crore.

As on 31.03.2010, final reports have been prepared for all the 49 Grade III Municipalities. Based on these reports, Detailed Project Reports will be prepared for prioritizing the projects for implementation.

3.7.5 E-Governance implementation in the Urban Local Bodies

For implementing the e-governance initiatives in the Urban Local Bodies adequate staff and necessary software and hardware have been provided. The Assistant Programmers and the Data Entry Operators help in the implementation of e-governance initiatives in the Municipalities. In October 2009, 67 Data Entry Operators were recruited and each one of the 49 Grade III Municipalities have been provided

with one Data Entry Operator. Consequently, as of now, 16 modules have been computerized in the Urban Local Bodies.

Separate websites have been operationalised for all the Urban Local Bodies. Based on the instructions of the Government, all the tenders are being hosted on the websites and a clear emphasis has been given to the local bodies to adopt e-tendering for all works above Rs.0.10 crore. The Application Software Audit and the Information System Security Audit are also being implemented in all the local bodies.

The Government in G.O.(D) No.545, MA&WS (MA2) Department dated 24.12.2009 has accorded its Administrative Sanction to implement the following e-governance initiatives in the remaining period of the Project

- i) to develop a centralized web based software for all the Urban Local Bodies at an estimated cost of Rs. 3.24 crore

- ii) for procuring additional hardware and software with Facility Management Services at an estimated cost of Rs. 7.08 crore.
- iii) to provide the Tamil Nadu State Wide Area Net Work (TNSWAN) connectivity to all the Urban Local Bodies at an estimated cost of Rs. 3.89 crore.

Action is being taken to implement the above projects.

3.7.6 Debt Monitoring Cell

The Debt Monitoring Cell has been created in the Directorate of Municipal Administration and is functioning with effect from 17.12.2007. The main objectives of the Debt Monitoring Cell are to collect financial information on Urban Local Bodies, assist them in making realistic financial projections and facilitate them to access the financial markets by sharing financial information. It also acts as an expert advisor to the Urban Local Bodies in reducing their debt burden.

3.7.7 Project Preparation Fund

In order to undertake consultancy for design and supervision of urban infrastructure projects and for the preparation of Detailed Project Reports, the Government has created the Project Preparation Fund under the TNUDP III with an allocation of Rs.30.00 crore. So far, 140 projects have been formulated, of which, 20 projects worth Rs.1004.54 crore have been taken up for implementation under various schemes.

3.7.8 Implementation of the Geographical Information System

The Geographical Information System is being introduced in Coimbatore, Madurai and Tiruchirappalli Corporations and the Rajapalayam and the Gobichettipalayam Municipalities for property mapping and utility mapping with due linkage to the Municipal Information System (MIS), to improve the collection of property tax and other taxes, infrastructure planning etc., in the above Urban Local Bodies.

To undertake the development of GIS Applications in these locations, a consultancy has been awarded at a cost of Rs.3.92 crore. The Satellite Imagery has been procured for all the five local bodies and the base maps for four towns have been prepared. The consultancy firm has undertaken the survey of properties and infrastructure facilities in these towns, and the work is under progress.

3.7.9 Review of implementation of the Accrual Based Accounting System in the Urban Local Bodies

Tamil Nadu is among the pioneering States in the country in the implementation of the Accrual Based Accounting System in the Urban Local Bodies. To assess the achievements and the constraints faced by the local bodies and also to identify the areas for improvement in the implementation of the Accrual Based Accounting System (ABAS), a consultancy firm was appointed at a cost of Rs.0.24 crore. The consultancy firm has submitted its final report. The salient recommendations are being considered for adoption / improving the system.

The Government in G.O(D) No. 546, MAWS Dept dated 24.12.2009 has accorded its Administrative Sanction for the implementation of the following projects at a cost of Rs. 1.08 crore.

- a) Updation of the Municipal Accounting Manual for local bodies and Training to the Officials
- b) Preparation of a Budget Manual for local bodies and Training of Officials
- c) Preparation of Outcome Budgets for Tiruchirapalli, Salem, Tirunelveli, Erode, Tiruppur, Vellore and Thoothukudi Corporations, and Ambattur and Pollachi Municipalities and imparting training to officials.

Action is being taken to implement the above projects.

3.7.10 Preparation of a Bulletin on Urban Performance Indicators

The preparation of a Bulletin on Urban Performance Indicators has been taken up for all the local bodies in the State at a cost of Rs. 0.11 crore. It is proposed to publish this Bulletin on the

departmental website. This will help in comparing the relative performances of the different local bodies.

3.7.11 Other Projects taken up for implementation under TNUDP III

The Government in G.O.(D) No. 548, MA&WS Department dated 24.12.2009 has accorded its Administrative Sanction for the implementation of the following projects in the remaining period of the TNUDP III.

Sl. No	Nomenclature of the Project	Estimated Cost (Rs. in crore)
1.	Preparation of an Action Plan on the Greening of Cities and Revival of Water Bodies in 9 Corporation Areas and conducting Orientation Workshops.	1.80
2.	Conducting Water & Energy Audits in selected ULBs (Coimbatore, Madurai and Vellore City Municipal Corporations and Nagercoil, Dindigul, Udhagamandalam, Namakkal, Mettur, Pudukkottai, Cuddalore, Aruppukottai and Krishnagiri Municipalities) and conducting training	1.68

3.	Property survey in ULBs and carrying out door to door survey for Preparation of Property Maps and Utility Maps in selected ULBs (Salem, Vellore, Erode & Thoothukudi City Municipal Corporations, and Ambattur, Dindigul, Udthagamandalam, Namakkal, Pudukkottai, Virudhunagar, Sivagangai and Krishnagiri Municipalities) and conducting Orientation Workshop	4.60
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These projects have been taken up for implementation.

3.8 Tsunami Relief Works

Seven Municipalities in the State were badly affected by the tsunami that occurred on 26.12.2004. With the financial assistance from the State Government, Asian Development Bank and the World Bank, infrastructure as well as livelihood works were taken up at an estimated cost of Rs.79.83 crore. All the works have been completed at an expenditure of Rs.73.33 crore.

3.9 Part-II Schemes

The Government has been considerate in sanctioning grants under the Part II Scheme to the urban local bodies. Rs.27.72 crore has been given as a grant to the civic bodies in the year 2007-08, Rs.20.33 crore in 2008-09 and Rs.12.45 crore in 2009-10 for carrying out the various infrastructure improvement works such as the laying of roads, construction of Drains, setting up of Modern Slaughter Houses and Modern Gasifier Crematoria, implementing Water Supply Schemes and Solid Waste Management works.

The following works have been proposed at a cost of Rs.12.75 crore for the year 2010-11.

Sl. No	Works	Amount (Rs. in crore)
1	Conversion of earthen and WBM roads into cement concrete / black top roads in 44 Municipalities for a length of 60 km.	6.00

2	Construction of Office Buildings for Regional Directorates of Municipal Administration, Tiruppur at a cost of Rs.1.50 crore and Salem at a cost of Rs.1.25 crore	2.75
3	Providing Supervisory Control and Data Acquisition System (SCADA) for Pillur Water Supply Scheme Phase-II in Coimbatore City Municipal Corporation	4.00
	Total	12.75

3.10 Taxation and Financial Management

3.10.1 Quinquennial Revision of Property Tax

The quinquennial revision of property tax in all the Urban Local Bodies has been mandated in G.O. (Ms.) No.150, Municipal Administration and Water Supply (Election) Department, dated 12.11.07 with effect from 01.04.2008. The respective Councils have taken action and passed resolutions to carryout the quinquennial revision of property tax in the local bodies. Consequent to this revision, the demand of Property Tax in the Municipalities has increased by about 30% and in the Corporations by about 47 %.

3.10.2 Levy of Profession Tax

The Government in its G.O (Ms) No.11, MAWS Dept, dated. 12.01.99 had given effect to the revision of Profession Tax with effect from the II half - year of 1998-99 onwards and the following six slabs and rates were fixed:-

Sl. No	Average half yearly income (in Rs)		Half Yearly tax (in Rupees)
	From	To	
01	Upto	21,000	Nil
02.	21,001	30,000	60
03.	30,001	45,000	150
04.	45,001	60,000	300
05.	60,001	75,000	450
06.	75,001	and above	600

Powers have been vested with the Councils of the Corporations and Municipalities to revise the above rates of tax quinquennially. Accordingly, all the Municipalities and the Corporations have enhanced their rates of taxation from 01.10.2003. The subsequent revision was given effect from 01.10.2008.

3.10.3 Fixation of Tax on Vacant Lands

The tax on vacant lands were hitherto fixed based on the guideline values received from the Registration Department. A number of objections were received from the public stating that the Vacant Land Tax was many times higher than the property tax. Hence, Government had examined this matter and decided to fix the Vacant Land Tax on the basis of a square feet matrix, instead of capital value, and issued orders in its G.O.(Ms) No. 151, Municipal Administration and Water Supply (Election) Department, dated 20.08.2009 for the purpose of fixation of property tax on the Vacant Lands based on the gradation of Urban Local Bodies and within the minimum and maximum rates as specified below :-

Grade A: Municipal Corporations and Special Grade Municipalities;

Grade B: Selection Grade and First Grade Municipalities; and

Grade C: Second Grade Municipalities and Town Panchayats,

Minimum and maximum rate of property tax leviable on vacant land

(Rates in Paise per square feet per half year)

Vacant Land with reference to location	Grade-A		Grade-B		Grade-C	
	Mini-mum	Maxi-mum	Mini-mum	Maxi-mum	Mini-mum	Maxi-mum
(1)	(2)	(3)	(4)	(5)	(6)	(7)
(a) Streets in residential areas	20	40	15	30	10	20
(b) Main roads and the bus route roads other than those which lead to the arterial roads	30	50	20	40	15	30
(c) Arterial roads, main roads and the bus route roads which lead to the arterial roads	40	60	30	50	20	40

Powers have been delegated to the Councils for the fixation of Tax on vacant lands within the minimum and the maximum rates in the Urban Local Bodies and necessary instructions have been issued to implement the same. Accordingly, the tax is being levied with effect from 01.10.09 and the vacant land owners in the State have immensely been benefited by this new method of levying the Vacant Land Tax.

3.10.4 Change in leasing out the properties of Urban Local Bodies

The Government had issued orders in its G.O.Ms. No. 92 MAWS Dept dated 3.7.07 revising the period of lease in Municipalities and the Town Panchayats for shops/ bus stands / shandies / cycle stands/pay and use toilets, rest houses etc., from one year to three years.

The Government has also issued orders in G.O. (Rt) No. 78, Municipal Administration and Water Supply Department dated 25.05.09, extending the annual lease for three years instead of one year for shops/ bus stands / shandies / cycle stands/pay and

use toilets, rest houses etc., in the City Municipal Corporations as well.

3.10.5 Devolution of Funds to the Urban Local Bodies

State Finance Commission Grants

To devolve State's own tax revenues, the Government constitutes the State Finance Commission every five years. The award period of the Third State Finance Commission expires on 31.3.2012.

Prior to the constitution of the Third State Finance Commission, the devolution was 8 % of the State Own Tax Revenues. The Third State Finance Commission constituted on 1.12.2004 had submitted its report with recommendations to increase the percentage of devolution. Based on its recommendations, the Government has issued orders devolving the following percentage of amount from out of the State's Own Tax Revenues (SOTR) for the award period from 2007-08 to 2011-12

2007-08	:	9% of SOTR
2008-09	:	9% of SOTR
2009-10	:	9.5% of SOTR
2010-11	:	10% of SOTR
2011-12	:	10% of SOTR

In view of the increase from 8% to the level indicated above, there has been a remarkable increase in the revenues of the local bodies as indicated below.

Year	Amount devolved	Increase over the previous year
	(Rs in crore)	
2007- 08	816.75	178.72
2008-09	882.48	65.75
2009-10	937.43	54.95

Twelfth Central Finance Commission Grants

The Government of India constitutes the Central Finance Commission once in five years to recommend on the grants to be devolved to the local bodies in the States. Thirteen Finance Commissions

have been constituted by the GOI so far. As per the recommendation of the Twelfth Finance Commission, the GOI has allocated Rs. 572 crore to the local bodies in this State for the period from 2005-06 to 2009-10.

As per the guidelines issued in this regard, the grants should be utilized for the following purposes only: -

- (a) 50% for the Solid Waste Management schemes through Public-Private Partnership
- (b) 25% for the maintenance of Roads and Storm Water Drains. and
- (c) 25 % for the miscellaneous works such as creation of data base, payment of electricity charges etc.

Accordingly, every year an amount of Rs.82.30 crore is released to the Municipalities and the Corporations including the Chennai Corporation.

The Thirteenth Central Finance Commission has submitted its recommendation to the GOI and detailed orders are awaited.

Waiver of Loans to Urban Local Bodies

The Urban Local Bodies were overburdened with the liabilities including the outstanding principal and overdue interest of consolidated Government loan. This was considered as a bottleneck by the local bodies in the implementation of various developmental activities and new infrastructure projects. The Government in its G.O. Ms. No. 149, M.A. & W.S. Department, dated 9.11.2007 had issued orders writing off the outstanding principal loan amount of Rs. 429.84 crore repayable to the Government and the overdue interest thereon amounting to Rs. 357.58 crore as on 31.3.2007. As a result of this timely decision taken by the Government, the liabilities of the local bodies have been considerably reduced and they are now able to obtain new loans for implementing infrastructure and the developmental schemes.

Reorganization of District High Level Committees for settlement of Local Fund Audit Objections

In order to review the functioning of the Regional Audit Settlement Committees and the District High Level Committees for the speedy settlement of the audit objections, the Government in its G.O. Ms. No.54, Municipal Administration and water Supply Department dated 30.3.2009 has issued orders for the reorganization of the District High Level Committees. This is expected to improve the functioning of the Regional Audit Settlement Committees and the District High Level Committees towards the speedy settlement of the Audit Objections.

3.11.1 Scholarship Scheme for students of Municipal and Corporation Schools

With a view to motivate the students studying in the Municipal and the Corporation Schools, an announcement was made in 2007-08, to effect that the top 25 scorers of marks in the Tenth and the Plus Two Examinations from the Municipal and

Corporation Schools will be given a cash award of Rs. 10,000/- each and a certificate of merit. It was further announced that poor students from among the 25 toppers in the Plus 2 Examinations will be given scholarships to pursue courses of their choice. The fees approved by Government, the cost of books and the hostel and mess fees paid by the students are reimbursed to the students through this scholarship.

A corpus fund named, " The Municipal and Corporation Schools Student's Scholarship Fund" has been created for implementing this scheme. The interest earned out of this corpus fund is used to meet the yearly expenses.

In 2007-08, 26 students each from the Tenth and the XIIth standards and in the year 2008-09, 28 students from the Tenth standard and 25 students from the XIIth standard were given cash awards of Rs. 10,000/- each and merit certificates. In 2007-08, from among the 26 top rankers in the XII th standard examination, 22 poor students, and in 2008-09, 23 poor students from among the 25

top rankers have availed the opportunity to pursue their higher education through this scholarship. This continues to motivate the students studying in the Municipal and Corporation schools.

3.11.2 The Tamil Nadu Institute of Urban Studies, Coimbatore

The Tamil Nadu Institute of Urban Studies, Coimbatore is a unique institution which is run from the annual contribution of the urban local bodies. The main aim is to disseminate knowledge on Urban Governance and Urban Development by conducting training programmes and seminars, in addition to conducting research studies and taking up consultancy services in Urban Management. The TNIUS has conducted various training programmes like Orientation Courses for the elected representatives and the officials, training on GIS and JnNURM. In a step forward, the Institute has completed all the base works to commence a Post Graduate Diploma Course in Urban Financial Accounting and Management with tie up from Bharathiyar University, Coimbatore. This course is likely to commence shortly.

The work of construction of a new hostel for the Institute has been taken up at a cost of Rs.1.50 crore sanctioned by the Government.

3.12 Madurai Corporation

Madurai is one of the three Mission Cities of Tamil Nadu under the JnNURM. The Second Vaigai Water Supply Improvement Scheme has been implemented under the JnNURM at an estimated cost of Rs.71.20 crore and dedicated to the public on 24.10.2009. Similarly, three Check Dams across the river Vaigai have been constructed at a cost of Rs.9.15 crore. The Solid Waste Management Project at a cost of Rs.74.29 crore and the Under Ground Sewerage System for the uncovered areas and renovation of the existing sewage treatment plants at an estimated cost of Rs.229.34 crore have been taken up.

It is proposed to convert the earthen and metal roads in the approved layout area in the Corporation into CC/BT roads at an estimated cost of Rs.2.82 crore. The Corporation Hospitals at Munichalai,

Aruldasapuram, Sellur, Melaponnagaram and Pudur have been modernised at a cost of Rs.1.48 crore. In addition to the Royalur Iyer Maternity Home, the Sankar Nagar Maternity Home and the Lady Wellington Maternity Home will be modernized at an estimated cost of Rs.2.00 crore.

It is proposed to take up the renovation of the Heritage Building in Vellaikkal at a cost of Rs.1.00 crore, provide generator facility at the Melakkal pumping station at a cost of Rs.0.20 crore, and procurement of machinery for silt removal in the sewage system at a cost of Rs.1.10 crore.

Further, various infrastructure works such as provision of generators and quarters for the conservancy workers have been taken up at a total cost of Rs. 8.35 crore.

Under the BSUP, 3 projects have been sanctioned for the Madurai Corporation at a cost of Rs.307.19 crore with 22,766 housing units, of which 3654 units have been completed and 7,215 units are in progress. The remaining units are in various stages of implementation.

3.13 Coimbatore Corporation

Coimbatore is one of the Mission Cities under the JnNURM. The work on the Second Pillur Water Supply Scheme, the Under Ground Sewerage Scheme and the Integrated Solid Waste Management Projects are at various stages of execution. The work of construction of an extensive storm water drain network (Phase-I), at an estimated cost of Rs.180 crore, under the Jawaharlal Nehru National Urban Renewal Mission will commence in 2010-11.

The World Classical Tamil Conference is proposed to be held in the City from 23rd to 27th of June 2010. Hence, works for improvement of roads are being executed at a cost of Rs. 26.31 crore from the State Infrastructure and Amenities Fund. (G.O.Ms. No. 20, Housing & Urban Development (UD4 (1)) Department dated 3.2.2010). Further, the water supply improvements and various other facilities are being taken up at a cost of Rs.7.04 crore (G.O.Ms.No. 30 MAWS Dept dated 10.2.2010). The Corporation is executing works for Rs.25.24 crore using its General Funds.

In order to decongest traffic, an additional bus stand at Mettupalayam Road at an estimated cost of Rs.7.00 crore has been taken up, and is nearing completion.

With the objective of rejuvenation of Water Bodies, Government has accorded its permission to the Public Works Department for handing over of eight Water Bodies to the Coimbatore Corporation on a Long Term Lease (i.e. for 90 years). The Corporation has taken over these Water Bodies from the PWD on 29.12.2009.

Eight selected Corporation schools will be taken up for up-gradation of the infrastructure and facilities at an estimated cost of Rs.6.00 crore.

Under the BSUP, 3 projects have been sanctioned for the Coimbatore Corporation at a project cost of Rs.443.57 crore with 22,230 housing units, of which 1,721 units have been completed and 2,135 units are under execution. The remaining units are at different stages of implementation.

3.14 Salem Corporation

It is proposed to take up a dedicated Water Supply Scheme at an estimated cost of Rs.283.09 crore in 5 packages under the TNUDP-III

The Government has sanctioned an Under Ground Sewerage Scheme at an estimated cost of Rs.149.39 crore. The implementation has been taken up in 7 packages (3 packages for collection system, 4 packages for STP). Work in 2 packages has commenced. In 4 packages, bids are under evaluation. For the remaining package, the STP site is under procurement.

Under the Thirumanimutharu River Improvement Project (Phase II), the cement lining at a cost of Rs. 31.05 crore has been taken up, for a length of 5.62 km (Thirumanimutharu - 2.80 km & Vellakuttai Odai - 2.82 km) and 3 bridges are being constructed across the river to improve the traffic.

The construction of a new Modern Gasifier Crematorium at an estimated cost of Rs.0.98 crore in the Kakkayan Burial Ground, situated at the Court Road, Salem has been completed.

It is proposed to provide classrooms and other infrastructure in 22 Corporation schools at an estimated cost of Rs.2.05 crore which includes the provision of toilets, compound walls and other amenities.

Out of the 1006 dwelling units sanctioned at a project cost of Rs.15.58 crore under the IHSDP scheme, 63 units have been completed and 537 units are in progress. Works on the remaining 406 units to commence shortly.

3.15 Tiruchirappalli Corporation

In order to ensure equitable water supply in the City, a comprehensive Water Supply Improvement Scheme at an estimated cost of Rs.143.00 crore has been taken up for implementation with the financial assistance under the Japan International Cooperation Agency. The work has been taken up in 7 packages. The works are in progress in 6 packages and the remaining package has been tendered out.

Comprehensive Storm Water Drains and road development works, to a length of 89.66 kms, at an

estimated cost of Rs. 24.30 crore, have been taken up and completed in 40 packages with financial assistance under the KfW.

Sanitary workers quarters for sanitary workers with basic amenities will be constructed at an outlay of Rs.2.50 crore under the Infrastructure Gap Filling Fund.

Out of the 1208 dwelling units sanctioned at a project cost of Rs.19.96 crore under the IHSDP, 23 units have been completed and 621 units are in progress. The remaining 564 units will be taken up for execution shortly.

3.16 Tirunelveli Corporation

It is proposed to construct a New Integrated Corporation Office Building at an estimated cost of Rs.5.00 crore under the Infrastructure Gap Filling Fund.

A New Water Supply Improvement Scheme has been taken up in two packages at an estimated cost of Rs.22.22 crore with financial assistance from

the KfW. In package I, the works are in progress and the bids for the remaining package are under evaluation.

Under the Infrastructure Gap Filling Fund, with a view to improve basic amenities to the Melapalayam area, a sum of Rs.3.25 crore has been allocated and bids have been invited.

Under the Part II Scheme, the work of conversion of 6 earthen roads to Black Topped roads have been taken up for a length of 8 kms and converted as Black Topped at an estimated cost of Rs.0.57 crore.

Out of the 2003 dwelling units sanctioned at a project cost of Rs.19.99 crore under the IHSDP, 38 units have been completed and 1175 units are in progress. Works on the remaining 790 units, will commence soon.

3.17 Erode Corporation

Implementation of the Under Ground Sewage Scheme to the Erode Corporation and the surrounding four Grade III Municipalities has been proposed in

five packages at an estimated cost of Rs.209.22 crore under the KfW fund. In two packages, where work orders have been issued, the survey works are in progress.

Under the Urban Infrastructure Development Scheme for the Small and the Medium Towns (UIDSSMT), improvement to the existing water supply scheme has been taken up in 9 packages at an estimated cost of Rs.5.88 crore. Work in two packages has been completed and the rest are in progress.

It is proposed to improve the Corporation Water Supply Head Works at an estimated cost of Rs.0.75 crore and also to construct Quarters for the Sanitary workers at an estimated cost of Rs.0.75 crore under the Infrastructure Gap Filling Fund, 2009-10.

The newly constructed Modern Gasifier Crematorium at Erode is being maintained well. Further, it is proposed to install an additional unit at the facility, at an estimated cost of Rs.0.40 crore under the Infrastructure Gap Filling Fund 2010-11.

3.18 Tiruppur Corporation

In order to provide basic amenities such as Storm Water Drains and roads in the unapproved layouts which had been regularised, an amount of Rs.40.00 crore had been sanctioned under the KfW. The work has been taken up in 10 packages and are under execution.

It is also proposed to take up the construction of modern toilets at the New Bus Stand and the Old Bus Stand at a cost of Rs.0.50 crore. The conversion of 14.40 kms length of earthen roads to Black Topped roads at a cost of Rs.2.00 crore will be taken up.

Out of the 2060 dwelling units sanctioned at the project cost of Rs.20.68 crore under the IHSDP, 410 units have been completed and 687 units are in progress. The remaining 963 units are set to commence soon.

3.19 Vellore Corporation

An Under Ground Sewerage Scheme has been taken up for implementation in Vellore Corporation at a cost of Rs.39.28 crore with financial assistance from the TNUDP-III. The work has been taken up in 3 packages and are in progress.

The construction of a new office building at a cost of Rs.4.98 crore has been taken up under the Entertainment Tax Compensation Fund and the General Fund and is in progress.

In order to provide infrastructure facilities, the Government, while forming this Corporation, had sanctioned an one time grant of Rs.5.00 crore. 35 works had been taken up at a cost of Rs.12.00 crore, of which 17 works have been completed.

3.20 Thoothukudi Corporation

The Buckle Odai flows through the city to a distance of 6.26 kms. The refurbishment of this canal has been taken up. In the first phase, 1.86 kms of the canal has been cement lined at an estimated

cost of Rs.6.98 crore. The second phase involving 2.42 kms length has been taken up at an estimated cost of Rs.7.50 crore with a grant of Rs.6.00 crore under the Entertainment Tax Compensation Fund.

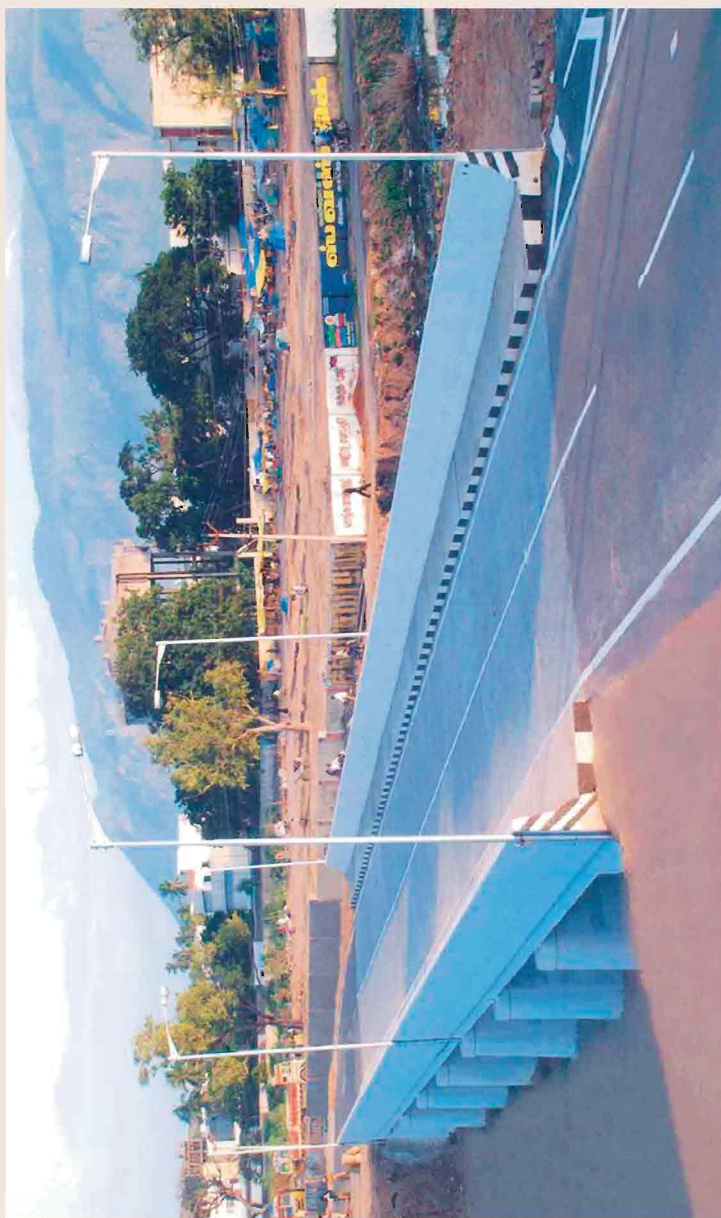
The construction of a new office building for the Thoothukudi Corporation at a cost of Rs.4.75 crore is nearing completion.



**Newly constructed Municipal Girls Higher Secondary School,
Pollachi**



New Bus Stand, Kodaikanal



New Bridge, Vaniyambadi



New Office Building, Valasaravakkam



New Park at Devakottai



Gasifier Crematorium, Erode



Renovated Buckle Odai, Thoothukudi



New Black Topped Road, Udumalaipettai



Modern Slaughter House, Tiruppur



BSUP Housing tenements at Ukkadam, Coimbatore

4. Directorate of Town Panchayats

The Town Panchayats are governed by the Tamil Nadu District Municipalities Act, 1920. There are 561 Town Panchayats in the State, which are classified into special, selection, first and second grade Town Panchayats, based on the income criteria these entities.

Many Town Panchayats are of tourist, pilgrimage and heritage importance. As per 2001 census, the total population living in Town Panchayats was 76,46,386, accounting for 12% of the total population of the State. About 28% of the urban population of the State live in these local bodies.

4.1 Administration

The Director of Town Panchayats is the Head of the Department looking after the affairs of 561 Town Panchayats under the administrative control of the Municipal Administration and Water Supply Department in Government. There are 16 Zonal offices in the State, headed by Assistant Directors

of Town Panchayats. The District Collectors of the respective Districts are entrusted with the responsibility of supervising the affairs of these local bodies.

4.2 Filling up of vacancies

In Town Panchayats Department from 13.05.2006 till date, 6431 appointments have been made in various categories such as Executive Officers, Junior Assistants, Bill Collectors, Sanitary Inspectors, Sanitary Supervisors, Sanitary Workers, Water Supply Maintenance Workers, Street Light Maintenance Workers and Office Assistants, following the orders in force and regularizing the services of staff in the regular time scale of pay.

The details of the appointments made are as follows:-

Sl. No	Method of Appointment	Total Number
1	Direct recruitment	2649
2	Compassionate Ground appointments	461

3	Regularisation of Consolidated Pay Employees	2924
4	Regularisation of NMRs	194
5	Regularisation of work charged Employees	177
6	Re-Employment of retrenched employees of Public Sector Undertakings	26
	Total	6431

4.3 Functions of Town Panchayats

The Town Panchayats provide a wide range of services such as drinking water supply, street lights, cleaning, management of waste, provision and maintenance of roads, drains and pavements, burial grounds, slaughter houses and managing public utilities like markets, bus stands, and community halls, issuing of Birth and Death Certificates, Planning permissions, building licenses and trade licenses.

4.4 Resources of Town Panchayats

The revenues of the Town Panchayats are derived from various sources such as collection

of property tax, profession tax, fees, rents, lease and user charges. The surcharge on stamp duty, and the apportionment of entertainment tax are also important sources of income. The local bodies also get substantial funding from Devolution Grants from the Government and from the 12th Finance Commission Grants.

4.5 Fund flow in Town Panchayats

The total funds flow in Town Panchayats for the year 2009-10 was about Rs.1233.97 crore. A sum of Rs. 403.04 crore towards Devolution and a further sum of Rs. 32.10 crore under the 12th Finance Commission grants were provided. Other resources include the Entertainment Tax grant, and grants from Tourism Development Projects, the Hill Area Development Programme, the Western Ghats Development Programme, the Minimum Needs Programme and major schemes such as the Jawaharlal Nehru National Urban Renewal Mission (JnNURM) and its Sub-components like the Urban Infrastructure Development Scheme for Small and Medium Towns (UIDSSMT), Integrated Housing

and Slum Development Programme (IHSDP), Basic Services to the Urban Poor (BSUP).

4.6 Powers of various authorities

The Director of Town Panchayats is the Inspector of town Panchayats as per Tamil Nadu District Municipalities Act of 1920. For the effective and speedy implementation of the schemes, the Government have enhanced the financial powers of the Authorities for according administrative sanction for various scheme works, thereby delegating more powers to the implementing authorities and local bodies. The administrative powers of the Director of Town Panchayats, District Collectors, Assistant Directors as well as the technical sanction powers of Executive Engineer, Assistant Executive Engineers have been considerably enhanced.

4.7 Drinking Water Supply

The objective is to provide minimum 70 lpcd of protected drinking water supply to the people in all Town Panchayats. The Town Panchayats maintain

the stand alone water supply schemes, whereas the combined water supply schemes are being maintained by TWAD Board.

It is proposed to improve drinking water supply position and its regularity in the Town Panchayats, which are not getting a minimum of 70 lpcd, in association with the TWAD Board and Metro Water under various schemes, in a phased manner.

4.8 Infrastructure Development

4.8.1 Anaithu Peruratchi Anna Marumalarchi Thittam

The Anaithu Peruratchi Anna Marumalarchi Thittam had been formulated to ensure that all the 561 Town Panchayats are provided with basic infrastructure such as roads, drains, community halls, office buildings and infrastructure in slums, in a span of four years commencing from 2007-2008 as stipulated in G.O.Ms.No.94 Municipal Administration and Water Supply (TP.II) Department, dated: 06.07.2007.

4.8.2 Works mandated under the Scheme

1.	Improvement of bus routes into BT Roads, construction of Storm water drains, foot paths and provision of CFL lights on the main roads.
2.	Construction of Community Halls
3.	Improvement of Ponds; Parks and Play fields.
4.	Providing Cement Concrete Roads in slums
5.	Improvements of Bus stands, Markets and shandies
6.	Improvements to burial grounds

In 2007-2008, 1493 works at a total project cost of Rs.74.05 crore were implemented. Several more works have been taken up by dovetailing different resources and by convergence of various other departmental schemes. In 2008-2009, the scheme was implemented in 140 Town Panchayats and 1439 works were executed at an estimated cost of Rs.78.32 crore. In 2009-2010, the scheme was extended to another 140 Town Panchayats and 1331 works had been taken up at an estimated cost of Rs.84.09 crore. In 2010-2011, the scheme will cover the remaining Town Panchayats as the fourth and last phase with an outlay of Rs.70.00 crore.

4.9 Jawaharlal Nehru National Urban Renewal Mission

A Water supply scheme covering 16 Town Panchayats in Coimbatore District at an estimated cost of Rs.81.47 crore would be implemented by the TWAD Board.

Underground Sewerage Schemes in 9 Town Panchayats (viz) Porur and Thirumalazhisai Town Panchayats in Thiruvallur District, Perungudi, Perungalathur, Pallikaranai, Peerkanaranai, Chitlapakkam, Sembakkam and Madambakkam Town Panchayats in Kancheepuram District at a cost of Rs.350.73 crore will be implemented by the CMWSS Board under the JNNURM.

4.10 Integrated Housing and Slum Development Programme and Basic Services to the Urban Poor

4361 dwelling units with infrastructure works at an estimated cost of Rs.59.43 crore for the urban poor have been taken up under the IHSDP in 25 Town Panchayats. Out of 4361 dwelling

units, 1687 units have been completed and work on the remaining units is under progress. Similarly, 2487 dwelling units with infrastructure works at an estimated cost of Rs.46.41 crore for the urban poor have been taken up under the BSUP in 17 Town Panchayats. Out of 2487 dwelling units, 895 units have been completed and the remaining works are under implementation.

4.11 Swarna Jayanti Shahari Rozgar Yojana

The key objective of the above programme is to provide gainful employment to the Urban unemployed or underemployed through the setting up of self-employment ventures and provision of Wage Employment. The programme has 5 major components.

1. Urban Self Employment Programme (USEP)
2. Urban Women Self-Help Programme (UWSP)
3. Skill training for employment promotion amongst urban poor (STEP-UP)

4. Urban Wage Employment Programme (UWEP)
5. Urban Community Development Network (UCDN)

4.12 Part II Schemes

Improvement to the existing Bus stands in 22 Town Panchayats at a cost of Rs.3.50 crore will be taken up during the year 2010-2011 under the Part II Scheme.

4.13 Infrastructure and O&M gap filling fund

Various schemes at an approximate cost of Rs.25.00 crore will be implemented from the above funds and part of Water charges and Current consumption charges will also be borne from the above funds.

4.14 NABARD Assistance

The roads in Town Panchayats are being upgraded with the financial assistance from NABARD. 684 roads to an extent of 871 km in 398 Town Panchayats at a cost of Rs.113.57 crore are

being laid and 85 Sanitary Complexes in 52 Town Panchayats at a cost of Rs.5.36 crore are under construction in Town Panchayats.

4.15 World Classical Tamil Conference

A sum of Rs.2.91 crore had been allotted to the Kalapatti Town Panchayat in Coimbatore District for taking up infrastructure development works such as Roads, Drains, Road-side parks and Street lights in connection with the proposed conference.

4.16 Allotment for the centenary celebrations of Peraringar Anna in Kancheepuram

A sum of Rs.1.02 crore has been sanctioned to Sevilimedu Town Panchayat in Kancheepuram District for creating infrastructure facilities such as improvement to parks, providing Cement Concrete roads, High Mast Lights and Construction of Storm water drains, as a special grant and all the works are scheduled for completion before April 2010.

4.17 Tsunami Relief Works

Under the Tsunami Relief and Rehabilitation Projects, measures have been taken up under the

Tsunami Emergency Assistance Project (TEAP) funded by the Asian Development Bank in 19 coastal Town Panchayats in 5 districts and the Emergency Tsunami Reconstruction Project (ETRP) assisted by the World Bank, in 18 coastal Town Panchayats of 6 districts.

4.18 Tsunami Emergency Assistance Project

Rehabilitation works have been undertaken in Mamallapuram, Sholingnallur, Edaikazhinadu, Marakkanam, Kottakuppam, Killai, Parangipettai, Velankanni, Tharangampadi, Kanyakumari, Reethapuram, Manavalakurichi, Kallukoottam, Ganapathipuram, Mondaicadu, Palapallam, Puthalam, Anjugramam and Kollencodu Town Panchayats of Kancheepuram, Villupuram, Cuddalore, Nagapattinam and Kanyakumari districts respectively.

A sum of Rs.63.67 crore had been allocated by the Asian Development Bank for rehabilitation purposes indicated, out of which Rs.62.09 crore has been spent upto 31.10.2009.

(Rs.in crore)

1. Rehabilitation of Livelihood to the affected people	-	12.78
2. Restoration of Roads and Repairs to Buildings	-	35.02
3. Improvement of Water Supply and Sanitation facilities	-	8.94
4. Project Management and others	-	6.93
Total		63.67

4.19 Emergency Tsunami Reconstruction Project

A sum of Rs.19.34 crore was allocated under the Emergency Tsunami Reconstruction Project, for the following activities in 57 newly constructed habitations of 18 Town Panchayats in Kancheepuram, Villupuram, Cuddalore, Nagapattinam, Kanyakumari and Thoothukudi Districts, as detailed below and an expenditure of Rs.17.51 crore has been incurred till 31.01.2010

(Rs.in crore)

Sl.No	Component	Allotment
1	Roads and Buildings	16.75
2	Street Lights and E.B.House Service Connection	1.05
3	Others	0.92
4	Project Administration	0.62
	Total	19.34

In the 18 Town Panchayats of Mamallapuram, Edaikazhinadu, Marakkanam, Kottakuppam, Killai, Parangipettai, Velankanni, Tharangampadi, Kanyakumari, Reethapuram, Manavalakurichi, Ganapathipuram, Mondaicadu, Palapallam, Puthalam, Ezhudesam, Kollencodu and Thiruchendur, approach and internal roads for 41.26 km, 943 street lights, EB house service connections to 6816 houses and public utility buildings such as Community halls, Library buildings

and SHG buildings, Kitchen sheds, Bus Shelters, Cremation sheds have been provided.

Effective steps have been taken to complete the road works under the project before 31.03.2010.



New Community Hall at Vedapatty



Bus Stand, Sankagiri



New Office Building, Alampalayam



Gasifier Crematorium, Oddanchatram



Cement Concrete Road at P.Mettupalayam



New Childrens' Park, Pappalapatti

5. Chennai Metropolitan Water Supply and Sewerage Board

The Chennai Metropolitan Water Supply and Sewerage Board (CMWSSB), was established under the CMWSS Board Act of 1978 and is vested with the responsibility of promoting and securing the planned development of water supply and sewerage services, creation of the needed infrastructure and the efficient operation and maintenance of these assets, allied with the preparation of perspective plans to meet future requirements in the Chennai Metropolitan Area.

At present, the Board provides services directly to nearly 55 lakh people in Chennai and some urban nodes adjacent to the city. The Board also caters to the water supply needs of nearly 19.00 lakh people in 12 Municipalities, 5 Town Panchayats and 3 Village Panchayats adjacent to the city.

5.1. Organisational Growth and Delivery of Services

In any city, it is imperative to provide safe drinking water and safe disposal of the sewerage for improving the environment and the quality of lives of its citizens. The Government is committed to provide water supply and sewerage services at reasonable rates.

The Board in the past 32 years of its functioning has significantly enhanced its capacity and infrastructure. The overall growth profile of the Board since its formation in 1978 is as indicated:

Details	Status in 1978	Present status (as on 06.04.2010)
Operational area (sq.km)	170	184
Population (in lakhs)	30	55
Water Supply		
Water supply (MLD)	240	580

Area covered with piped supply	80%	100%
Length of water mains (Km)	1250	2930
No. of Distribution stations	3	16
Water treatment capacity (MLD)	182	1294
No.of consumers	116000	497811
Sewerage System		
Area covered with sewer mains	74%	100%
Length of sewer mains (km)	1223	2677
No. of Pumping stations	58	194
Sewage treatment capacity (MLD)	57	486
No.of consumers	114000	598249

5.2 Water Supply Management

5.2.1 Sources of water supply

Providing safe drinking water in adequate quantity to the people of Chennai city is the

prime and consistent endeavor of the Board. The requirement is met by drawing water from the surface reservoirs around Chennai city such as the Sathyamurthy Sagar at Poondi, Redhills, Cholavaram and Chembarambakkam, Veeranam lake in Cuddalore District, besides water received from the Kandaleru reservoir under Krishna Water Supply Project. The Board has maintained daily water supply to Chennai city for the past four years. Presently, the Board supplies nearly 600 Million Litres a day (MLD) of which about 500 to 525 MLD is supplied to the domestic consumers in the city and about 75 MLD to the industries, bulk consumers, commercial establishments and local bodies within the Chennai Metropolitan Area.

5.2.2 Augmentation of water supply sources

All the sources of water supply for Chennai city are dependent on monsoon rainfall and whenever this is deficient, the city experiences water scarcity. Further, Chennai and its surrounding areas have experienced high economic growth, especially in the manufacturing and service sectors. This has led

to rapid development resulting in a consequential sharp increase in water demand, thereby exerting pressure on scarce water resources. Therefore, taking into account, the long-term drinking water requirements of the city and to drought proof the Metropolis, Government has gone in for Desalination Plants. The CMWSS Board has accordingly taken action to install two Seawater Desalination Plants of 100 MLD capacity each, on the East Coast, one at Minjur and another at Nemmeli.

5.3 Desalination Plant at Kattupalli / Minjur

The Board is engaged in setting up a Desalination plant at Kattupalli near Minjur on a DBOOT basis. It has entered into a Bulk Water Purchase Agreement (BWPA) with the Special Purpose Vehicle viz., The Chennai Water Desalination Limited (CWDL) formed by M/s. IVRCL Infrastructure and Projects Limited and M/s. BEFESA Construction Y Technologia Ambiental Limited of Spain. The agreement will be in force for a period of 25 years from the date of commissioning of the plant. During this period, the CMWSSB will purchase water from M/s. CWDL

as per the terms and conditions stipulated in the BWPA. In accordance with the agreement, it is the responsibility of the company to design, construct, commission and operate the plant. Most of the works have been completed except the seawater intake and outfall pipelines. The company experienced certain difficulties in laying the seawater intake and the brine discharge pipelines as per the original technical requirement. Therefore, it had come out with an alternate proposal, for this item of work. The Board has given its concurrence to lay the pipelines as per the revised proposal subject to certain conditions. The company is now engaged in executing these works, which are expected to be completed shortly, after which the plant will be commissioned.

5.4 Desalination Plant at Nemmeli

As a solution to the long term drinking water requirements of Chennai city and for drought-proofing the city, another 100 MLD Desalination plant is being set up at Nemmeli on the East Coast Road. This plant is being implemented with financial assistance from the Government of India.

The project has been divided into two packages. The package comprising the work of construction of the plant and its operation & maintenance for 7 years has been awarded at a cost of Rs.1033.68 crore (Rs.533.38 crore towards construction cost and Rs.500.30 crore towards O&M cost for seven years) and the other package relating to the work of laying pipelines and associated infrastructure, to convey the water to the city, has been awarded at a cost of Rs.122.50 crore, including Rs.1.02 crore for operation & maintenance of the infrastructure for 7 years. Considering the special nature of work, the Board has appointed a Project Management and Supervision Consultant to supervise the construction work of the plant at a cost of Rs.13.46 crore. The Hon'ble Deputy Chief Minister inaugurated work on the construction of this plant on 23.02.2010. Presently the work is in progress and is scheduled to be completed by December 2011.

5.5 Identification of additional sustainable water sources

As per the City Development Plan, the water requirement of Chennai Metropolitan Area in the

year 2026 is estimated to be 2248 MLD, whereas the maximum potential of the identified sources including the agreed quantity of 12 TMC per year from the Krishna river is only 1615 MLD, leaving a gap of 633 MLD. Further, during the period of deficient rainfall, the demand-supply gap further widens. Therefore, to meet the future demands of the Chennai Metropolitan Area, action has been initiated to identify additional water sources to an extent of 15 TMC per annum.

For this purpose, the Board has appointed a consultant to identify potential sources and to study the technical feasibility and financial viability of the scheme. The report of the consultants, including a Detailed Project Report, is expected by March 2011.

5.6 Sewerage Management

5.6.1 Collection, treatment and disposal of sewage

The sewage generated in the households and commercial establishments is collected in 194 sewage pumping stations through an extensive

network of 2677 km. From these pumping stations, the sewage is conveyed to sewage treatment plants and disposed after treatment. The present sewage treatment capacity of the Board is 486 MLD.

CMWSS Board has initiated action to increase its sewage treatment capacity. Two Sewage Treatment Plants, one each at Perungudi (60 MLD) and Nesapakkam (54 MLD) are under construction. With the completion of these plants, the Board will have a capacity to treat 600 MLD of sewage.

CMWSS Board has also initiated action to set up another Sewage Treatment Plant of 120 MLD capacity at Koyambedu. The Detailed Project Report for this plant is ready.

5.7 Operation and maintenance of sewerage systems

5.7.1 Mechanization of Operation & Maintenance

The Board has initiated concrete action to mechanize the operation and maintenance of

the city's sewerage network. In 2009-10, it has procured 10 Jet Rodding Machines, 1 Jetting cum Suction Machine and 45 Hydraulically Operated Desilting Machines with the grants received from the Government under the Part-II Scheme. The Board has now assessed the overall requirement of various machinery and equipment for the maintenance of the sewerage network as indicated:

Description	Total requirement	Availability	Shortfall
Hydraulically operated Desilting Machines	70	53	17
Jet Rodding Machines	81	56 *	25
Suction Machines	3	-	3
* It also includes one jetting cum suction machine			

The Board will procure 25 Jet Rodding Machines, 3 Suction Machines and 17 Desilting Machines in

the current year. Government has also permitted procurement of this equipment from the funds available under the MLA's Constituency Development Scheme.

5.7.2 Sewerage system for Thiru Vi-Ka Industrial Estate, Guindy

The Board has completed the work of rehabilitation and upgradation of the sewerage system in the Thiru Vi-Ka Industrial Estate, Guindy at a cost of Rs.7.35 crore. The scheme has been inaugurated and put into use in December 2009. Nearly 5000 people in residential localities such as Labour Colony, Nagireddy Thottam and Arulayamman Pettai and 610 units in the Industrial Estate will benefit from this scheme.

5.8 Infrastructure under the Jawaharlal Nehru National Urban Renewal Mission (JnNURM)

Under the Jawaharlal Nehru National Urban Renewal Mission, Government has sanctioned 28 water supply and sewerage schemes for Chennai

city and the Urban Local Bodies adjacent to the city, towards creation of infrastructure, strengthening of the existing water supply and sewerage systems at an estimated cost of Rs.2032 crore. Of these, CMWSS Board has completed two projects in 2009-10. The other schemes are at various stages of implementation.

5.9 Water Supply Schemes

5.9.1 Projects for Chennai City

Construction of a sump cum pump house over the 90 cusecs canal near Poondi for conveyance of raw water to the Puzhal Water Treatment Plant

The work of construction of a sump cum pump house over the '90 cusecs canal' near Poondi, for conveying 100 MLD of raw water from Sathyamurthy Sagar lake at Poondi to the Puzhal Water Treatment Plant, has been completed at a cost of Rs.9.11 crore and commissioned in October 2009. At present, the Board transmits about 40 to 50 MLD of water through this facility. It will be gradually stepped upto 100 MLD.

5.9.2 Pipeline and associated infrastructure for the conveyance of product water from the Desalination Plant at Minjur

The work of laying a pipeline from the Desalination Plant at Minjur to the Puzhal Water Treatment Plant and associated infrastructure, was taken up at an estimated cost of Rs.93 crore under 2 packages. All the works have been completed and the system will be put into use once the Desalination Plant is commissioned.

5.9.3 Improvement works to the water supply system in Chennai city

In order to ensure adequate and equitable supply of water to Chennai city, CMWSSB has taken up the work of upgradation of four existing Water Distribution Stations, at Kilpauk, Anna Poonga, Southern Headworks and Kalaignar Karunanidhi Nagar, the strengthening of five distribution systems, at Kilpauk, Anna Poonga, Southern Headworks, Kalaignar Karunanidhi Nagar and Triplicane and other improvement works at an estimated cost of Rs.337.48 crore. Improvement work at the

Southern Head Works Water Distribution Station has been completed and the facility put into use. The remaining works are under progress and are programmed to be completed by the end of year 2010.

5.10 Watersupplyandsewerageinfrastructure along the IT Corridor (Rajiv Gandhi Salai)

The work of providing water supply and sewerage infrastructure along the Rajiv Gandhi Salai (IT Corridor) was taken up in 2007 at an estimated cost of Rs.41.77 crore. These works are at various stages of implementation. The work relating to water supply infrastructure will be completed in stages by December 2010. On completion of this project about 20 MLD of water could be supplied to the consumers along the IT Corridor. In the first phase, water will be supplied to the Tamil Nadu Slum Clearance Board tenements at Kannagi Nagar and Semmencheri by April 2010.

Similarly, work on an extensive sewerage collection system is under progress. The Board has also initiated action to set up two Sewage Treatment

Plants, one at Navalur (6MLD) and another at Sholinganallur (18 MLD).

The Board has also initiated action to establish a network of sewage pumping stations along the IT Corridor, for which a DPR for Rs.26.42 crore has been prepared. Work will be taken up during the current year.

5.11 Projects for Adjacent Urban Areas

The Government has sanctioned water supply schemes for the following local bodies within the Chennai Metropolitan Area. The Board is in the process of implementing these schemes, which are at various stages of execution.

5.11.1 Porur

The water supply scheme for Porur Town Panchayat has been taken up in two packages at an estimated cost of Rs.12.36 crore. Work on one package has been completed and will be put into use shortly. Work on the second package is under progress and is scheduled to be completed by August 2010.

5.11.2 Maduravoyal

The water supply scheme for Maduravoyal Municipality has been taken up in two packages at an estimated cost of Rs.23.30 crore. The work in respect of package-I has been completed and will be operationalised shortly. Work on the second package is expected to commence in April 2010.

5.11.3 Avadi

The water supply scheme for Avadi Municipality has been taken up in three packages at an estimated cost of Rs.103.84 crore. The work is under progress in all the three packages and is scheduled to be completed by November 2011.

5.11.4 Alandur

The water supply scheme for Alandur Municipality has been taken up in two packages at an estimated cost of Rs.64.39 crore. The work under both the packages is in progress and is scheduled to be completed by February 2012.

5.11.5 Ambattur

The water supply scheme for Ambattur Municipality, sanctioned at a cost of Rs.267.08 crore, has been taken up for implementation in September 2009. The work in all the three packages is under execution and is scheduled to be completed by November 2011.

5.11.6 Ullagaram -Puzhuthivakkam

The Government has sanctioned a water supply scheme for Ullagaram Puzhudivakkam Municipality at an estimated cost of Rs.24.24 crore. Work order has been issued and the work will commence shortly.

5.11.7 Thiruvottiyur

The water supply scheme for Thiruvottiyur Municipality has been sanctioned at an estimated cost of Rs.85.11 crore. For implementing the work the Board has received tenders and these are under evaluation. The work will be taken up in the current year.

5.11.8 Nerkundram

The Government vide G.O.(Ms.) No.43, MA&WS, dated 26.02.2010 has accorded its Administrative Sanction to implement a water supply scheme for Nerkundram Village Panchayat at an estimated cost of Rs.19.17 crore. The work will be taken up in the current year. The Board has invited tenders for implementing the scheme.

5.12 Sewerage Schemes

5.12.1 Projects for Chennai City

Construction of Sewage Treatment Plants at Perungudi and Nesapakkam

The composite capacity of the existing sewage treatment plants of the Board is 486 MLD. The Sewage Treatment Plants at Perungudi, Nesapakkam and Koyambedu are already saturated and face capacity constraints. In order to meet the future demand, the CMWSS Board is constructing an additional Sewage Treatment Plant at Perungudi with 60 MLD capacity at an estimated cost of Rs.61.19 crore. Works are in progress and these are scheduled to be completed by March 2011.

Further, construction of another Sewage Treatment Plant of 54 MLD capacity has been taken up at Nesapakkam at an estimated cost of Rs.58.87 crore. The work is in progress and is scheduled to be completed by February 2012.

5.13 Projects for Adjacent Urban Areas

The Government has sanctioned Under Ground Sewerage Schemes for the following urban local bodies within the Chennai Metropolitan Area. The Board is implementing these schemes, which are at various stages of execution.

5.13.1 Avadi

An Under Ground Sewerage Scheme for Avadi Municipality has been approved at an estimated cost of Rs.158.05 crore comprising of six packages. The work is in progress in four packages. For the remaining two packages, tenders have been received and these are under evaluation. For the STP package, work will be taken up after getting the formal clearance of the Tamil Nadu Pollution Control Board.

5.13.2 Ambattur

A Scheme for providing a sewerage system for the left out areas of Ambattur Municipality has been approved in four packages at an estimated cost of Rs.130.91 crore. The work is in progress for three packages. For the remaining package tenders have been received and are under evaluation. It will be taken up for implementation in the current year.

5.13.3 Tambaram

An Under Ground Sewerage scheme for Tambaram Municipality has been taken up at an estimated cost of Rs.160.97 crore in two packages. Work is in progress for one package. Work on the remaining package will be taken up in the current year.

5.13.4 Maduravoyal

An Under Ground Sewerage scheme for Maduravoyal Municipality has been taken up at an estimated cost of Rs.57.45 crore. The work is in progress on one package and the work on the other

package will be taken up for execution in the current year.

5.13.5 Ullagaram-Puzhuthivakkam

An Under Ground Sewerage scheme for Ullagaram-Puzhuthivakkam Municipality has been taken up at an estimated cost of Rs.28.08 crore. Work is in progress and is scheduled to be completed by March, 2012.

5.13.6 Porur

The work of providing an Under Ground Sewerage scheme to Porur Town Panchayat has been taken up at an estimated cost of Rs.38.29 crore. Work will be taken up in the current year.

Under Ground Sewerage Schemes for the following eight Town Panchayats have also been sanctioned by the Government in G.O.(D) 544, MA&WS Department, dated 24.12.2009.

Sl. No.	Name of the Town Panchayat	Project Cost (Rs. in crore)
1.	Perungudi	20.19
2.	Thirumazhisai	20.47
3.	Perungalathur	47.61
4.	Pallikaranai	58.61
5.	Peerkanaranai	21.29
6.	Chitlapakkam	25.79
7.	Sembakkam	61.82
8.	Madambakkam	54.45

Of the above, work on the scheme for Thirumazhisai has already commenced. For the remaining Town Panchayats, the work will be taken up in the current year.

5.14 Projects under TNUDP-III

CMWSS Board is implementing the following schemes under the TNUDP-III for various Municipalities.

5.14.1 Ambattur Sewerage Scheme Phase-II

The work of construction of a terminal pumping station and laying of force mains has been completed and commissioned at a cost of Rs.7.55 crore in August 2009.

5.14.2 Thiruvottiyur

An Under Ground Sewerage Scheme for Thiruvottiyur Municipality has been taken up at a revised cost of Rs.87.63 crore in 5 packages. The work is in progress for four packages and will be completed in the current year. Work on the construction of a Sewage Treatment Plant covered under package-I, will be taken up in the current year, after obtaining the mandatory clearance from the Tamil Nadu Pollution Control Board.

5.14.3 Pallavaram

An Under Ground sewerage scheme for Pallavaram Municipality has been taken up under the TNUDP-III at an estimated cost of Rs.71.50 crore. Most of the works relating to the sewerage collection system and pumping stations have been

completed. Work on the construction of a Terminal pumping station, was delayed consequent to litigation regarding the pumping station site. It has now commenced at an alternate location. This item of work is scheduled to be completed by January 2011. The scheme will be commissioned and put into use in 2010-11.

5.14.4 Madhavaram

An Underground Sewerage Scheme for Madhavaram Municipality has been taken up at an estimated cost of Rs.36.74 crore. Work is in progress and is scheduled to be completed by January 2012.

5.15 Employment

Considering the growing activities of CMWSSB and the expansion of water supply and sewerage infrastructure facilities in Chennai Metropolitan Area, it is imperative to have adequate manpower, both technical and non-technical, to meet the growing demand. Keeping this in view, the Board is taking action to recruit manpower in a phased manner.

The Board has recruited 354 employees in the past four years as indicated:

A	Appointment through the Employment Exchange	No. of Staff
1	Deputy Controller of Finance	1
2	Assistant Engineers	128
3	Draughtsman –cum-Surveyors	3
4	Lab Technicians	3
5	Heavy Vehicle Drivers	21
	Total	156
B	Appointment on Compassionate Grounds	No. of Staff
1	Field Workers	189
2	Typists	2
3	Junior Assistants	7
	Total	198
	Grand Total	354

5.16. Monitoring Consumer Grievances

5.16.1 Online grievances redressal

The CMWSS Board has taken several steps to improve the service delivery and for speedy redressal of consumer grievances. All the Area Offices, Depot Offices and the Head office are inter linked through a Wide Area Networking (WAN). The consumers, irrespective of their locations, can register their grievances in any of the offices and the registered grievances are instantly transferred through the Grievances Monitoring System to the concerned Depot office for necessary action. The action taken on such grievances/complaints is also monitored through this system.

Consumers can also register their complaints through the Board's website i.e. www.chennaietrowater.tn.nic.in and also through e-mail at cmwssb@md2.vsnl.net.

5.16.2 Open House Meetings

To improve the service delivery, the Board

conducts Open House Meetings in all the Area Offices between 10 A.M and 1 P.M., every Second Saturday of the month. These meetings are presided over by senior officers of the Board. The complaints/grievances/suggestions received during these meetings are attended to immediately. In 2009-10, 132 Open House Meetings were conducted.

5.16.3 24 Hour Grievances Redressal Cell

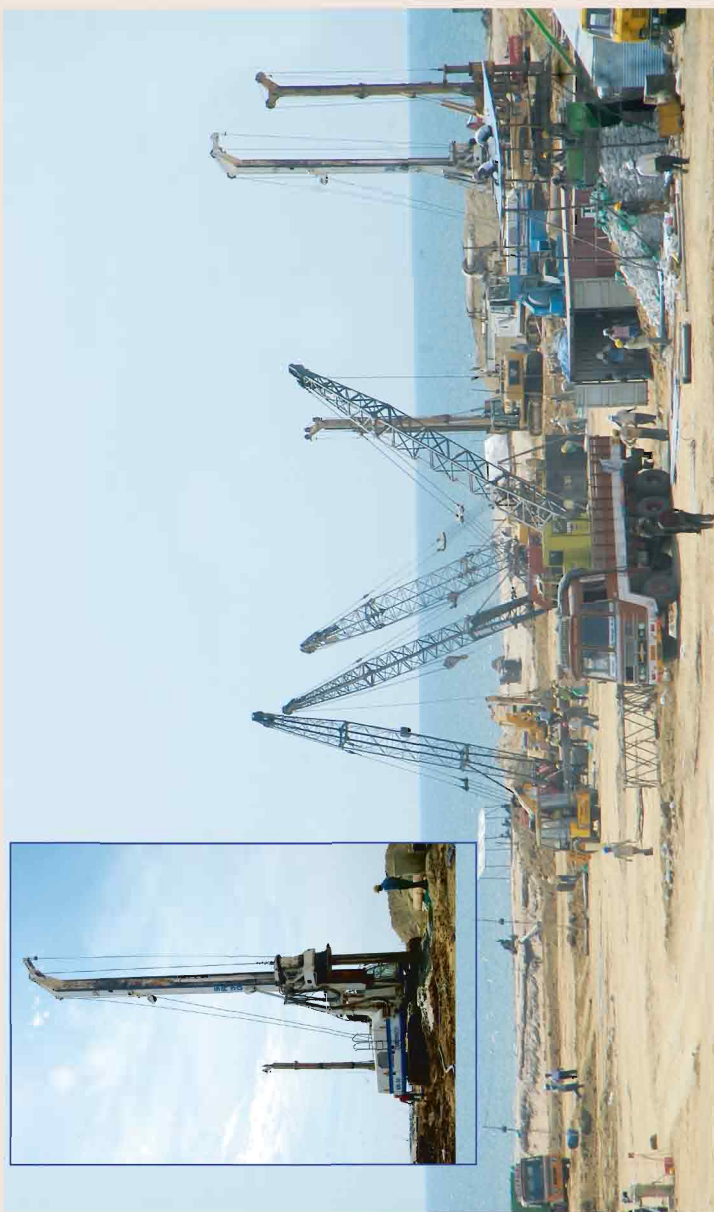
A 24 Hour Grievances Redressal Cell also functions at the Head Office. Consumers can register their complaints/grievances either in person or by dialing 28454030/28454040/28451314. The registered complaints/grievances are immediately transferred to the Depot Engineers, online and also over mobile phones and the complaints/grievances are attended to immediately.



Anthracite Filters at the Minjur Desalination Plant



Pipeline to convey water from Minjur to Chennai



Works in progress at the Nemmeli Desalination Plant



Raw Water Pump House, Poondi



Water Distribution Station, Porur



Work in progress at the Sewage Treatment Plant at Perungudi



Jet Rodding Machine in use



Over Head Tank and Pump House under construction at Kilpauk

6. Tamil Nadu Water Supply and Drainage Board

The Tamil Nadu Water Supply and Drainage Board was established by the TWAD Act of 1970 with the stated objective of providing protected water supply and sanitation facilities to Urban and Rural areas, with an organizational structure of four regions head quartered at Vellore, Coimbatore, Madurai and Thanjavur. The Head Office at Chennai is headed by the Chairman and Managing Director and supported by technical, financial and administrative wings. An exclusive project management unit has been created at Chennai with a Project Director to monitor and co-ordinate the Hogenakkal Water Supply and Fluorosis Mitigation Project. A project implementation unit with a Chief Engineer and support staff has also been stationed at Dharmapuri. The TWAD Board at present has a committed work force of 6913 technical and supporting staff.

The latest techniques of remote sensing and usage of GIS (Geographical Information Systems) are being extensively adopted for scientific source

detection. The sustainability of sources and recharging of ground water is ensured and implemented with financial assistance from Government of India and the State Government.

Water quality monitoring and surveillance is ensured by the ISO 9001:2000 Certified State Level Water Testing Laboratory, assisted by district and sub-divisional laboratories. A Communication and Capacity Development Unit (CCDU) has been created to promote awareness among the beneficiaries pertaining to water quality, conservation, maintenance of rural water supply schemes and sanitation.

6.1 Rural Water Supply Schemes

TWAD Board gets financial assistance for the rural water supply schemes under the Minimum Needs Programme (MNP) from the Government of Tamil Nadu and from Government of India under the National Rural Drinking Water Programme (NRDWP). The Government of India has issued modified guidelines under the NRDWP in order to

provide drinking water security to every household in rural India. To achieve the goals in the water and sanitation sectors, a State Level Water and Sanitation Mission (SWSM) was formed in Tamil Nadu vide G.O.Ms.No.160, MAWS Department, dt.03.09.2009 for the effective implementation of works under the NRDWP, in accordance with the guidelines issued by the Government of India.

6.2 Coverage of rural habitations

In Tamil Nadu there are 92689 habitations, of which 10135 habitations are partially covered and 82554 are fully covered. During 2009-10, out of the 10,135 habitations taken up for implementation, 8000 have been covered.

6.3 Combined Water Supply Schemes

Combined Water Supply Schemes are being implemented where more than one local body, either rural or urban with a common source of water supply is involved. In 2009-10, thirty such schemes have been taken up with financial assistance under the

Minimum Needs Programme, National Rural Drinking Water Programme and with funding from financial institutions like the World Bank, NABARD and ADB. The following schemes have been completed and commissioned:-

Sl. No.	Nomenclature of the Scheme	Source of Funds	Estimated cost (Rs. in lakh)
1.	CWSS to Keelkodungalur and 76 habitations in Vandavasi Union in Thiruvannamalai District.	MNP	460.00
2.	CWSS to Allapuram and Thorapadi Townpanchayats in Vellore District.	MNP	380.00
3.	CWSS to 29 Rural habitations in 10 Panchayats of Thirumanur Union in Ariyalur District.	MNP	225.84
4.	CWSS 10 habitations in 3 Panchayats of Thirumanur Union from Andimadam CWSS in Ariyalur District.	MNP	47.10

5.	Providing infrastructure facilities to 20 rural habitations in Gangapuram, Tiruvachi and Sullipalayam Panchayats under CWSS to Chennimalai, K.C.Palayam and Perunthurai Town Panchayats in Erode District.	MNP	36.37
6.	CWSS to Annanagar and 7 other habitations in Kallal and Sakkottai Union in Sivagangai District.	MNP	28.80
7.	CWSS to Keelpennathur Town Panchayat and 165 rural habitations in Keelpennathur Union in Thiruvannamalai District.	MNP	1400.00
8	CWSS to 46 habitations in Thiruverambur Union in Tiruchirappali District.	MNP	498.00
9.	CWSS to 146 habitations in Manikandam Union of Tiruchirappali District and 5 habitations in Viralimalai Union in Pudukkottai District with bulk provision to 22 habitations in Anthanallur Union of Tiruchirappalli District, Power Grid Corporation of India Ltd. at Alandur and TNEB Quarters.	MNP	1312.00

10.	CWSS to Perunthurai, K.C. Palayam, Chennimalai, Nasiyanoor and Chithodu Town Panchayats and bulk provision to 44 wayside rural habitations in Erode District	MNP	2304.00
11.	Providing Water supply Improvements Scheme to Endapuli and 15 other habitations in Endapuli Panchayat in Periyakulam Union in Theni District	MNP	99.69
12.	CWSS to Vayalcheri and 19 other habitations in Thiruppuvanam Union in Sivagangai District	MNP	98.64
13.	Providing infrastructure to 6 Town Panchayats viz., Killiyur, Karungal, Kappiyarai, Thingalnagar, Vellimalai and Keelkulam under 79 coastal habitations CWSS in Kanyakumari District	MNP	215.00

14.	Providing WSIS to Vilathurai village panchayat including Thumbali and 11 other habitations under treatment unit of Kuzhithuraiyar CWSS in Kanyakumari District.	MNP	42.00
15.	Providing water supply to 43 rural habitations in Thoppur and Kammampatty Panchayats in Nallampalli Union in Dharmapuri District with bulk provision for 54 rural habitations in Salem District from CWSS to 136 fluoride affected habitations in Salem District.	MNP	423.00
16.	CWSS to 7 wayside habitations of M.Pudpatty Panchayat in T.Pet Union in Tiruchirappali District	MNP	28.70
17.	CWSS to 44 habitations in Thirukam puliyur and 6 other Panchayats in Krishnarayapauram Union in Karur District	MNP	410.00

18.	CWSS to Anthanallur and 7 other habitations in Anthanallur Union from Manikandam CWSS in Tiruchirappalli District.	MNP	29.98
19.	Providing infrastructure to 11 Town Panchayats viz., Palapallam, Reethapuram, Anjugramam, Ganapathypuram, Agastheeswaram, Thenthamaraikulam, Puthalam, Mandaikadu, Manavalakurichi, Kallukottam and Thengampudur and 19 wayside rural habitations under 79 Coastal habitations CWSS	MNP	464.60
20.	CWSS to Valacheripatty and 10 other habitations in Pudukkottai Union from tapping point 2 Aneer Athanakottai sump from CWSS to 706 habitations	MNP	36.20

21.	CWSS to Adalur and Kochavayal habitations in Reddiyarchatram Union	MNP	29.22
22.	CWSS to Kannayiruppu and 8 other habitations in Sivagangai Union	MNP	46.54
23.	CWSS to 9 habitations in Pudukkottai Union from tapping point 2 near Athanakottai sump from CWSS to 706 habitations	MNP	34.80
24.	CWSS to 229 habitations in Buthalur, Thanjavur and Thiruvaiyaur Unions and Sastra University in Thanjavur District	MNP	2847.00
25.	CWSS to 130 habitations in Cherancode Panchayat in Gudalore Union in Nilgiris District.	MNP	656.60
	Sub Total (MNP Schemes)		12154.08

26.	CWSS to 79 coastal habitations with bulk provision to 17 Town Panchayats and 19 wayside habitations in Kanyakumari District.	ADB MNP	2802.00
27.	Treatment works for CWSS to Kuzhithurai yar, Painkulam, Pudukadai and Munchirai schemes in Kanyakumari District	ADB MNP	1400.00
	Sub Total (ADB & MNP Schemes)		4202.00
28.	CWSS to Arakkonam and Thiruthani Municipalities in Vellore and Thiruvallur Districts.	UIDSSMT	1357.00
29.	Ramanathapuram CWSS – CWSS to 5 Municipalities, 11 Town Panchayats and 3163 rural habitations in Ramanathapuram, Sivagangai and Pudukkottai Districts	UIDSSMT MNP NABARD	61600.00
	Sub Total (UIDSSMT, NABARD & MNP Schemes)		62957.00

30.	CWSS to Mugasipidariyar and Ottaparai Panchayats in Chennimalai Union under CWSS to Chennimalai, K.C.Palayam and Perunthurai Town Panchayats in Erode District.	AUWSP	190.83
Total			79503.91

6.4 Jalmani Programme

To provide good quality water to the children in the rural schools, Government of India has launched the "Jalmani" programme to install stand alone purification systems in one lakh schools throughout India during the current financial year at an estimated cost of Rs.20 crore. In Tamil Nadu this Programme was launched by the Hon'ble Deputy Chief Minister on the Children's day on 14th November 2008 at Karapakkam in Thiruvallur District. In 2074 Government Schools in the rural areas, stand-alone water purification systems have been provided during 2008-09 at a cost of Rs.4.14

crore. Considering the successful implementation of the programme, the Government of India has allocated an additional tranche of Rs.4.14 crore to provide stand alone water purification systems in another 2074 rural schools in 2009-10.

6.5 Special Programmes

The Government of Tamil Nadu is committed to provide good quality drinking water to all the Anganwadis, SC/ST habitations and Government schools. The following schemes have been completed under the above programme, in 2009-10.

1. Water supply storage facilities have been provided to 3413 Anganwadis.
2. 34 Over Head Tanks have been constructed in SC/ST habitations.
3. Water Supply facilities have been provided to 1830 Government schools in rural areas.

4. Under rejuvenation schemes, repairs have been carried out for 982 defunct Water Supply Schemes identified in rural schools.
5. New Over Head Tanks have been constructed in the place of 270 dilapidated OHTs.
6. 1089 recharge structures such as Check dams, Percolation ponds, Ooranies, recharge structures and shafts have been constructed to improve the sustainability of drinking water sources.

6.6 Urban Water Supply Schemes

The present status of water supply in the urban towns in the state excluding Chennai Metropolitan area is as below:

	Range			
Corporations	(110 lpcd and above)	(70-109 lpcd)	(Less than 70 lpcd)	Total
	2	7	0	9

	Range			
Municipalities	(90 lpcd and above)	(50 – 89 lpcd)	(Less than 50 lpcd)	Total
	46	86	16	148

	Range			
Town Panchayats	(70 lpcd and above)	(40 – 69 lpcd)	(Less than 40 lpcd)	Total
	312	237	12	561

6.7 Water Supply Schemes to Towns implemented under the Minimum Needs Programme

Schemes completed

Sl. No.	Locations	Estimated cost (Rs. in lakh)
1	WSIS to Chennimalai Town Panchayat under CWSS to K.C. Palayam, Perundurai in Erode District.	731.90
2	WSIS to Perundurai Town Panchayat in Erode District	647.53
3	WSIS to K.C. Palayam Town Panchayat in Erode District	642.35
4 & 5	CWSIS to Allapuram and Thorapadi Town Panchayats in Vellore District	380.00
6	WSIS to Harur Town Panchayat in Dharmapuri District	279.00
7	WSIS to Nasiyanur Town Panchayat in Erode District.	232.30

Sl. No.	Locations	Estimated cost (Rs. in lakh)
8	WSIS to Kollankoil Town Panchayat in Erode District.	227.00
9	WSIS to Ullundurpet Town Panchayat in Villupuram District	223.00
10	WSIS to Bathlagundu Town Panchayat in Dindigul District	210.00
11	WSIS to Edaikazhinadu Town Panchayat in Kancheepuram District	190.77
12 16	CWSS to Killiyur, Karungal, Thingal Nagar, Vellimalai and Kilkulam Town Panchayats in Kanyakumari District	167.85
17	WSIS to Puliyur Town Panchayat in Karur District	167.70
18	WSIS to Vadalur Town Panchayat in Cuddalore District	99.60
19	WSIS to Arasiramani Town Panchayat in Salem District	49.37

Sl. No.	Locations	Estimated cost (Rs. in lakh)
20	WSIS to Kappiyarai Town Panchayat under CWSS to 6 Town Panchayats in Kanyakumari District	47.15
21	WSIS to Marandahalli Town Panchayat in Dharmapuri District	45.70
22	WSIS to Elampillai Town Panchayat in Salem District	29.62
23	WSIS to Eraniel Town Panchayat in Kanyakumari District	26.70
24	WSIS to Nannilam Town Panchayat in Thanjavur District	25.00
25	WSIS to Papparapatty Town Panchayat in Dharmapuri District	14.75
26 to 30	CWSS to Mandaikadu, Manavalakrichi, Ganapathypuram, Kallukootam and Reethapuram Town Panchayats in Kanyakumari District	192.74
Total		4630.03

6.8 Schemes implemented under the Urban Infrastructure Development Scheme for Small and Medium Towns

Schemes completed

Sl. No.	Locations	Estimated Cost (Rs. in lakh)
1 to 5	Ramanathapuram, Paramakudi, Rameswaram, Keelakarai & Sivaganga Municipalities Water Supply Improvements Scheme under Ramnad CWSS	19115.00
6 to 16	Mandapam, Sayalkudi, Kamuthi, Abiramam, Mudukulathur, Ilayankudi, Thirupattur, Poonamaravathi, RS Mangalam, Nerkuppai & Thondi Town Panchayats Water Supply Improvements Scheme under Ramnad CWSS	9113.60
17 & 18	CWSS to Arakkonam & Thiruthani Municipalities in Vellore District and Thiruvallur District	1357.00
19	WSIS to Manimuthar Town Panchayat in Tirunelveli District	130.84
	Total	29716.44

6.9 Schemes Implemented under the JnNURM

Scheme completed

Sl. No.	Location	Estimated cost (Rs. in lakh)
1	WSIS to Tambaram Municipality in Kancheepuram District	3261.60

6.10 Under Ground Sewerage Schemes

Under Ground Sewerage Schemes are under implementation by TWAD Board with the financial assistance extended by the following Agencies:

1. UIDSSMT (GOI)
2. Tamil Nadu Urban Development Project-III (World Bank Assistance)
3. Japan International Co-operation Agency (JICA)
4. Kfw-German Funding Agency

6.11 Schemes sanctioned under Urban Infrastructure Development for Small and Medium Towns

Sl. No.	Nomenclature of the Scheme	Estimated cost (Rs. in lakh)
1	UGSS to Ariyalur Municipality in Ariyalur District	2750.00
2	UGSS to Thiruchendur Town Panchayat in Thoothukudi District	1448.00
3	UGSS to Sevilimedu Town Panchayat in Kancheepuram District	917.50
4	UGSS to Mamallapuram Town Panchayat in Kancheepuram District	608.00
5	UGSS to Maraimalai Nagar Municipality in Kancheepuram District	375.00
Total		6098.50

6.12 Schemes sanctioned under Tamil Nadu Urban Development Project-III

Completed Scheme

Sl. No.	Location	Estimated cost (Rs. in lakh)
1	UGSS to omitted areas in Udhagamandalam Municipality	572.00

Schemes under implementation

Sl. No.	Nomenclature of the Scheme	Estimated cost (Rs. in lakh)
1.	UGSS to Thoothukudi Corporation	8000.00
2.	UGSS to Cuddalore Municipality	6514.00
3.	UGSS to Nagapattinam Municipality	4943.00
4.	UGSS to Pudukkottai Municipality	4816.00
5.	UGSS to Theni Municipality	4004.00
6.	UGSS to Thiruvarur Municipality	3926.00
7.	UGSS to Tiruvannamalai Municipality	3776.00
8.	UGSS to Thiruvallur Municipality	3539.00

Sl. No.	Nomenclature of the Scheme	Estimated cost (Rs. in lakh)
9.	UGSS to Krishnagiri Municipality	3396.00
10.	UGSS to Ramanathapuram Municipality	3000.00
11.	UGSS to Sivagangai Municipality	2340.00
12.	UGSS to Perambalur Municipality	2338.00
13.	UGSS to Virudhunagar Municipality	2325.00
14.	UGSS to Namakkal Municipality	2223.00
15.	UGSS to Dharmapuri Municipality	1653.00
16.	UGSS to Chinnamanur Municipality in Theni District	1452.00
Total		58245.00

6.13 Schemes sanctioned under Japan International Co-operation Agency

Sl. No.	Locations	Estimated cost (Rs. in lakh)
1	UGSS to Chidambaram Municipality in Cuddalore District	4400.00
2	UGSS to Pattukottai Municipality in Thanjavur District	3390.00

3	UGSS to Rameswaram Municipality in Ramanathapuram District	1472.00
Total		9262.00

6.14 Schemes sanctioned under KfW

Sl. No.	Location	Estimated cost (Rs. in lakh)
1	UGSS to Villupuram Municipality	3567.00

6.15 Special Projects

6.15.1 Ramanathapuram Combined Water Supply Scheme

In G.O.Ms.No.146, MA&WS, dt.01.12.2006 the Government of Tamil Nadu had sanctioned a major combined water supply scheme to benefit 5 Municipalities, 11 Town Panchayats and 3163 rural habitations in 18 Panchayat Unions of Ramanathapuram, Sivaganga and Pudukkottai Districts covering a population of 15.75 lakh with River Cauvery as the source near Mutharasanallur and Kadiyakurichi at a cost of Rs.616.00 crore.

Work on the scheme commenced on 30.01.2007. It was commissioned on 11.06.2009 and has greatly benefited these three Districts.

6.15.2 Hogenakkal Water Supply and Fluorosis Mitigation Project

In G.O (Ms.) No. 26, MA&WS Department, dated 25.02.2008, orders were issued according in principle approval for the implementation of the Hogenakkal Water Supply and Fluorosis Mitigation Project in 3 Municipalities, 17 Town Panchayats and 6755 Rural habitations in 18 Panchayat Unions of Dharmapuri and Krishnagiri Districts at a cost of Rs.1334.00 crore to instal and Rs.51.65 crore to maintain the scheme annually, with a mix of loan assistance from JICA (Japan International Cooperation Agency) and the MNP Funds.

In G.O.Ms.No.19, MA&WS Department, dated 29.01.2010, a revised Administration Sanction was accorded for the project, in two phases, at a total cost of Rs.1928.80 crore.

The Government also accorded the sanction of Rs.318.35 crore for the Operation and Maintenance cost of the scheme for five years at the rate of Rs.63.67 crore per annum. The funding pattern is as detailed below:-

(Rs. in crore)

		Phase I	Phase II	Total
1.	Japan International Co-operation Agency (JICA) Loan assistance	1117.26	468.34	1585.60
2.	Minimum Needs Programme Fund	220.07	87.41	307.48
3.	Shares of Urban Local Bodies	25.57	10.15	35.72
	Total	1362.90	585.90	1928.80

6.16 The Project comprises 5 packages

6.16.1 Package I

Raw water intake, a Water Treatment Plant, Raw Water and a Treated Water Transmission main to a length 11.50 km, a Booster, a Master Balancing Reservoir (MBR) and SCADA

6.16.2 Package II

A Trunk main from the Master Balancing Reservoir at Madam to Uthangarai, Feeder mains to a length of 2457 km covering 1698 habitations in the five Unions Pennagaram, Nallampalli, Dharmapuri, Mathur and Uthangarai, and two Town Panchayats of Pennagaram and Uthangarai and Dharmapuri Municipality

6.16.3 Package III

A Branch Trunk main from the Trunk Main to Package II, and Feeder Mains to a length of 1453 km covering 1035 habitations in three Unions viz., Morappur, Harur, Papireddipatti, and five Town Panchayats viz., B.Mallapuram, Harur, Kadathur, Kambainallur and Papireddipatti

6.16.4 Package IV

A Pumping main from a common booster station to a length of 2337 km covering 1631 habitation in the five Unions of Veppanapalli, Kelamangalam, Thali, Sulagiri and Hosur and three Town Panchayats of Mathagiri, Kelamangalam, Denkanikottai and Hosur Municipality

6.16.5 Package V

A Common Trunk Main from the Master Balancing Reservoir at Madam to Palacode for Package IV & V, feeder Mains etc., to a length of 4654 km covering 2391 habitations in the five Unions of Palacode, Karimangalam, Bargur, Krishnagiri and Kaveripattinam, and the seven Town Panchayats of Kariamangalam, Marandahalli, Palacode, Paparapatti, Bargur, Kaveripattinam, Nagojanahalli and Krishnagiri Municipality

(Packages I, II, III & V will be implemented under Phase I and Package IV will be implemented under Phase II)

6.17 The present status of the project is as indicated:

Phase I

The loan agreement has been signed with JICA for Phase-I on the 10th of March 2008 for Rs.899.10 crore

The Project has been sliced into 5 packages for prompt implementation.

Phase II

The loan agreement has been signed with JICA for Phase-II on the 31st of March 2009 for Rs.686.50 crore.

6.18 Package I of Phase-I

Package I

Works have been awarded to M/s. IVRCL Infrastructures and Project Limited, Hyderabad. The agreement was also concluded for an amount of Rs. 237.19 crore on 19.2.2010. Coffor Dam works at the site of the head works and earth work excavation works at the Madam Master Balancing Reservoir site are under progress.

As far as the remaining packages are concerned, these are under various stages of scrutiny and evaluation.

6.19 Tsunami Relief Measures

To provide permanent, safe and sustainable Water Supply for all the Tsunami affected Towns and Rural habitations in 10 coastal Districts, 40 schemes comprising 36 Water Supply Schemes and 4 Recharge Structures have been taken up under Tsunami Emergency Assistance Project (TEAP) with Asian Development Bank (ADB) assistance at a cost of Rs.84.37 crore vide G.O. Ms. No.597, Revenue (NC.IV.I) Department, dated 24.10.2005 – Rs.82.18 crore and G.O. Ms. No.49, Revenue (NC.IV.I) Department, dated 30.1.2008 – Rs.2.19 crore.

All the 40 schemes have been completed.

For providing Sanitation facilities to Tsunami permanent shelters (16 packages) in Town Panchayats and Municipal areas in six coastal Districts, Rs.30.00 crores had been allotted under the Emergency Tsunami Reconstruction Project with World Bank Assistance vide G.O. Ms. No.333, Revenue (NC.IV.I) Dept. dated 26.6.2007 for Rs.29.37 crore and G.O. Ms. No.61, Revenue (NC. IV.I) Department, dt.7.2.2008 – Rs.0.626 crore.

Out of 16 packages, works in 5 packages have been completed. These are under progress in 10 packages. In the remaining package, work will be taken up shortly and completed by March 2011.

6.20. Part II schemes for 2009-10:

Approval has been accorded by the Government vide G.O. (D) No.342, MA&WS, Department dt.30.07.2009 for establishing Supervisory Control and Data Acquisition Systems (SCADA) to monitor and control the water distribution systems consisting of pumping stations, treatment plants, control system like valves and various other flow/pressure monitoring and regulating devices in the following Water Supply Schemes, at an estimated cost of Rs.700.00 lakh.

1. CWSS to 249 habitations in Annur and Avinashi Union in Coimbatore District.
2. Muthur-Kangeyam CWSS in Erode District.

3. CWSS to 240 habitations in Andimadam Union in Ariyalur District.
4. Manur CWSS in Tirunelveli District.

Tenders for the above works has been called for, and these will be implemented expeditiously.



Coffer Dam works at Hogenakkal



Hogenakkal Master Balancing Reservoir works at Madam



Raw Water Pumping Station, Athupollachi



Over Head Tank, Arakkonam



Sewage Treatment Plant, Thanjavur



Clariflocculator at Thudichikulam

7. Tamil Nadu Urban Development Fund

The Tamil Nadu Urban Development Fund, was established in the year 1996 as a Trust under the Indian Trust Act, 1882, with contributions from the Government of Tamil Nadu and three institutions viz., ICICI Bank Limited, Housing Development Finance Corporation Limited and IL & FS Financial Services Limited. TNUDF is the first public-private partnership providing long term finance for civic infrastructure on a non-guarantee mode, in the country.

The Tamil Nadu Urban Infrastructure Trustee Company Limited (TNUITCL) is the Trustee of TNUDF, which prescribes the policies and procedures for the operation of TNUDF. The Tamil Nadu Urban Infrastructure Financial Services Limited (TNUIFSL) is the fund manager of TNUDF. The total corpus of the Fund is Rs. 199.60 crore, of which a sum of Rs. 142.91 crore is contributed by the Government of Tamil Nadu.

The Vision of TNUDF is "To be a sustainable financial intermediary that enhances the flow of private capital to the urban sector in the State of Tamil Nadu and facilitate urban local bodies to become capable and sustainable organizations, sensitive to stakeholders in providing the highest quality of urban services".

TNUDF finances basic service projects such as roads, bridges, storm water drains, sewerage & sanitation, water supply and solid waste management and commercially viable remunerative projects such as bus stands, market complexes executed by the Urban Local Bodies. Currently the fund is operating three external lines of credit, viz, Tamil Nadu Urban Development Project III assisted by World Bank, Sustainable Municipal Infrastructure Financing –Tamil Nadu Program assisted by KfW and Tamil Nadu Urban Infrastructure Project assisted by the Japan International Cooperation Agency.

7.2 Tamil Nadu Urban Development Project III

TNUDF has successfully implemented the TNUDP II from 1999-2004 under the International Bank for

Reconstruction and Development (IBRD) Line of credit. During this period, the TNUDF had mobilized additional funds from other sources such as issue of bonds, and user contributions which were blended with the IBRD line of credit.

TNUDP III is broadly structured on the lines of TNUDP II and is intended to consolidate the achievements of TNUDP II.

The project consists of two components namely, the Institutional Development Component (IDC) and Urban Investment Component (UIC). The funds under the IDC are used to provide technical assistance and training needed to build capacity to further the devolution process, whereas funds under the UIC are used to provide long term loan and capital grant for the implementation of urban infrastructure projects by the Urban Local Bodies.

The total outlay of the project is about Rs.1885 crore with the World Bank assistance of Rs.1300 crore. Of the above Rs. 1885 crore, a sum of Rs.1227

crore is apportioned for the Urban Local Bodies and about Rs.651 crore are for the projects covered under the traffic and transportation component in the Chennai Metropolitan areas executed under the overall supervision of the Chennai Metropolitan Development Authority. The remaining amount is for the front-end fee. The project implementation period as originally contemplated was five years commencing from 19.10.2005.

Based on the findings of the Mid-Term Review on the implementation of the project, the World Bank requested the Government to restructure the TNUDP III. Accordingly, it was restructured during the Financial Year 2009-10. Although the total project cost and the assistance from the World Bank remains the same, a re-allocation of funds has been made among various components by reducing the funds under the transportation component.

Table 1 Funds reallocated due to the restructuring of the TNUDP III

Reduction in	Bank Finance	GoTN Finance	Total Funds	Total Funds (Rs. in crore)
	(US \$ Million)			
CMDA transportation component	87.50	22.00	109.50	503.70
Reallocated to				
Loans to ULBS	15.00	6.00	21.00	96.60
Grants to ULBS	66.00	16.00	82.00	377.20
Project Development Advisory Facility	6.00	0	6.00	27.60
Incremental cost to CMDA	0.50	0	0.50	2.30
Total	87.50	22.00	109.50	503.70

(Exchange rate @ Rs.46 /US \$)

As a result, the additional allocation as loans to the Urban Local Bodies is about Rs.96.60 crore and that of capital grants to these entities is Rs.377.20

crore. Based on the revised procurement and implementation plan of the sub-projects funded under the TNUDP-III, the project closure date has been extended to 31.3.2012.

Table 2 Funding pattern in the restructured TNUDP III

		Bank Finance	GoTN Finance	Total	Total (Rs. in Crore)
S. No	Component	(US \$ Million)			
1	Institutional Development Component	15.00	10.00	25.00	115.00
2	Urban Investment Component				
	- Loan to ULBs	125.00	56.00	181.00	832.60
	- Capital Grants to ULBs	112.50	64.00	176.50	811.90
	- Project Development Advisory	9.00	0	9.00	41.40
	- Grants to CMDA	37.00	4.00	41.00	188.60
	Sub total	283.50	124.00	407.50	1874.50

3	Others : Front End Fee	1.50	0	1.50	6.90
	Total Project Cost (1+2+3)	300.00	134.00	434.00	1996.40

(Exchange rate @ Rs.46 /US \$)

Initially, the Dedicated Water Supply Scheme for Salem Corporation was posed under the TNUDP III at a cost of Rs. 168 crore. However, due to subsequent changes in pipe material from Pre-Stressed Concrete pipes to Mild Steel (MS) pipes, the estimated project cost had escalated to Rs. 283.09 crore. However, because of the additional funding made available due to the restructuring of the project, an additional grant of Rs. 135.09 crore has been sanctioned. Tenders have also been invited for the scheme.

Further, Under Ground Sewerage Schemes implemented in 13 Urban Local Bodies have been re-appraised and the additional funding requirement of Rs. 210.22 crore (Rs.1.86 crore as loan and Rs.208.36 crore as capital grant) has been sanctioned, under the restructured TNUDP III.

Table 3 Additional funds sanctioned for Under Ground Sewerage Schemes

(Rs. in crore)

S. No.	Name of the Urban Local Body	Loan	Grant	Total
1	Namakkal Municipality	0	3.39	3.39
2	Ramanathapuram Municipality	0	0.58	0.58
3	Sivaganga Municipality	0	2.96	2.96
4	Thoothukudi Corporation	0	21.69	21.69
5	Dindigul Municipality	0	22.88	22.88
6	Chinnamannur Municipality	0	8.01	8.01
7	Vellore Corporation	0	9.87	9.87
8	Tiruvannamalai Municipality	0	13.06	13.06
9	Kancheepuram Municipality	1.86	1.24	3.10
10	Cuddalore Municipality	0	35.24	35.24
11	Pudukkottai Municipality	0	14.70	14.70
12	Tiruvottiyur Municipality	0	69.63	69.63
13	Pallavaram Municipality	0	5.11	5.11
	Total for UGSS	1.86	208.36	210.22

As on 28.02.2010, funds have been committed for 98 sub-projects under the TNUDP-III for which a sum of Rs.1175.02 crore (loan of Rs.524.41 crore and grant of Rs.650.61 crore) has been sanctioned under the investment component.

Table 4 Sub-projects funded under TNUDP III

(Rs. in crore)

SI No.	Sector	No. of Sub-Pro-jects	Sub-Pro-ject Cost	Loan Sanc-tioned	Grant Sanc-tioned	Total Sanc-tioned
1	Under Ground Sewerage Schemes	25	1023.17	270.71	435.67	706.38
2	Water Supply Schemes	18	402.04	108.30	191.77	300.07
3	Solid Waste Management schemes	32	26.33	15.30	8.01	23.31
4	Bus Stands	5	22.34	13.45	1.32	14.77
5	Roads	17	179.16	97.91	4.47	102.38
6	River Improvement	1	31.23	18.74	9.37	28.11
	Total	98	1684.27	524.41	650.61	1175.02

Of the above 98 sub-projects for which funds were committed under TNUDP-III, 66 sub-projects have been completed.

Table 5 Sub-projects completed under TNUDP III

Sl. No.	Sector	No. of Sub-Projects
1	Under Ground Sewerage Schemes	1
2	Bus Stands	3
3	Water Supply Schemes	13
4	Roads	17
5	Solid Waste Management Schemes	32
	Total	66

The Under Ground Sewerage Scheme in Ooty has been completed. Of the five Bus stand projects assisted under the scheme, three viz., Pollachi, Poonamalle (Phase I) and Palani have been completed.

Under the water supply category, the schemes in Bodinayakanur, Kuzhithurai, Kuruchi & Kuniamuthur,

Kathivakkam and Krishnagiri have been completed. Further, road projects in 17 ULBs and solid waste management schemes in 32 ULBs have been completed.

There are 24 Under Ground Sewerage Schemes (viz. Salem, Thoothukudi, and Vellore Corporations, Tiruvottiyur, Pallavaram, Kancheepuram, Ramanathapuram, Dindigul, Sivaganga, Namakkal, Pudukkottai, Cuddalore, Tiruvannamalai, Chinnamannur, Ambattur, Tiruvarur, Dharmapuri, Virudhunagar, Perambalur, Krishnagiri, Tiruvallur, Theni, Nagapattinam and Madhavaram Municipalities) under implementation. Of the above, contracts have been awarded for all packages in 16 schemes (viz. Thoothukudi and Vellore Corporations, Pallavaram, Kancheepuram, Ramanathapuram, Dindigul, Sivaganga, Namakkal, Pudukkottai, Cuddalore, Tiruvannamalai, Chinnamannur, Tiruvarur, Dharmapuri, Tiruvallur, and Madhavaram Municipalities) and have been partially awarded for 7 schemes (viz. Salem Corporation, Tiruvottiyur, Ambattur, Virudhunagar, Perambalur, Krishnagiri and Nagapattinam Municipalities).

The River Improvement Project in Salem Corporation is a unique venture, taken up with the aim of cleaning up the Thirumanimuthar River and the Vellakuttai Oodai, at an estimated project cost of Rs. 31.23 crore. The project now under implementation will avoid flooding, and improve the free flow of water along the river. In addition, the project envisages the construction of three bridges. The works are in progress and are expected to be completed by June 2010.

7.3 Sustainable Municipal Infrastructure Financing –Tamil Nadu (SMIF – TN) Programme

The Government in its G.O.(Ms)No. 218, MAWS (MA.2)Department, dt.3.11.2008, had accorded its administrative sanction for the implementation of the SMIF-TN Program assisted by KfW, the German funding agency. The total outlay of the project is Rs. 500 crore, consisting of Rs.295 crore in the form of loans and about Rs.127 crore in the form of capital grants; about Rs.65 crore, for the Master Financing of Indenture(MFI) and Rs.13 crore of grants, for strengthening technical capacities. The

project implementation period will be 5 years from 2008 to 2011-2012.

This programme has been committed for seven sub-projects to be implemented at an estimated cost of Rs.496.25 crore. The financial assistance under this scheme will be Rs.288.72 crore (loans of Rs.187.52 crore and grants of Rs.101.20 crore).

Table 6 Financial assistance under the SMIF-TN Programme

(Rs. in crore)

Sl. No.	Sector	No. of Sub-Pro-jects	Sub-Pro-ject Cost	Loan San-ctioned	Grant San-ctioned	Other Sou-rces
1	Under Ground Sewerage	2	244.89	83.46	78.54	82.89
2	Water Supply	1	22.87	6.75	6.66	9.46
3	Roads & Storm Water Drains	3	65.98	44.87	16.00	5.11
4	Bridges	1	162.51	52.44	0	110.07
	Total	7	496.25	187.52	101.20	207.53

Of the above, the two Underground Sewerage Schemes in Erode Corporation and Villupuram Municipality, one Water Supply project in Tirunelveli Corporation, three sub-projects for under Roads and Storm Water Drains in Tiruchirappalli Corporation, Tiruppur Corporation and Panruti Municipality, are under implementation.

In Chennai, the TNUDF has provided part-funding assistance of Rs.52.44 crore for eight bridges, which were approved under the JnNURM.

7.4 Tamil Nadu Urban Infrastructure Project

The Government had accorded its Administrative Sanction in its G.O.(2D)No. 112, MAWS (MA.2) Department, dt.06.08.2008, for the implementation of the TNUIP assisted by the Japan International Cooperation Agency. The total outlay of the project is about Rs.345 crore, of which the JICA line of credit is about Rs.300.04 crore. The project consists of about Rs.198.25 crore towards loans, Rs.84.98 crore towards capital grants and Rs.16.81 crore towards technical assistance grants. The project

implementation period will be 5 years from 2008 to 2012-2013.

The financial assistance under the TNUIP has been committed for four sub-projects to be implemented at an estimated cost of Rs.235.62 crore. The financial assistance under this scheme will be Rs.194.16 crore (loans of Rs.109.18 crore and grants of Rs.84.98 crore).

Table 7 Financial assistance under TNUIP
(Rs. in crore)

Sl. No	Sector	No. of Sub-Pro-jects	Sub-Pro-ject Cost	Loan San-ctioned	Grant San-ctioned	Other Sour-c-es
1	Under Ground Sewerage Schemes	3	92.62	16.02	59.98	16.62
2	Water Supply	1	143.00	93.16	25.00	24.84
	Total	4	235.62	109.18	84.98	41.46

Three Underground Sewerage Schemes in Chidambaram, Pattukottai & Rameswaram are under procurement. The Water Supply Scheme

in Tiruchirappalli is under implementation at an estimated project cost of Rs.143.00 crore. The scheme has been divided into 8 packages, of which contracts have been awarded to six packages and works are in progress.

7.5 Financial Assistance to Town Panchayats

In addition to providing financial assistance to Corporations and Municipalities TNUDF is providing financial assistance to Town Panchayats also. The financial assistance of Rs. 2.38 crore has been sanctioned for construction of / improvements to 7 Bus Stands (viz., Oddenchataram, Sankagiri, Alangayam, Chetpet, Nambiyur, Manamadurai and Puduvayal Town Panchayats). Of the above, Sankagiri and Nambiyur Bus Stand projects have been completed. The remaining five projects are under implementation.

7.6 Chennai Rivers Restoration Trust

The Government made an announcement in the year 2006-07 that a park of international standards named the "Adyar Poonga" will be created at an

estimated cost of Rs. 100 crore covering the Adyar Creek and Adyar Estuary. In order to implement the project, the Government decided to form "The Adyar Poonga Trust". Accordingly the Trust was formed and registered under the Indian Trust Act, 1882 on 11.10.2006. The Board of Trustees of the Trust is headed by the Chief Secretary to Government.

In order to develop, manage and carryout other necessary implementation works associated with the Adyar Poonga, Government ordered the formation of a Special Purpose Vehicle in the name of "Adyar Poonga" under section 25 of the Companies Act, 1956. Accordingly, a company was incorporated on 30th October, 2008. The authorized share capital of the company is Rs. 10 lakhs and the entire amount has been contributed by the Government of Tamil Nadu.

It was then decided that the Adyar Poonga Trust may also co-ordinate and initiate work relating to the eco-restoration of rivers, water bodies and waterways in and around Chennai. Accordingly, Government issued orders to change the name of Trust to "The

Chennai Rivers Restoration Trust”(CRRT) in G.O. Ms. No. 15, Municipal Administration and Water Supply (MC 1) Department, dated 22.01.2010.

A draft MoU was approved by the Government in G.O. (Ms.) No.54, Municipal Administration and Water Supply Department, dated 17.03.2010 and was signed on 18th March, 2010 between CRRT and the Singapore Cooperation Enterprise. It facilitates the obtaining of expertise from the Singapore Cooperation Enterprise on various aspects of river restoration including preparation of a master plan, supporting the project management unit during implementation, devising and conducting capacity building programmes for engineers and executives involved in the river restoration effort.

7.7 Implementation of an Eco-Restoration plan in 58 acres at Adyar

A draft Ecological Restoration Plan for 58 acres was prepared in the year 2007 and after detailed public consultations and consultations with the representatives of various Non-Governmental Organizations (NGOs), the draft was finalized and

placed before the Hon'ble High Court. The Hon'ble High Court passed an order on 2nd January, 2008 stating that the State of Tamil Nadu through the Adyar Poonga Trust may proceed with the Adyar Poonga Ecological Restoration Plan, as per the detailed specifications contained in Volume II and III of the Ecological Restoration Plan and the Adyar Poonga Trust shall constitute a Project Monitoring Team consisting of representatives from NGOs and Government.

The letter of award for implementation of Eco-restoration was issued in April, 2008 and the work had commenced in June, 2008. The implementation period is 30 months.

A sum of Rs. 30 crore has so far been released by the Government to the Trust to carryout the works, of which a sum of Rs.15.15 crore has been spent on the preliminary and ongoing works upto 28.02.2010. The park is under construction and is expected to be completed by November 2010, as scheduled.

7.8 Preparation of an Eco-Restoration plan in 300 acres

The Adyar Creek and Adyar Estuary cover an area about 358 acres, of which implementation of ecological restoration is in progress in 58 acres. The preparation of Eco-Restoration Master Plan for the remaining 300 acres in the Adyar Creek / Adyar Estuary is nearing completion and the process of implementation of the plan will be initiated during the financial year 2010-11.

7.9 Tamil Nadu Urban Road Infrastructure Project

With a view to upgrade roads in the State to international standards, the Hon'ble Minister for Finance announced a massive scheme called "Tamil Nadu Urban Road Infrastructure Project", which would be implemented from the Financial Year 2008-09 in a phased manner. In the first phase, the scheme would cover the roads in those Urban Local Bodies where the work on the Under Ground Sewerage Schemes had already been completed. Government issued its administrative sanction

for the scheme in G.O.(Ms)No.235, MAWS(MA3) Department, dt.27.11.2008. A separate non-lapsable fund called the "Tamil Nadu Urban Road Infrastructure Fund (TURIF)" has been created, for implementing the scheme.

Government issued a further Administrative Sanction in G.O.(Ms)No.16, MAWS (MA3) Department, dt.11.02.2009, authorizing the appointment of Design, Supervision and Management consultants for developing urban road infrastructure in 12 Urban Local Bodies in the first phase of this scheme. These include Chennai, Tiruchirappalli, Tirunelveli, Madurai, Tiruppur, Alandur, Valasaravakkam, Mayiladuthurai, Kumbakonam, Karur, Inam Karur and Thanjavur. These towns excluding Chennai have been categorized into six packages based on geographical proximity and accordingly six consultants were appointed at a consultancy fee of Rs.18.05 crore. The timelines prescribed for completion of consultancy are furnished in Table 8.

Table. 8 Time Schedule

Outputs	Schedule
Inception Report	December, 2009
City Road Plan	April, 2010
Interim Report	June, 2010
Draft Final Report	August, 2010
Final Report	October, 2010

The consultants have submitted their inception reports, and the reports were technically scrutinized and approved by the Technical Review Committee as specified in the Government Order. The works relating to the preparation of the respective city road plans are now under progress.

7.10 Tamil Nadu Urban Infrastructure Financial Services Limited

The Tamil Nadu Urban Infrastructure Financial Services Limited (TNUIFSL) is a public limited company formed in 1996 under the Indian Companies Act, 1956, with an authorized capital of Rs.2.00 crore. The paid up share capital of the company is Rs.1 crore, of which a sum of Rs.49

lakhs is contributed by Government of Tamil Nadu and the balance amount is contributed by ICICI Bank Limited, Housing Development Finance Corporation Limited and IL & FS Financial Services Limited.

TNUIFSL manages the Tamil Nadu Urban Development Fund, the Water and Sanitation Pooled Fund, various Government Grant Funds, the activities of the Chennai Rivers Restoration Trust and the Adyar Poonga Company. TNUIFSL also undertakes the functions of project development, project appraisal, project structuring, resources mobilization and consultancy services.

The Government vide G.O.Ms. No. 484, Finance (Salaries) Department, dated 6th October 2009 has notified TNUIFSL as an optional consultancy agency under clause (f) of Section 16 of the Tamil Nadu Transparency in Tenders Act, 1998 (Tamil Nadu Act 43 of 1998).



Cement Concrete lining of Thirumanimuthar, Salem



Improved Thillai Nagar Main Road, Tiruchirappalli



Sewage Treatment Plant under construction, Dindigul



New Over Head Tank, Pollachi

8. Tamil Nadu Urban Finance and Infrastructure Development Corporation Limited

The Government of Tamil Nadu formed the Tamil Nadu Urban Finance and Infrastructure Development Corporation Limited (TUFIDCO) in 1990 as a State Government Company under the Companies Act, 1956. TUFIDCO was envisaged as a specialized agency to fulfill the needs of the infrastructure development in the urban local bodies of the State.

The organization is at present, the State Level Nodal Agency (SLNA) for the two sub-components, namely, Urban Infrastructure Governance (UIG) and Urban Infrastructure Development Scheme for Small and Medium Towns (UIDSSMT) of the Jawaharlal Nehru National Urban Renewal Mission, launched by the Government of India in December 2005.

8.1. Jawaharlal Nehru National Urban Renewal Mission

Recognizing the importance of infrastructure for sustained economic development, the Government

of India had launched this scheme on 03.12.2005, in 65 cities for a period of 7 years from 2005-06 to 2011-2012. Of the cities identified in India under this Mission, Chennai, Madurai and Coimbatore urban agglomerations have been taken up as Mission cities.

The JnNURM also mandates the implementation of several State level and Urban Local Body Level reforms.

8.2 Urban Infrastructure and Governance

8.2.1 Admissible components of this scheme

1. Water supply and Sanitation
2. Sewerage and Solid Waste Management
3. Storm Water Drains
4. Heritage Areas
5. Preservation of Water Bodies
6. Traffic and Transportation

8.2.2 Funding Pattern

City	GOI Share – Grant	GTN Share – Grant	ULB/FI Share
Chennai	35%	15%	50%
Coimbatore and Madurai	50%	20%	30%
Desalination projects	80%	10%	10%

The Government of India has so far sanctioned 52 Projects at an estimated value of Rs.5565.66 crore for Chennai, Madurai and Coimbatore, as indicated:-

Year	City	No. of projects sanctioned	Project cost (Rs. in crore)
2006-2007	Chennai	9	853.75
	Madurai	5	155.95
	Coimbatore	2	210.25
	Total	16	1219.95
2007-2008	Chennai	9	509.06
	Madurai	2	481.15
	Coimbatore	1	377.13
	Total	12	1367.34

2008-2009	Chennai	21	2538.12
	Madurai	1	201.42
	Coimbatore	1	58.83
	Total	23	2798.37
2009-2010	Coimbatore	1	180.00
	Total	1	180.00

Grand Total Rs.5565.66 crore

8.2.3 Projects Sanctioned Sector-Wise

Sector	Chennai	Madurai	Coimbatore	Total
Water Supply Projects	12	5	2	19
Solid Waste Management	2	1	1	4
Under Ground Sewerage	17	1	1	19
Roads / Flyovers	3	0	0	3
Storm Water Drains	4	1	1	6
Heritage	1	0	0	1
Total	39	8	5	52

8.2.4 Financial details

(Rupees in crore)

Sl. No.	Name of the City	Project Cost	GOI Share	GTN Share	FI Share /Own fund
1.	Chennai	3900.94	1404.83	580.75	1915.36
2.	Madurai	838.52	419.26	167.70	251.56
3.	Coimbatore	826.20	413.10	165.24	247.86
	Total	5565.66	2237.19	913.69	2414.78

8.3 Formation of a Programme Management Unit

The Government of India has directed the creation of a Programme Management Unit (PMU) at the State Level Nodal Agency. Hence, such a Unit has been constituted in TUFIDCO with six functional specialists as approved by the Government of India and has now been put in place.

8.4 Formation of Project implementation units for Chennai, Madurai and Coimbatore Corporations

With the intention of providing a thrust to capacity building, Project Implementation Units have been formed in each of the Mission Cities.

The Project Implementation Units for Coimbatore, and Madurai were sanctioned in G.O.(2D) No.105, MA&WS (MA2) Department, dated 26.06.2007. Subsequently, a composite P.I.U for Chennai with sub-structures for the Corporation of Chennai and Chennai Metropolitan Water Supply and Sewerage Board, Directorate of Municipal Administration and the Directorate of Town Panchayats have been sanctioned in G.O.(D) No.67, MA&WS (MAII) Department, dated 24.02.2010.

8.5 Formation of an Independent Review and Monitoring Agency

A mechanism for third party monitoring and review of projects sanctioned under the JnNURM has been devised. Based on the guidelines of the Government of India, an Independent Review and Monitoring Agency was finalized by TUFIDCO and approved by the Government of India on 24.07.2009. The agency has commenced its functioning and is in the process of evaluating each of the sanctioned projects being executed under the Scheme.

8.6 Details of completed Projects

Out of the 52 projects sanctioned, 7 projects have already been completed.

Sl. No.	Name of the Project	Project Cost (Rs. in crore)	Date of Completion
1.	Improvement of Water Supply at Madurai - (Vaigai II Water Supply Scheme)	59.32	March 2009
2.	Sea Water Desalination Plant – Pipeline – CMWSSB	87.80	April 2009
3.	Construction of a Sump cum pump house over 90 cusecs canal near Poondi reservoir for raw water treatment plant	9.11	August 2009
4.	Construction of three Checkdams – Madurai Corporation	4.77	September 2009
5.	Improvement of Water Supply to Tambaram	32.62	October 2009
6.	Construction of a High level Bridge across Adyar river at Alandur Road	5.48	October 2009.
7.	Construction of Rail Over Bridge at Perambur	32.87	March 2010
	Total	231.97	

8.7 29 projects are in various stages of execution

Sl. No.	Name of the Project	Project Cost (Rs. in crore)	Date of Completion
1.	Strengthening of water supply scheme in Chennai – CMWSSB	322.00	Dec. 2011
2.	Improvement of water supply and drainage to IT Corridor	41.77	Dec. 2010
3.	STP – Perungudi	31.48	April 2011
4.	Solid Waste Management to Chennai Corporation	255.32	June 2010
5..	Construction of RoBs and RuBs (6 Nos) in Chennai	44.41	March 2011
6.	Porur Water Supply	12.36	Dec. 2010
7.	Maduravoyal Water Supply	23.30	March 2011
8.	Avadi Water Supply	103.84	April 2011
9.	Ullagaram Puzhuthivakkam – UGSS	28.08	Dec. 2011
10.	UGSS - Avadi Municipality	158.05	Dec. 2011
11.	UGSS - Ambattur Municipality	130.91	Dec. 2011

12.	Solid Waste Management for Alandur, Pallavaram and Tambaram Municipalities	44.21	May 2011
13.	STP Nesapakkam	54.57	May 2011
14.	Chennai Corporation Storm Water Drain – (Northern Basin)	359.86	Dec. 2011
15.	Chennai Corporation Storm Water Drains – (Central Basin)	345.00	Dec. 2011
16.	Chennai Corporation Storm Water Drains – (Eastern Basin)	444.07	Dec. 2011
17.	Chennai Corporation Storm Water Drains – (Southern Basin)	298.97	Dec. 2011
18.	UGSS- Tambaram Municipality	160.96	June 2011
19.	UGSS – Maduravoyal Municipality	57.45	June 2011
20.	Ambattur Water Supply	267.08	Apr. 2011
21.	Heritage Precincts along EVR Periyar Salai, Chennai Corporation	6.10	May 2011
22.	Coimbatore – Water Supply	113.74	Apr. 2011
23.	Solid Waste Management - Coimbatore	96.51	April 2010

24.	UGSS - Coimbatore	377.13	April 2011
25.	Solid Waste Management - Madurai	74.29	June 2010
26.	Combined Water Supply - Thiruparankundram & Harvey Patti	9.69	June 2010
27.	Water Supply - Aanaiyur	7.88	June 2010
28.	Storm Water Drains to Madurai Corporation	251.81	Dec. 2010
29.	UGSS - left out areas of Madurai Corporation	229.34	May 2011
	Total	4350.18	

8.8 The following 12 projects will be completed in 2010- 2011

Sl. No.	Description of the Projects	Project cost (Rs. in crore)
1.	Solid Waste Management to Madurai Corporation	74.29
2.	Solid Waste Management to Coimbatore	96.51
3	Combined water supply scheme to Thiruparan-kundram Municipality and Harveypatti Town Panchayat at Madurai	9.69

4	Water Supply scheme to Aanaiyur Municipality at Madurai	7.88
5	Solid Waste Management Scheme - Chennai Corporation	255.32
6.	Improvement of water supply and sewerage to IT Corridor	41.77
7.	Construction of RoBs and RuBs (6 Nos) in Chennai	44.41
8.	Improvement of water supply to Porur Town Panchayat	12.36
9	Construction of Storm Water Drains - Madurai Corporation	251.81
10	Solid Waste Management for Alandur, Pallavaram and Tambaram	44.21
11.	Conservation of Heritage precincts along EVR Salai, Chennai	6.10
12	Improvement of water supply - Maduravoyal Municipality	23.30
	Total	867.65

8.9 Purchase of Buses as part of the Economic stimulus package under the JnNURM

8.9.1. Sanction

Under the economic stimulus package, the Government of India in its 69th Central Sanctioning

and Monitoring Committee (CSMC) meeting dated 20/21.2.2009 sanctioned the augmentation of the fleet of the State Transport Undertakings with 1600 buses for Chennai, Madurai and Coimbatore as detailed below:

Sl. No.	City	No. of A.C. Buses	Cost per unit (in lakhs)	No. of Semi low floor buses	Cost per unit (in lakhs)	Total cost (in crores)	Original approved cost (in crores)
1.	Chennai	100	70	900	19.49	245.41	295.92
2.	Madurai	0		300	19.49	58.47	88.78
3.	Coimbatore	0		300	19.49	58.47	88.78
	Total	100	70	1500		362.35	473.48

Out of the 1600 buses, 1500 buses are semi low floor non A.C. buses and 100 are A.C. buses.

8.9.2 Release Details

The Government of India released Rs.96.17 crore vide its letter Nos. F.No.59 (2)/PF1/2008-551, F.No.59(2)/PF1/2008-560 and F.No.59(2)/

PF1/ 2008-604, dated 27.02.2009, 06.03.2009 and 26.03.2009, Government of Tamil Nadu released the Government of India's share and its matching share, vide G.Os. 24, 133, 291 and 292 of Municipal Administration and Water Supply Department, dated 25.03.2009, 26.03.2009, 01.07.2009 and 01.07.2009.

(Rupees in crore)

City	No. of Buses	GOI Share	Funds released		
			GOI Share	GoTN Share	Total
Chennai	1000	51.59	51.59	22.19	73.98
Madurai	300	22.19	22.19	8.88	31.07
Coimbatore	300	22.19	22.19	8.88	31.07
Total	1600	96.17	96.17	39.95	136.12

Rs.136.12 crore has already been released to the Transport Department.

The second and final instalment proposal was sent to Government of India for Chennai, Madurai and Coimbatore for Rs.48.20 crore on 12.03.2010. Government of India cleared the second instalment proposal of Rs.34.10 crore for

Chennai in its Sanctioning Committing Meeting held on 29.03.2010.

8.9.3 Purchase Orders

The Transport Department had issued necessary orders on 10.07.2009 for the purchase of 1000 non AC semi floor buses from M/s Ashok Leyland and 500 buses from M/s Tatas. The purchase order for 100 AC Volvo buses was issued on 18.08.2009.

M/s Ashok Leyland has supplied all the 1000 buses. M/s TATAs have supplied 402 buses out of the 500 vehicles ordered. M/s Volvo has supplied 90 out of 100 buses for which orders were placed with them. The total number of buses supplied comes to 1492, as on 31.03.2010, and the entire procurement is expected to be completed shortly.

8.10 Urban Infrastructure Development Scheme for Small and Medium Towns

Except the 65 mission cities covered under the Urban Infrastructure and governance component, all other towns are eligible to be covered under this scheme. The sharing pattern of the project cost under this scheme is Government of India share –

80%, Government of Tamil Nadu – 10% and ULB / Financial Institution share – 10%.

The components for assistance under the scheme include all urban infrastructure development projects such as water supply, roads, drains, solid waste management, and Underground Sewerage.

The Government of India had allocated Rs.705.97 crore for the mission period (2005-2006 to 2011-2012) and the Government of India's commitment for the sanctioned projects is Rs.706.18 crore.

8.10.1 Approved Cost

Sl. No.	Year	No. of projects	Project cost (Rs. in crore)
	Tenth Plan		
1	2006-07	97	539.17
	Sub total	97	539.17
	Eleventh Plan		
1	2007-08	23	308.37
2	2008-09	3	35.18
3	2009-10	0	0
	Sub total	26	343.55
	Grand total	123	882.72

8.10.2 Funds allocated (year-wise)

Overall allocation for the mission period is Rs.705.97 crore.

Targets and Achievements (Physical and Financial):

8.10.3 Financial – Receipts – Government of India

(Rs.in crore)

Year	Budget	Actuals
Tenth Plan		
2006-07	99.12	121.69
Sub total	99.12	121.69
Eleventh plan		
2007-08	77.53	104.93
2008-09	96.88	292.32
2009-10		19.35
Sub total	174.41	416.60
Grand total	273.53	538.29

8.10.4 Financial Receipts - Government of Tamil Nadu (including GOI share)

(Rs.in crore)

Year	Budget	Actual
Tenth Plan		
2006-07	125.00	173.15
Sub total	125.00	173.15
Eleventh plan		
2007-08	140.00	69.48
2008-09	140.00	341.04
2009-10	161.00	21.90
Sub total	303.23	432.42
Grand total	428.23	605.57

Government of Tamil Nadu's share released:
Rs.67.28 crore.

8.11 Sector-Wise Details of Sanctioned Projects

Roads and Drains	:	44
Water Supply	:	63
Under Ground Sewerage	:	15
Solid Waste Management	:	1
Total	:	123

Out of 123 projects sanctioned under this scheme, 77 have been completed.

8.11.1 List of completed Projects

Sl. No	Town	Project	Project Cost (Rs. in lakh)	Date of completion.
	Municipalities			
1	Thoothookudi	Roads and Drains	328.00	June 2007
2	Kumbakonam	Roads and Drains	550.00	July 2007
3	Mayiladuthurai	Roads and Drains	194.00	September 2007
4	Inamkarur	Roads and Drains	164.00	July 2008
5	Sivakasi	Roads and Drains	372.00	June 2008
6	Erode	Roads and Drains	250.00	September 2008
7	Devakottai	Roads and Drains	415.00	October 2008
8	Udhaga mandalam	Roads and Drains	1207.00	June 2009
9	Coonoor	Roads and Drains	458.30	March 2009

10	Manapparai	Roads and Drains	220.00	February 2009
11	Dindigul	Roads and Drains	343.00	May 2009
12	Valparai	Water Supply	221.40	November 2007
13	Thirupathur	Water Supply	648.00	February 2009
14	Devakottai	Water Supply	30.00	October 2009
15	Karur	Water Supply	110.38	March 2009
16	Ramanathapuram	Water Supply	4770.00	June 2009
17	Paramakudi	Water Supply	5824.30	June 2009
18	Keelakarai	Water Supply	2015.50	June 2009
19	Sivaganga	Water Supply	3279.90	June 2009
20	Rameswaram	Water Supply	3376.50	June 2009
21	Arakkonam	Water Supply	844.70	February 2010
22	Thiruthani	Water Supply	512.30	February 2010
	Total		26134.28	

Town Panchayats				
23	Boothapandi	Roads and Drains	87.10	May 2007
24	Vilavoor	Roads and Drains	100.00	Sep tember 2007
25	Melagaram	Roads and Drains	76.35	March 2008
26	Kallidaikurichi	Roads and Drains	94.85	February 2008
27	Veeravanallur	Roads and Drains	50.65	January 2008
28	Mukkudal	Roads and Drains	55.15	June 2008
29	Cheran mahadevi	Roads and Drains	129.70	March 2008
30	Udankudi	Roads and Drains	53.60	March 2008
31	Musiri	Roads and Drains	200.00	February 2008
32	Aralvoimozhi	Roads and Drains	94.45	June 2008
33	Azhagappa puram	Roads and Drains	96.55	February 2008
34	Kallukuttam	Roads and Drains	99.00	October 2007

35	Koothanallur	Roads and Drains	100.00	March 2008
36	Manavalakurichi	Roads and Drains	94.20	March 2008
37	Mandaikadu	Roads and Drains	100.00	March 2009
38	Mulagumoodu	Roads and Drains	100.00	March 2008
39	Myladi	Roads and Drains	78.55	March 2008
40	Ponmanai	Roads and Drains	100.00	March 2008
41	Theroor	Roads and Drains	123.50	August 2008
42	Thingalnagar	Roads and Drains	144.00	March 2008
43	Thirivithan kodu	Roads and Drains	152.60	March 2008
44	Verkilambi	Roads and Drains	100.00	March 2008
45	Vellimalai	Roads and Drains	146.00	March 2009
46	Vadakku valliyur	Roads and Drains	227.65	September 2008
47	Panagudi	Roads and Drains	214.60	March 2009

48	Kalakadu	Roads and Drains	183.85	October 2008
49	Sambava rvadakarai	Roads and Drains	131.02	March 2008
50	Sankarnagar	Roads and Drains	51.00	June 2008
51	Myladi	Water Supply	25.91	March 2008
52	Nalloor	Water Supply	62.69	February 2010.
53	Marungoor	Water Supply	31.26	March 2008
54	Shenbakkam	Water Supply	78.65	March 2008
55	Boothipuram	Water Supply	61.18	August 2009
56	Thimiri	Water Supply	101.00	February 2009
57	Kalinjur	Water Supply	105.27	March 2009
58	Moolakaria patti	Water Supply	226.00	January 2010
59	Thirukazhu kundram	Water Supply	105.00	February 2010.
60	Ponna maravathy	Water Supply	721.00	September 2009

61	Gandhi Nagar	Water Supply	29.15	January 2010
62	Mudukulathur	Water Supply	1127.00	January 2009
63	Mandapam	Water Supply	893.00	June 2008
64	Sayalkudi	Water Supply	853.60	January 2009
65	Thondi	Water Supply	930.00	December 2008
66	R.S. Mangalam	Water Supply	567.00	December 2008
67	Kamuthi	Water Supply	801.00	January 2009
68	Abiramam	Water Supply	339.00	January 2009
69	Thirupathur	Water Supply	1447.00	February 2009
70	Ilayankudi	Water Supply	1121.00	January 2010
71	Nerkuppai	Water Supply	314.00	February 2009
72	Amoor	Water Supply	110.00	January 2010
73	Thevaram	Water Supply	252.25	June 2009

74	Pannaipuram	Water Supply	155.37	June 2009
75	Kombai	Water Supply	223.00	June 2009
76	Sevugapatti	Water Supply	141.84	February 2010.
77	Mani mutharu	Water Supply	130.84	February 2010.
	Total		14137.38	
	Grand Total		40271.66	

8.11.2 List of Ongoing Projects

Sl. No.	Town	Name of Project	Project Cost (Rs. in lakh)
Municipalities			
1	Karur	Roads and Drains	830.00
2	Rajapalayam	Roads and Drains	913.00
3	Sankarankoil	Roads and Drains	293.30
4	Perambalur	Roads & Drains	188.00
5	Gobi chettipalayam	Roads & Drains	215.50
6	Thanjavur	Water Supply	904.00
7	Erode	Water Supply	588.16

8	Namakkal	Solid Waste Management	358.25
9	Palladam	Water Supply	891.23
10	Srivilliputhur	Water Supply	2949.19
11	Aranthangi	Water Supply	340.00
12	Villupuram	Water Supply	955.00
13	Maraimalai Nagar	Underground Sewerage	375.00
14	Vickrama singapuram	Water Supply	246.00
15	Namakkal	Water Supply	990.50
16	Gudalur	Water Supply	525.00
17	Maraimalai Nagar	Water Supply	254.00
18	Ariyalur	Underground Sewerage	2555.20
19	Vellakoil	Water Supply	1203.73
20	Mettur	Water Supply	1247.19
21	Chidambaram	Water Supply	615.60
Sub Total A			17437.85

Town Panchayats			
22	Mamallapuram	Underground Sewerage	608.00

23	Palayam	Water Supply	159.18
24	Vedasandur	Water Supply	236.68
25	Oddanchatram	Water Supply	581.17
26	Tiruchendur	Underground Sewerage	1122.00
	Sub Total B		2707.03
	Grand Total		20144.88

In 2010-2011, it is proposed to complete 17 projects:

Sl. No	Name of the ULB	Project	Cost (Rs.in lakh)	Probable completion
1	Karur	Roads and drains	830.00	June 2010
2	Sankarankoil	Roads and drains	293.30	April 2010
3	Gobi chettipalayam	Roads and drains	215.50	May 2010
4	Namakkal	Solid waste mgmt.	358.25	April 2010
5	Aranthangi	Water supply	340.00	April 2010

6	Maraimalai Nagar	UGSS	375.00	April 2010
7	Namakkal	Water supply	990.50	April 2010
8	Gudalur	Water supply	525.00	May 2010
9	Perambalur	Roads and drains	188.00	Dec 2010
10	Thanjavur	Water supply	904.00	Aug 2010
11	Erode	Water supply	588.16	June 2010
12	Srivilliputhur	Water supply	2949.19	Dec 2010
13	Vickramasinga puram	Water supply	246.00	Dec 2010
14	Mamallapuram	UGSS	608.00	Aug 2010
15	Palayam	Water supply	159.18	Oct 2010
16	Vedasandur	Water supply	236.68	Oct 2010
17	Oddanchatram	Water supply	581.17	Oct 2010



Transfer Station at Peelamedu, Coimbatore



Water Treatment Plant of Coimbatore Corporation, Velliangadu



**Pedestrianization around Arulmigu Meenakshi Amman Temple,
Madurai**



Buses procured under the JnNURM



New Bridge, Manapparai



Newly constructed Check Dam at Melakkal across River Vaigai

9. New Tiruppur Area Development Corporation Limited

The Government of Tamil Nadu has always endeavoured to ensure sufficient infrastructure facilities for the industrial growth of the State. As part of its endeavour, Government signed a Concession Agreement in February 2000 for a period of 33 years with the Tiruppur Corporation and a Special Purpose Vehicle, New Tiruppur Area Development Corporation Limited (NTADCL) to implement a 185 mld water supply project mainly for meeting the requirements of knitting industry in and around Tiruppur. Implementation of the project has ensured adequate supply of water of high quality required for the process industry, which in turn, has facilitated the industry to meet the international standards of quality of end-product.

The Government have always endeavoured to ensure that the domestic requirements of the urban and rural areas are always taken care of while designing any comprehensive water supply project. With this objective, the water supply

project implemented for the benefit of industries in Tiruppur has also been supplementing the domestic water supply requirements of Tiruppur Corporation. In addition, 15 Village Panchayats and about 600 rural habitations covered in 5 Unions enroute are benefited by the project implemented by NTADCL.

The scope of the project also includes provision of an underground sewerage system to cover a substantial area of Tiruppur Corporation. To take care of the urban poor, Low Cost Sanitation facilities have also been implemented. The sewerage project has since been commissioned.

The water supply project has been successfully functioning since the last four years. A notable feature of the project is that it is funded substantially with private funding and the funding by Government has been to a limited extent of Rs.105 crore out of the total project cost of Rs.1023 crore.

10. Conclusion

The Government can look back with immense satisfaction at its magnificent track record over the last four years in bringing about a complete metamorphosis in the functioning of the Municipal Administration and Water Supply Department. It has been an exhilarating journey of relentless progression, characterized by unprecedented pro-activism and studded with landmark successes, on the road to urban renewal.

The successful commissioning of the Perambur Flyover is an epic reaffirmation of the resilient perseverance of this Government. It is an iconic symbol of the administration's unflinching resolve in the face of adversity and a tribute to its ability to overcome insurmountable odds, and a culmination of the cherished desire of the residents of North Chennai.

The desalination plant at Minjur is on the verge of completion and is to be commissioned shortly. This, coupled with the commencement of work on

the plant at Nemmeli, will add immeasurably to Chennai's water security. It will also showcase the State's prowess at harnessing technology.

The aesthetically crafted promenade along the Marina, with its vibrant collage of landscaped galleries, lush greenery and ubiquitous lighting has come in for spontaneous approbation from all quarters and now epitomizes Chennai's benchmarking of excellence.

The introduction of 1600 ergonomically designed buses by this Government, in the mission cities of Chennai, Madurai and Coimbatore under the Jawaharlal Nehru Urban Renewal Mission, has led to an unprecedented new dimension of passenger comfort and commuter ambience in public transportation.

After successfully operationalising the Ramanathapuram Combined Water Supply Scheme on 11.06.2009, the department has now commenced work on the flagship Hogenakkal Water Supply and Fluorosis Mitigation Project, in February 2010. The implementation of this project is proceeding apace and has gathered considerable momentum.

Major Bus Stand projects taken up at Palani; Pollachi; Kodaikanal and Poonamallee have been completed and commissioned for public use. The projects at Hosur; Vandavasi and Coimbatore are nearing completion and are to be inaugurated shortly.

The World Bank, in its mid-term evaluation, has commended the impressive implementation of the TNUDP-III (Tamil Nadu Urban Development Project-III), and consequently recommended, the additional allocation of funds to the Urban Local Bodies in the State, as part of the restructuring of the project.

The construction of the Municipal Girls Higher Secondary School at Pollachi has been one of the most remarkable achievements in the annals of this department. This impressive structure bears ample testimony to the department's conscientious commitment to providing quality education to the underprivileged girl-child and has become a role model for all other urban local bodies.

The Gasifier crematoria commissioned at Erode; Madurai; Tiruchirapalli, Tirunelveli and Madhavaram

have been outstanding successes. These have emerged as silent harbingers of social transformation and have been widely welcomed.

The commissioning of the Second Vaigai Water Supply Improvement Scheme and the construction of Check dams across the river Vaigai at Kochadai, Melakkal and Manaloor under the JnNURM, have been achievements of particular significance.

In addition, there have been commendable success stories in the implementation of the slum upgradation programmes such as the Basic Services to the Urban Poor (BSUP) and the Integrated Housing and Slum Development Programme (IHSDP). Municipalities like Tiruchengode, Sathyamangalam, Perambalur and Vaniyambadi, and Town Panchayats like Kunrathur, Mohanur and Minjur have come in for high praise from various quarters and have been showcased.

Several other path-breaking initiatives of the Government such as the massive programme on the conversion of earthen roads to bitumen

and cement concrete roads in all the urban local bodies; the extensive scheme for the construction of school buildings and infrastructure in various urban local bodies and the Anaithu Peruratchi Anna Marumalarchi Thittam (APAMT) are in the process of being successfully implemented.

While a remarkable amount of success has been achieved in the last four years, we are conscious of the challenges ahead. Urban renewal and poverty alleviation remain our goals and we shall make it a continuous endeavour, and under the inspiring leadership of our Hon'ble Chief Minister, we shall strive to improve the quality of life of every citizen residing in urban areas.

M.K. STALIN
Deputy Chief Minister

DEMAND NO.34
MUNICIPAL ADMINISTRATION AND WATER SUPPLY
DEPARTMENT

ESTIMATE OF THE AMOUNTS REQUIRED FOR
EXPENDITURE IN 2010-2011

BUDGET ESTIMATE 2010-2011

	Revenue	Capital	Loan	Total
Demand for Grant-Voted	3,502,53,25	1,422,75,17	328,15,41	5,253,43,83
Appropriation-Charged	1	-	-	1

NET EXPENDITURE RUPEES IN THOUSANDS

HEAD OF ACCOUNT		2008-2009 Accounts	2009-2010 Budget Estimate	2009-2010 Revised Estimate	2010-2011 Budget Estimate
2215	Water Supply and Sanitation	210,33,67	164,70,89	174,81,06	277,23,10
2217	Urban Development	1,142,16,53	763,08,51	1,048,83,24	1,172,52,56

2251	Sec retariat- Social Services	4,29,67	5,05,78	4,24,43	5,00,69
2515	Other Rural Develop- ment Prog- rammes	18,25,05	4,41,45	4,44,65	8,60,43
2551	Hill Areas	33,00	...
3475	Other General Economic Services	13,84,40	18,86,66	19,21,18	22,58,33
3604	Compen- sation and Assign- ments to Local Bodies and Pan- chayat Raj Institu- tions	1,504,33,27	1,809,98,42	1,504,21,34	2,016,58,15
4215	Capital Outlay on Water Supply and Sanitation	602,78,69	1,007,00,12	950,00,10	1,178,00,08

4217	Capital Outlay on Urban Development	148,40,10	160,0003	57,03,02	172,75,03
4515	Capital Outlay on Other Rural Development Programmes	29,43,63	25,00,06	26,20,05	72,00,05
5054	Capital Outlay on Roads and Bridges	16,96,07	1	1	1
6215	Loans for Water Supply and Sanitation	63,83,64	45,34,09	53,54,07	107,55,41
6217	Loans for Urban Development	196,60,00	220,00,00	120,00,01	220,00,00
7615	Miscellaneous Loans	40,00	40,00	40,00	60,00

