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STAGE - IV
CLUSTER - V

Final Report
for
City Corporate cum Business Plan
for
Walajapet Town
(Vellore District)

The central part of the page features a large map of Tamil Nadu with Vellore highlighted in red. To the right is a detailed map of Vellore town showing its layout and infrastructure. Below the maps is a photograph of a street scene with a water tap and a person. The text 'Final Report for City Corporate cum Business Plan for Walajapet Town (Vellore District)' is overlaid on the maps.

Submitted by:



Voyants Solutions Pvt. Ltd
Level - 4, "Diamond Dune"
323, P.H. Road, Chennai - 600 029
Tele: 044 4269 8584 Fax: 044 2668 1180
E-mail: vsplchennai@voyants.in

EXECUTIVE SUMMARY – WALAJAPET MUNICIPALITY

1. CITY CORPORATE CUM BUSINESS PLAN – CONTEXT and CONTENT

The Tamil Nadu Urban Infrastructure Financial Services (TNUIFS) aims to assist municipality in strengthening and improving its financial position for effective capital investment management and urban service delivery. The CMA and TNUIFS have initiated the process of preparing the CCCBP for the municipality to enhance the vision of stakeholders in the growth of the town. The objective of this study is

1. To assess the present status of infrastructure facilities available in the ULB and to suggest a comprehensive infrastructure plan with capital investment plan to meet the future needs.
2. To outline issues in revenue realization in the ULB and suggest measures for revenue enhancement & financial improvement in the ULB
3. In consultations with Stake holders and Council, suggest Action Plan and FOP to implement the infrastructure plan.

2. SWOT and VISION

Walajapet, is a Grade II municipality, located on the Chennai-Bengaluru National Highway in Vellore district at a distance of 110km west of Chennai. The town is situated on the banks of Palar River. The population of Walajapet Municipality is 29,475 (Census 2001) and the area is 2.66 sq.km. The Municipality is geographically located at 12°55'N Latitude 79°21' East Longitude.

Walajapet Railway station is one of the oldest and first railway stations in Tamil Nadu. The Chennai-Bengaluru Industrial Corridor of Excellence (NH 46) also joins with the NH-4 in the southeast of the town, outside the town limits. The major economic activities in Walajapet come under the category of other workers and household industries such as weaving, carpet making, agarbathis and cane (Ratan) works. Walajapet is famous for its "Walaja Terry cotton" cloth and cane works.

A town level SWOT analysis, with reference to its regional context has been done based on feedback from stakeholder workshops and analysis of the status of various sectors of the city.

SWOT Analysis for Walajapet Municipality

Strengths	Weakness
Excellent industrial base of leather, pharmaceuticals, chemical and automotive industries in the hinterland.	Inadequate levels of good quality and affordable housing
Inherent skills of the localities in cane furniture and carved wooden furniture	Poor implementation of Pollution control regulations, especially the red category industries- leather, chemical and pharmaceutical industries .
Employment opportunities due to SIPCOT and other industrial establishments	Squalid , unhealthy conditions and mosquito menace due to unsanitary conditons in town area.
Access to world class medical facilities at CMC , Vellore and Ida Scudder , Ranipet, attracting National and International Medical tourists	Absence of recreational facilities that is, parks and play fields.
Opportunities	Threats
Availability of cheap unskilled and semi skilled labour force.	Inadequate financial strength of Municipality to take up major infrastructure projects.
Proposed leather Goods SEZ by TN Govt. at Ranipet and SEZ at Katpadi	Threat to thriving industrial base, the mainstay of the economy of the region due to crippling pollution.
Proposed Chennai-Bengaluru- Mumbai Industrial corridor, with bullet train, six lane road and extension of Metro rail between Chennai-Bengaluru.	Loss of agricultural lands due to indiscriminate discharge of effluents.
Proposed IT park at Vellore by ELCOT and access to educational institutions.	Reluctance of the industrial establishments to operate existing ETPs, due to increase in overheads.
Well established educational and administrative facilities in the district	Poor road surfaces leading to dusty / unsafe conditions and stagnation during monsoons.

Source : Feedback from stakeholders meeting and analysis.

The vision for the Walajapet town is proposed as **“to be a center for green and sustainable industrial activities supplemented with the necessary infrastructural facilities and amenities to provide better standards of living conditions for living in the town.”**

Supporting this vision is a set of development objectives, defined along various sectors of infrastructure. It covers the current status, issues in the sector, likely future demand, strategies for improvement and identified projects to meet these objectives. The sectors covered in the report for Walajapet include water supply, sewerage and sanitation, solid waste management, storm water drains, street lights, slum improvement and other remunerative and social projects.

3. CITY INVESTMENT PLAN

The summary of sector-wise investment requirements and prioritisation is given in the following table. The total investment required would be over **Rs. 6659.75 lakhs.**

Capital Investment Needs for Walajapet

Sl.No	Description	Estimated Cost (Rs.in Lakhs)
1	Water Supply	1632.40
a	Mettur CWSS	1247.00
b	Water supply improvement scheme	385.40
2	Sewerage	2857.00

3	Storm Water Drains	260.00
4	Solid Waste Management	503.90
6	Traffic and Transportation - Roads	650.00
7	Bus stand	413.00
	Old Bus stand Improvement	93.00
	Construction of shops in bus stand	20.00
	Construction of new bus stand	300.00
8	Street lights	17.00
14	Slum	197.00
7	Education	49.25
8	Medicare	18.30
10	Park improvements	35.00
11	Market	49.50
	Renovation of Vegetable Market	29.50
	Flower market (F.F) & additional buildings opp to bus stand	20.00
9	Public Convenience	27.00
12	Slaughter House	20.00
13	Burial Ground	74.00
15	Renovation of sanitary workers quarters	204.00
16	E-Governance	17.00
17	GIS Mapping for Comprehensive Property Database	16.00
18	Mobile tax collection vehicle	10.00
	Total	7050.35

4. FINANCIAL PERFORMANCE OF WALAJAPET MUNICIPALITY

The summary of the financial status of Walajapet municipality is as follows:

- It is observed that the Municipality has shown deficit in all the years. The surplus in 2006-07 is because no depreciation and finance charges have been charged. Prior to depreciation, the Municipality has shown surplus in 2 out of last 5 years and just breakeven in 2004-05. So the Municipality needs to undertake lot of fiscal reforms and full leverage of its assets over the next few years to improve its financial strength and thereby undertake new projects.
- The average current collection efficiency of the municipality is poor, with 60% efficiency in property tax, 95% efficiency in profession tax, 50% in water charges and 70% efficiency in case of non tax revenue. The arrears collection performance is also poor.
- The broad financial analysis of the Walajapet Municipality finances reveal that the Municipality has to necessarily increase its own sources of income and collection efficiency for servicing the additional borrowings in the future.
- Though the Municipality borrowings are only around Rs. 152 lacs, it is quite high considering other factors. The municipality can resort to further borrowings for new project identified only based on the additional income to be generated.

To summarise, the overall income pattern of the Walajapet Municipality indicates more negative features than positive features. The positive trends are on the income side, where the Municipality has higher growth rate in income than growth in expenditure.

5. PROPOSED REFORMS

The proposed mandatory municipal reforms are broadly classified under the heads of:

a. Reforms in resource mobilization

i. Reforms in Taxation

- Property mapping - Onetime assessment of all unassessed and under assessed properties.
- Regular and periodic increment of property tax at the rate of 15% every 5 years

ii. Improving revenue from user charges

- The Municipal council may assume charge of increase in water charges, to recover full O&M Cost of water supply and UGSS.
- Increase in the connections to at least 85% of total assessments.
- Pre-mobilization of deposits for the proposed WS or UGSS project
- Implementation of Conservancy fee for SWM for hotels, marriage halls, industries and other commercial establishments
- Revenue Generation from sale of compost and scrap.

iii. Reforms in Energy and Resource efficiency

- Conducting energy audits, leak detection studies, Enforce regulations on illegal tapping of water, Fixing flow control valves and meters.
- Provision of energy saving lights and equipments, Privatizing the maintenance of street lights to ESCO companies.

iv. Formation of new sustainable revenue sources

- The remunerative proposals identified are
 - Improvements in the old bus stand and construction of new shops in the old bus stand
 - Construction of new bus stand
 - Renovation of vegetable market
 - Flower market in 1st floor and additional buildings opp to bus stand
 - Construction of new slaughter house with modern facilities.

v. Reforms in Audit and Accounting

- Timely auditing of accounts - August 30th of next fiscal year
- Appointing a private Chartered Accountant as consultant

- Publishing audited statement in municipal website - September 30th of next fiscal year

vi. Regular and mandatory capacity buildings sessions for elected representatives & municipal officials

6. BORROWING AND INVESTMENT CAPACITY

The borrowing and investment capacities of the town are arrived considering the revenue income and expenditure under the sustainable scenario, after implementation of the mandatory reforms proposed in this report.

The investment capacity for the sustainable scenario assuming that the capital and O&M cost of the Mettur CWSS as grants can be summed up as below:

Summary of Borrowing and Investment Capacity

Description	Base case Scenario 1	Sustainable Scenario 2	Sustainable Scenario 3
	No project	With Mettur	Without Mettur
Borrowing Capacity	Rs. 381.72 lacs	-	-
Investment Capacity	Rs. 1526.87 lacs	-	-
Investment Requirement	-	Rs.7050.35 lacs	Rs. 7050.35 lacs
Sustainable Investment Capacity % - IC / IR	-	-ve	-ve

- The investment capacity of Walajapet Municipality on 'As is Where Basis' works out to Rs. 1527 lacs.
- The investment capacity of Walajapet Municipality works to Nil in case of Scenario II (With Mettur CWSS project) and Nil in case of Scenario III (Without Mettur CWSS project).
- Thus it can be inferred that Walajapet Municipality's financial position is weak and is not in a position to undertake major projects like water supply improvements and underground by way of borrowings on account of high operation & maintenance expenses and interest cost.
- Based on the above, it can be concluded that the Municipality based on its financial position can undertake only smaller projects identified in the CCP as given below :

Projects Identified for Implementation based on financial position

S.N.	Particulars	Total	Priority	Means of Finance	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5
A	Physical Infrastructure Facilities			L : G : M					
I	Water Supply								
a)	Improvements to Water Supply	385.40	A	60:30:10					
VI	Bus Stand								
a)	Old Bus Stand improvement	93.00	A	0:50:50					

b)	Construction of 10 shops in Bus Stand	20.00	A	100% ULB					
VII Street Lights									
a)	Proposed new lights	7.00	A	0:50:50					
b)	Retrofitting existing lights & energy saving devices	10.00	A	ESCO					
B Social Infrastructure Facilities									
I Slum Improvement									
a)	Improvements to Slums	197.00	B	0:90:10					
II Education									
a)	Improvements to Schools	49.25	A	100% ULB					
III Parks & Playgrounds									
a)	Improvement to Gandhi Park	11.00	B	0:50:50					
b)	Improvement to 6 Layout Parks	24.00	B	0:70:30					
IV Burial Ground / Crematorium									
a)	Burial Ground with Gasifier	64.00	B	0:50:50					
b)	Burial Ground improvements	10.00	A	100% Grant					
V Market									
a)	Renovation of Vegetable Market	29.50	A	100% ULB					
b)	Flower Market in 1 Floor & additional buildings	20.00	A	100% ULB					
VI Slaughter House									
a)	Construction of Slaughter House	20.00	C	0:50:50					
VII Medicare									
IX Public Convenience									
a)	New Toilets	27.00	B	0:50:50					
C Other Projects									
I E-Governance									
	GIS Mapping for Comprehensive Data Base	17.00	C	100% Grant					
II Base									
a)	Property mapping	6.00	A	0:90:10					
b)	GIS data base	10.00	C	0:90:10					
III Vehicle									
a)	Mobile Tax Collection Vehicle	10.00	A	100% ULB					
Total		1028.45							

- As regards major projects like Underground Sewerage Scheme, storm water drains, solid waste management's, roads and staff quarters the Municipality can undertake these projects with minimum or Nil borrowings and more support from the Government towards capital cost.
- Mettur CWSS project can be taken up by the Municipality only if both capital cost and operation & maintenance expenses is supported by the Government.
- Since the town does not have the borrowing capacity to take up the proposed UGSS and Mettur CWSS, it is suggested that remunerative projects and PPP projects be taken up initially. The state Government needs to extend support to Walajapet Municipality to take up the proposed UGSS and WS schemes. After the implementation of the proposed mandatory reforms and improving the Municipality's own revenue sources, the other projects could be taken up.

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1 BACKGROUND AND METHODOLOGICAL FRAMEWORK OF THE STUDY

1.1 BACKGROUND

The Tamil Nadu Urban Infrastructure Financial Services Limited (TNUIFSL) aims to assist **Walajapet** Municipality in strengthening and improving its financial position for effective capital investment management and urban service delivery. The CMA and TNUIFSL have initiated the process of preparing CCCBP for the municipality with the vision of stakeholders growth of the town.

1.2 OBJECTIVES

The objective of this exercise is to visualise the town in the next 25 -30 years and

1. Define the growth direction and service up-gradations in relation to the activity mix / growth;
2. Assess the demand for the projects specified by the ULB, and come out with gap in services with respect to the vision;
3. Broadly outline the infrastructure needs;
4. Define specific rehabilitation of infrastructure and capital improvement needs with regard to provision of infrastructure in slums and other areas;
5. Indicate the priority of projects
6. Define revenue enhancement and revenue management improvements required to sustain the rehabilitation proposed;
7. Suggest reforms required in local administration and service delivery including public private partnership in infrastructure development
8. Suggest Measures to address common growth and infrastructure issues and to promote integrated development

1.3 SCOPE OF WORK

The scope of work covers the following:

1. To assess the demand for the Projects listed out by these municipalities.
2. Financial Assessment of the ULBS- an assessment of the ULB finances for the past 5 years, in terms of sources and uses of funds, base and basis of levy, revision history and impacts, state assignment and transfer-base and basis of transfer and its predictability; use of funds outstanding liabilities (loans, power dues, pension etc) and a review of revenue and service management arrangements. Levels of service and quality of municipal services in both poor

and non-poor localities. Staffing and management arrangements in delivery of services.

3. Outline issues in revenue realisation, quality of existing assets in relation to service levels and coverage and institutional constraints. Develop quick indicators of performance, based on the following:
 - Current coverage and additional population during medium term (10 years)
 - Unit cost indicates city level investment requirements for Up-gradation of city wide infrastructures.
 - To improve service coverage and asset quality
 - Define priority assets and indicative costs of rehabilitation
 - Conduct fiscal impact analysis of investments: life-cycle of O&M costs, revenues from project and costs/impacts on finances and of not doing the project.
 - Explore funding options for rehabilitation facilities.
4. Prepare a financial and operating plan (FOP). The FOP in the medium time frame works for the ULBs and shall present the following.
 - A. Areas of reduction in expenditure
 - Energy audit resulting in savings energy.
 - Leak detection resulting either in connection or in the tariff (or)
 - Privatizing the MSW collection and identifying a BoT operator for eliminating, composting etc, items of revenue can be identified.
 - Laying of cement concrete road /Fly ash and savings on a maintenance cost resulting in increasing operating surplus.
 - Water recycling /refuse
 - Rejuvenation of tanks and reduction of cost/liters of water produced
 - Privatization & options for raising revenue
 - B. Options for increasing the revenues through non traditional methods
 - Land development for raising revenues
 - Suggestions for improvement of revenues.
5. Prepare a draft Memorandum of Association (MoA) between ULB and TNUIFSL. The MoA will act as the base line (based on the situation Analysis) and the Performance Benchmarks to be monitored along with other financial targets and outputs from the financial and operating plan.
6. Initiate consultations with council and local stakeholders on the priorities redefine priorities.
7. Finalize Action plan for the city, with a resolution from the council on the priorities and commitment to implement revenue and management improvement measures.

1.4 Stage III: Draft final Stage

Under this stage of City Corporate cum Business Plan has two tasks.

- In the **First Task, Financial and Operating Plan (FOP)** will be prepared outlining the revenue enhancement measures required to sustain proposed investments after accounting for O&M and debt servicing requirements. Suggest suitable actions for project sizing and/or project implementation and action plan to sustain investments based on capital investment needs listed above. It will also suggest suitable actions for project sizing and/or project implementation and action plans to sustain investments based on the capital investment needs.
- In the 2nd Task **Draft MoA** between ULB and TNUIFSL will be prepared.

The final stage would incorporate the Municipal Council resolution passed by the Municipal Council to effectively implement the proposed urban reforms in the CCCBP.

1.5 PRESENTATION AND DISCUSSION WITH REVIEW COMMITTEE

The review meeting on Revised Draft Final Report was held on 23rd June 2009 at the office of TNUIFSL. The minutes of the meeting and the consultants reply are given below:

COMMON POINTS

1. To correct the grade of the ULBs as revised by the Government.

The grades of the Municipalities have been updated as per the latest revisions.

2. To highlight the requirement of capital / revenue grant to implement and operate all the new schemes.

The actual requirement of capital / revenue grant for each town along with the funding pattern has been clearly indicated in section 14.1 & 14.3 of chapter 14.

3. To indicate following in the executive summary of the report

- a) List of projects under the sustainable scenario along with the year wise phasing of the projects identified.
- b) The assumption made on the means of finance.

The list of projects, year wise phasing and the assumptions made on the means of finance have been added in the executive summary under the table ' Projects Identified for implementation based on financial position' in the executive summaries.

TOWN SPECIFIC COMMENTS

Ranipet

- Address the requirement of staff quarters and indicate the same as a project in CIP in consultation with the ULB.

The staff quarters (24 units) at a proposed cost of Rs.150.00 lakhs has been added to the CIP in consultation with the ULB.

- Update the details on the Bus Stand project at Muthukadai adjoining Pinji Lake in consultation with the ULB.

As bus stand cannot be proposed on 'land under water bodies ', an alternate site for the proposed bus stand needs to be identified by the Municipality. The details are given in section 10.1.6 chapter -10

- Highlight the impact on discharge of polluted water in to Palar river.

The impact of effluent discharge into River Palar has been highlighted in section 5.3 of chapter 5 based on various reports prepared by NEERI, TNPCB, CPCB and Palar River Basin Management and Development Board.

Thiruvathipuram

The consultants were requested to

- Update the details on the assets in consultation with the ULB.

The details of assets have been updated under section 13.2.1 of chapter 13.

- Revise the Bus Stand improvement project in consultation with the ULB.

The cost for proposed shopping complex and lodge inside the bus stand is revised in consulting with ULB and revised cost is mentioned in section 10.1.6 chapter – 10.

Madhavaram

- The consultants were requested to revise the assumptions on means of finance in accordance with JNNURM norms and revise the FOP accordingly.

The means of Finance for Madhavaram have been revised as per JnNURM scheme. The assumptions are give in the table 'Projects Identified for implementation based on financial position' in the executive summary.

The minutes of meeting for review committee held during this period of study is given in Annexure I d.

1.6 DISCUSSION WITH STAKEHOLDERS

The Stakeholder meeting was arranged with Municipal chairman, Vice Chairman, commissioner, Councillors and NGO's of the project town. A base plan was prepared for the visit to the project towns during the month of October '08. The objective of the stake holder meeting was to discuss about the needs of CCCBP and to highlight the basic issues on infrastructure such as water supply, sewerage, drainage, roads, social infra structures, etc.



Stakeholder's Meeting

Further, in order to collect ward wise issues, proformae were distributed during the meetings and the councillors and NGO's were requested to mention the issues on physical and social infrastructure. Based on the issues mentioned in the proformae and discussion with the Municipal Chairman, Vice Chairman, Commissioner, Councillors, NGO's and Engineers, infrastructure requirements for the present and future were arrived. Accordingly proposals have been formulated which is given in the following chapters.

2 TOWN PROFILE

2.1 WALAJAPET. . . TOWN PROFILE

Walajapet municipality is a grade II municipality located on the bank of Palar River on the Chennai - Chittoor- Bengaluru National Highway. Walajapet is the headquarters of Walajapet Taluk, situated in the belt of the Ranipet SIPCOT Industrial Complex. The municipality is located 6 km east of Arcot, 31 km from Vellore, 110 km west of Chennai and 220 km from Bengaluru. River Palar passes through the town along the east –west direction. Chennai-Bangalore broad gauge railway line passes at a distance of 4.5 km on the north of the town. Walajapet Municipality is considered to be the First Municipality and Taluk of Tamil Nadu, formed in 1866.

The municipality is geographically located at 12°55'N Latitude 79°21' East Longitude. The average elevation of the town is 174.65 meter above MSL.

2.2 REGIONAL CONNECTIVITY

Road

The town has good connectivity to the surrounding urban centres like Arcot, Walajapet, Vellore, Arani, Kanchipuram, Vellore and Katpadi as it is located on the Chennai – Bengaluru National Highway.

Rail and Air

Chennai-Bengaluru broad gauge railway line is passing at distance of 4.5 Km on the north of the town. Walajapet Railway station is one of the oldest and first railway stations in Tamil Nadu. The nearest Airport is at Chennai situated at a distance of 110 Km from the town.

2.3 HISTORY OF THE MUNICIPALITY

Walajapet municipality was constituted on 02. 11.1866. It was upgraded to grade II grade municipality in 1998 . The town is divided into 24 wards. The area of the town is 2.66 Sq.Km. The present population of the town is 29,475 as per the 2001 census.

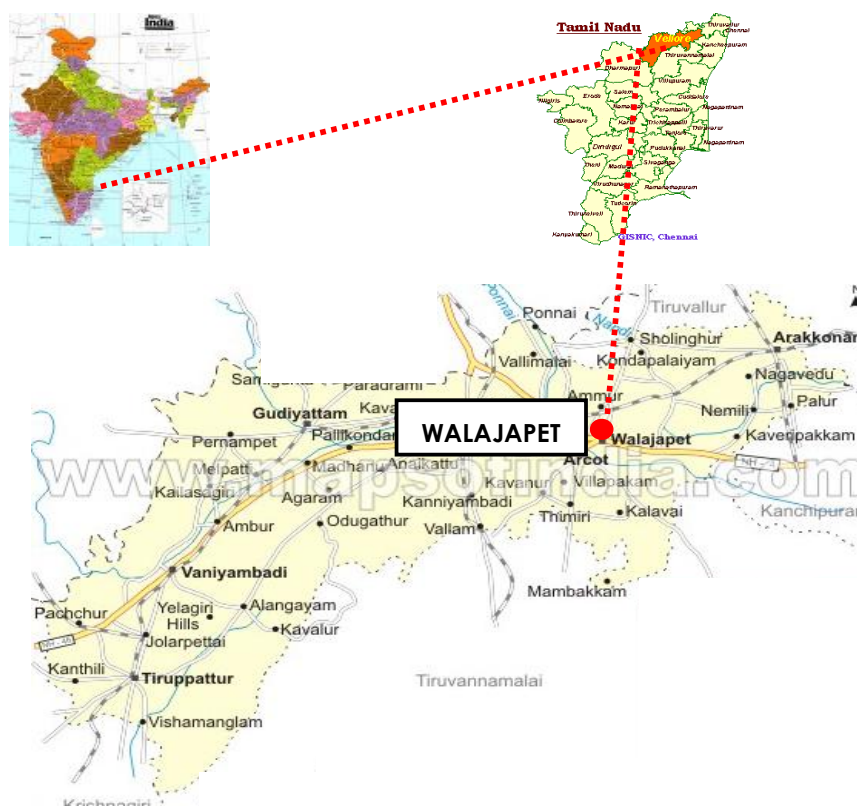


Figure 2-1: Location Map of Project Area

2.4 POPULATION CHARACTERISTICS

2.4.1 Population Distribution

Table 2.1 shows the distribution of population in Tamil Nadu and Vellore District.

Table 2-1: Urban Population Share in the Town and the Region

NAME	Total Population	% of Urban Population wrt District
Tamil Nadu Urban	27,483,998	-
Vellore District	3,477,317	100
Vellore District Urban	1,307,998	37.62
Walajapet (M)	29,475	0.85

Source: Primary Census Abstract of Tamil Nadu, Census of India – 2001

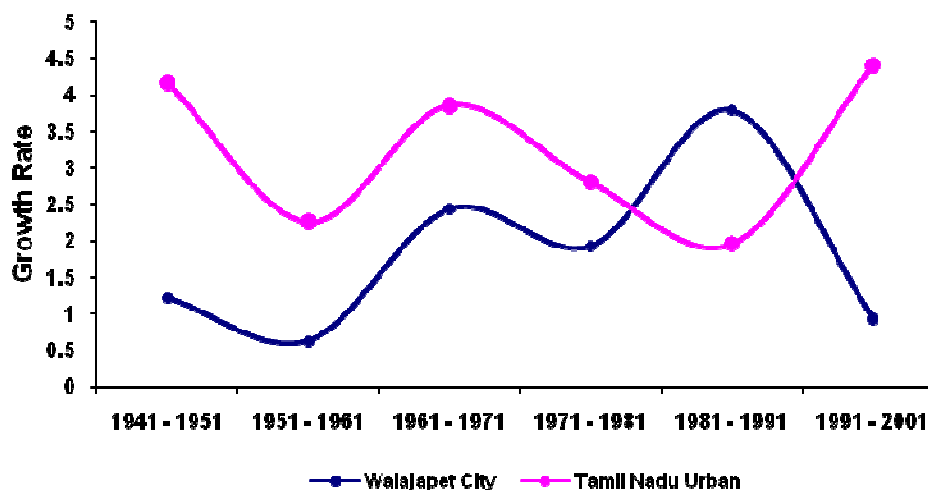
2.4.2 Population Growth

The population growth rate in the town has been consistently low from 1951-2001, when compared to the state figure for urban population growth. The growth rate varies between 0.63% to 3.79 % during the past decades and has decreased to 0.93% during 1991-2001. The population and growth rate of Walajapet Municipality area given in the table below:

Table 2-2: Population Growth in Walajapet Municipality

Census Year	Population	Variation	Growth rate (%)
1951	12401	1553	1.22
1961	13179	578	0.63
1971	16400	3221	2.44
1981	19563	3163	1.93
1991	26,972	7,409	3.79
2001	29,475	2,503	0.93

Source: Compiled from Master Plan, Walajapet, 1990, Primary Census Abstract of Tamil Nadu, Census of India - 2001

**Figure 2-2: Decadal trend of population growth**

Source: Compiled from Master Plan, Walajapet Town, 1990

2.4.3 Population Projections

Population for 2025 has been projected keeping two scenarios in view. The first scenario is assumed as business as usual scenario, which is a natural growth or 'Do nothing' scenario. Second scenario is as per TWAD report for Water Supply and Sewerage for Walajapet Town, which is based on the present as well as induced opportunities for development.

The municipality has sent a proposal for the delimitation of its boundaries to the district administration, to include the boundary of 6 villages in the municipal area. The population projections for scenario 1 and 2 are presented below:

Table 2.3: Scenario 1: Business as Usual

Year	Population	Growth Rate in %
1991	26,972	3.79
2001	29,475	0.93
2007	30975	0.85
2009	31800	1.33
2011*	57365	40.20

2016	59564	0.77
2020	60029	0.78
2025	60929	1.50
2030	62148	2.00
2035	63546	2.25

* It is estimated that additional population of 6 villages will become part of the municipality so the population of those villages is also added in the town population.

Table 2.4: Scenario 2: DPR Scenario

Year	Walajapet Town	
	Population	Growth Rate in %
1991	26,972	3.79
2001	29,475	0.93
2009	31,800	0.88
2024	36500	0.99
2039	42000	1.00

Source: Detailed Project Report UGD, Walajapet Town, 2007

2.4.4 Population Density

The overall population density in Walajapet municipality in 1991 was 101 persons per ha and during as per 2001 census data the density has increased to 111 persons per ha.

2.4.5 Sex Ratio

Sex ratio in Walajapet municipality is 1003 females per 1000 males. Sex ratio of the district urban and Walajapet municipality indicates that the sex ratio is higher than the state average. The comparative statement of district, state and town sex ratio are given in the table below:

Table 2-5: Comparative Sex Ratio

Particulars	Sex Ratio	Sex Ratio 0-6
Tamil Nadu Urban	982	955
Vellore District	997	943
Vellore District Urban	1003	960
Walajapet (M)	1003	942

Source: Compiled from Primary Census Abstract, Census of India-1991, 2001.

2.4.6 Literacy

Literacy is one of the important social indicators for development. There are 21703 literates in the Walajapet municipality. The literacy rate in the Walajapet municipality is 83% as per 2001 census. The literacy rate is compared with the state, district and town, given in the table below.

Table 2-6: Comparative Literacy

Particulars	Literacy Rate		
	Person	Male	Female
Tamil Nadu	73.45	82.42	64.43
Tamil Nadu Urban	82.53	88.97	75.99
Vellore District	72.36	81.99	62.79
Vellore District Urban	80.46	87.77	73.22
Walajapet (M)	83.11	90.29	76.01

Source: Compiled from Primary Census Abstract, Census of India-1991, 2001

3 ECONOMIC DEVELOPMENT AND PHYSICAL PLANNING

3.1 URBAN ECONOMIC DEVELOPMENT

Walajapet municipality is situated on the Chennai – Chittoor – Bengaluru National Highway (NH 4). The Chennai-Bengaluru Industrial Corridor of Excellence (NH 46) also joins with the NH-4 in the southeast of the town, outside the town limits.

The major economic activities in Walajapet come under the category of other workers and household industries such as weaving, carpet making, agarbathis and cane (Ratan) works. Walajapet is famous for its "Walaja Terry cotton" cloth and cane works. The industrial town 'Ranipet' and the Ranipet SIPCOT industrial complex is situated in the west of Walajapet. Thus Walajapet serves as a residential town to the tannery workers as the Ranipet SIPCOT industrial complex.

3.1.1 Occupational Pattern

According to 2001 census, the work force participation rate in Walajapet municipality is 35%. There are 10,281 workers in the town out of which 10,049 are main workers and 232 marginal workers. The percentage of main workers and marginal workers accounts for 97.74% and 2.26% of the total workforce. The Work force participation and the classification of main workers are shown in the table 3.1 and 3.2 below.

Table 3-1: Work Force participation in Walajapet municipality

Particulars	Total Population	Total Workers	WFPR	% Main Workers	% Marginal Workers
Tamil Nadu	62,405,679	27878282	44.67	85.22	14.78
Tamil Nadu Urban	27,483,998	10318514	37.54	91.75	8.25
Vellore District	3,477,317	1427180	41.04	82.17	17.83
Vellore District Urban	1,307,998	444958	34.02	91.91	8.09
Walajapet (M)	29,475	10281	34.88	97.74	2.26

Source: Compiled from Primary Census Abstract, Census of India-1991, 2001.

Table 3-2: Classification of main workers

Particulars	Main Workers	Cultivators / Agricultural Laborers	Workers in HH Industry	Other Workers
Tamil Nadu	23757783	45.47	5.31	49.23
Tamil Nadu Urban	9467240	12.52	6.05	81.43
Vellore District	1172645	39.71	11.64	48.66
Vellore District Urban	408969	6.64	13.69	79.67
Walajapet (M)	10049	1.81	22.16	76.03

Source: Compiled from Primary Census Abstract, Census of India-1991, 2001.

3.2 PHYSICAL PLANNING

3.3 Physical Growth Trend

Walajapet municipality is situated on the northern bank of Palar River. The National Highway connecting Chittoor and Chennai passes through the town in east-west direction divides the town into two. The southern part of the town is fully developed and there is no land available for future development within the town limits. The town is developed in Grid iron pattern and is growing along the roads radiating from the town connecting the surrounding urban nodes. The major road arterials in the town are Chennai-Chittoor National Highway running east-west, Walajapet-Ammoor road and Sholingur road towards north.

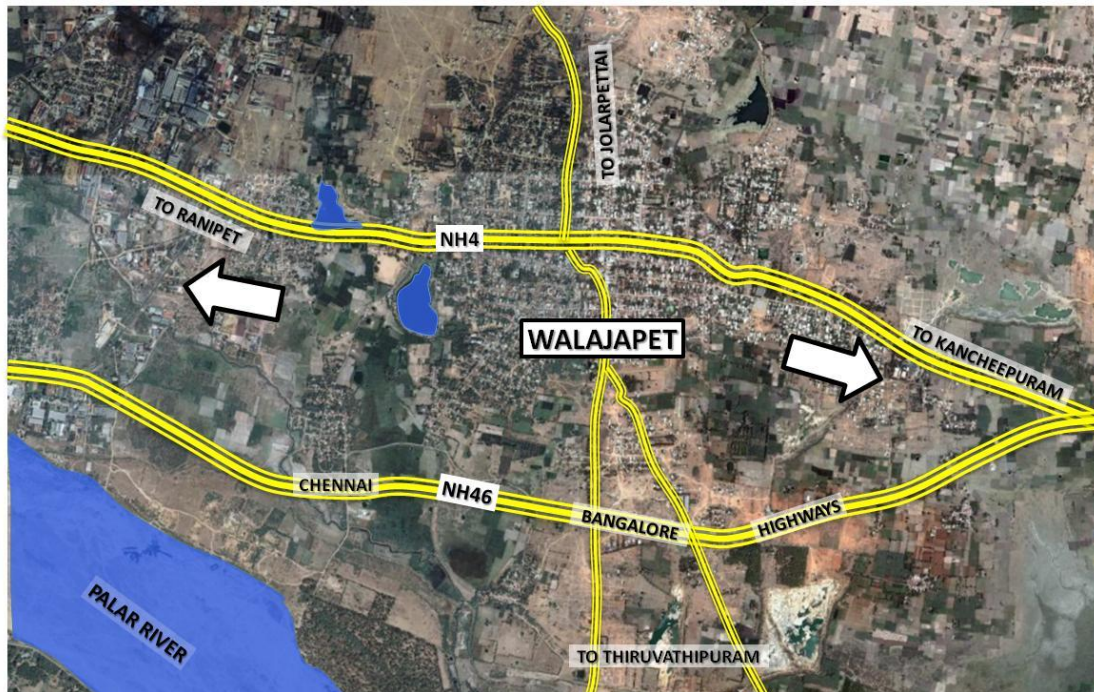


Figure 3-1: Growth Direction

The physical features determining the growth direction of the town are the Palar River and the Chennai-Bengaluru National Highway on the south of the town outside the town limits. The town is growing towards Kanchipuram in the east and towards Ranipet in the west. Sporadic developments can also be seen in the south, along the roads connecting with NH-46, as the land is available for development.

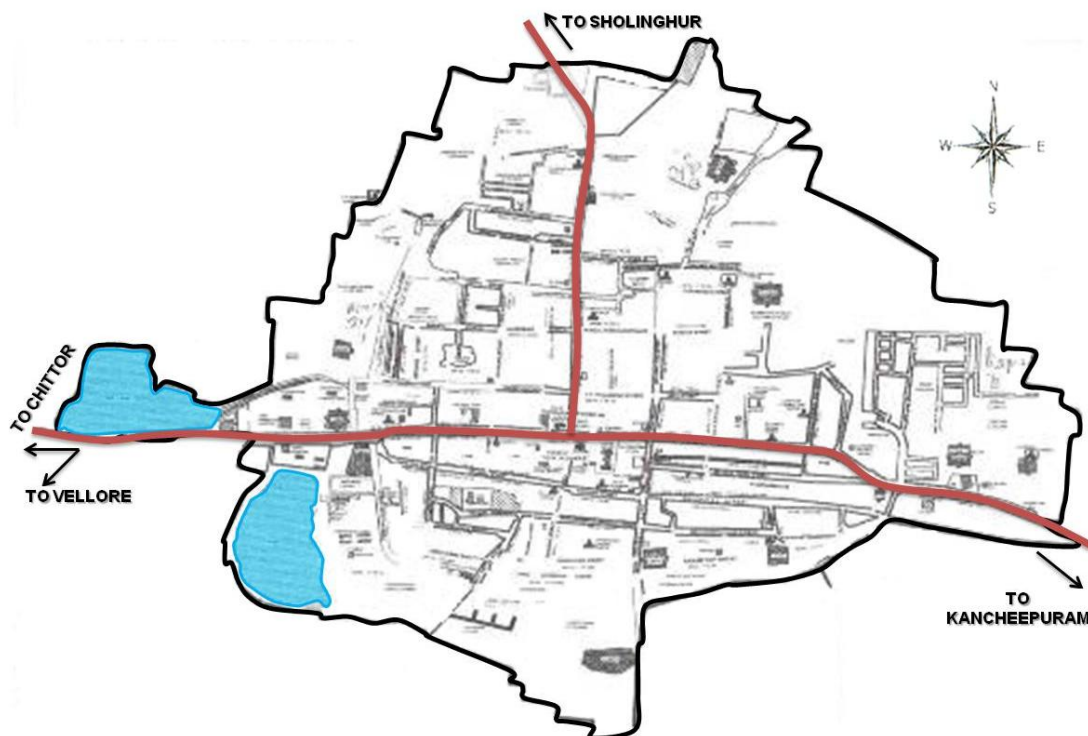


Figure 3-2: Town Map – Walajapet Municipality

3.3.1 Land Use Analysis

Existing Land Use 1990

The Walajapet Municipal area encompasses about 266 Ha. The developed area of the town constitutes 62% of the total area. The land under agriculture and water bodies covers 26% and 12% of the total area of the town respectively. The residential area covers about 78% of the developed area. The Public and semi public use covers 10% of the developed area. The land use pattern of the municipality is given in the table below.

Table 3-3: Land Use Allocation- Walajapet-1984

S. No	Land use	Area(Ha)	Percentage of developed area	Percentage to total municipal area
1	Residential	130	78.00	49.00
2	Commercial	4.25	3.00	2.00
3	Industrial	3.5	2.00	1.00
4	Educational	11.55	7.00	4.00
5	Public & Semi Public	16.56	10.00	6.00
Developed area		165.86	100	62.00
6	Vacant land	0	0	0
Total non-urbanizable area		165.86	100	62.00
7	Agricultural	67.94	67.85	26.00
8	Land under Water	32.2	32.15	12.11

Non-unrealizable Area	100.14	100	38.00
Total Area	266.00	--	100

Source: Master Plan Walajapet, 1990

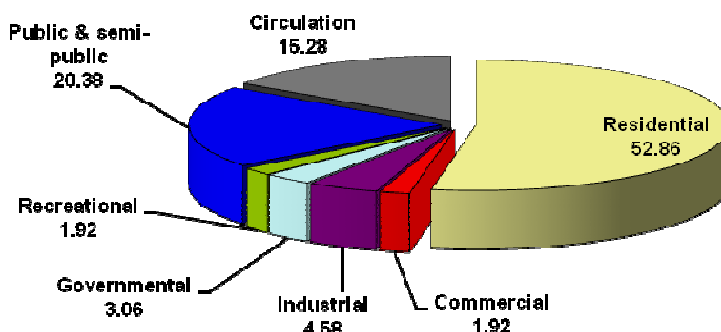


Figure 3-3: Land Use Allocation- Walajapet-1984

Source: Master Plan Walajapet 1990

3.3.2 Land rates

As per the guideline values proposed by the Registration Department, The commercial area land values ranges from Rs. 4460.00/ sq. mt. to Rs.3400 / sq.mt. High land values are along the Old Police street, Narasoji rao street, Kaveripakkam Rd and Thiru Ve Ka street. The land rates for residential area ranges from Rs. 2640.00/ sq.m to Rs. 865.00/ sq. mt.

Table 3-4: Land Values as per category of the area in the Walajapet Town

Category	Guideline Value (Rs./SqMt)
Commercial Area - Class I	4460.00
Commercial Area - Class II	3415.00
Residential Area - Class I	2640.00
Residential Area - Class II	1940.00
Residential Area - Class III	1295.00
Residential Area - Most Backward area	865.00

Source Guideline Values from 1-8-2007, Registration Department, Government of Tamil Nadu,

3.4 GROWTH MANAGEMENT ISSUES

1. Walajapet Municipality is surrounded by industrially forward towns and directly linked to Vellore Corporation by NH. The town serves as dormitory town and thus the in-migrated population tends to increase more in future years. The proposed 'Development of Chennai – Ranipet- Bengaluru industrial corridor of excellence' is expected to enhance the socio economic condition of the town. Therefore, for the guided growth and development of the town, updation of Master plan is essential.

2. The Palar River which runs in the south of the town outside the town limits is completely polluted due to the tannery effluents. The water bodies serves as the recharge system for underground aquifers and flood accommodators during monsoon. River Conservation plan for Palar River is necessary. As an apex body, the Palar River Basin Management and Development Board (PRBMDB) endeavour the primary role in sustainable water resources planning and management in an integrated manner covering the activities of all departments concerned.
3. Necessary basic infrastructure facilities including housing, health, education and recreational facilities need to be provided to achieve better standard of living.
4. Rapid encroachment upon agricultural lands due to the growing demand for housing and industries. Retaining existing agricultural base in the surrounding rural areas for equitable growth is a must .Controlling and guiding urban sprawl in a phased manner applying modern principles of physical planning and growth management is suggested.

4 STAKEHOLDERS CONSULTATIONS

The purpose of stakeholder consultation is to provide an opportunity for stakeholders to involve in the development plan for the city. The planning process need to be a consultative one, with stakeholders representing a wide spectrum of interests taking part in the discussions and dialogue leading to the formulation of a vision and development objectives, identification of priority sectors and projects.

4.1 CITY OPINION SURVEY

The CCCBP consultants conducted city opinion surveys in 2 phases, first in the inception stage and second in the interim stage to get the views of the stakeholders of the Municipality. The rationale behind conducting surveys in two stages was to evolve a broad vision for the municipality considering the problems, prospects, aspirations and vision of different sections of the society. The initial finding of the surveys conducted was included in the inception report. The analysis and findings of stake holder's consultations are detailed below:

4.2 KEY ISSUES HIGHLIGHTED IN THE CONSULTATION MEETING

The issues highlighted by the elected representatives and the municipal staff are summarized as follows:

1. Disposal of industrial effluents in Palar River
2. Improvement to water bodies is necessary to the town.
3. Land pollution due to the tannery effluents
4. Occurrence of diseases due to the intake of polluted water
5. Need for weekly market in the town
6. The facilities in the Government Hospital need to be improved
7. Illegal quarrying of sand in Palar River
8. The layout open spaces need to be developed into [parks and playfields
9. Law enforcement to prevent pollution in Palar River

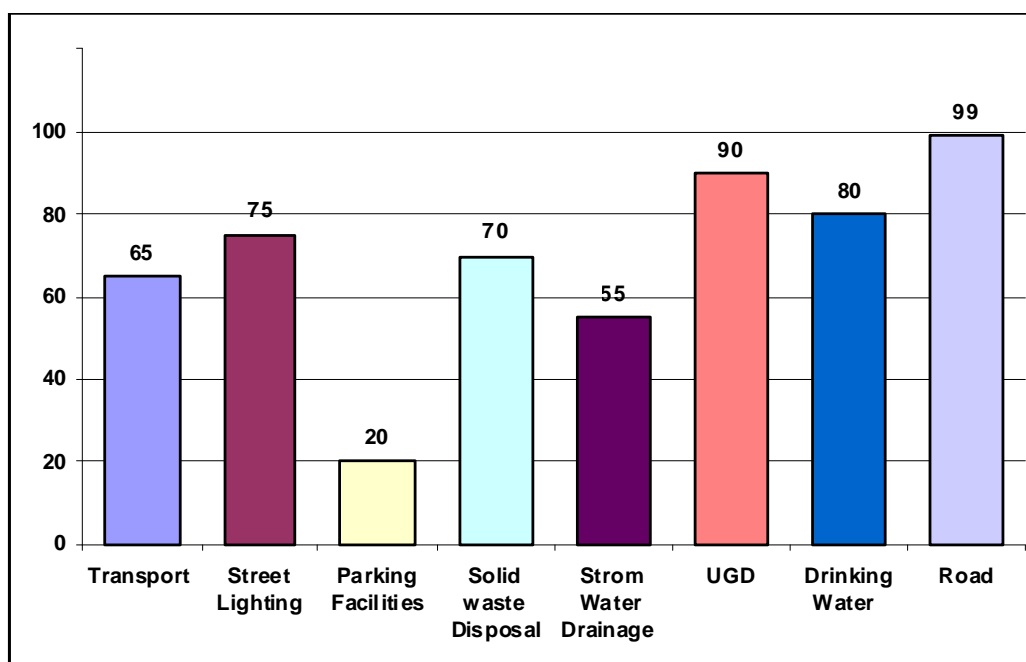
4.2.1 Sector Prioritisation

Projects identified in the city development plan cannot be taken up in one step for implementation due to constraints like finance, institutional capabilities etc. Thus, phasing of the projects based on stakeholder's priority could be a viable option for implementing projects. During City Opinion Surveys, Stakeholders have been asked to prioritise the sectors pertaining to Physical infrastructure, Social Infrastructure and Environment and is presented in a scale of 0-100* scores.

4.2.1.1 Physical Infrastructure Priority

Based on Consultation meeting, Opinion Survey findings, Stakeholders have given priority to the sectors related to Physical infrastructure in the following order:

1. Road Network
2. Under Ground Drainage
3. Drinking Water Supply
4. Street lighting
5. Solid Waste Disposal
6. Transport
7. Storm Water Drainage
8. Parking



Source: From Stake Holder's Survey

4.2.1.2 Social Infrastructure Priority

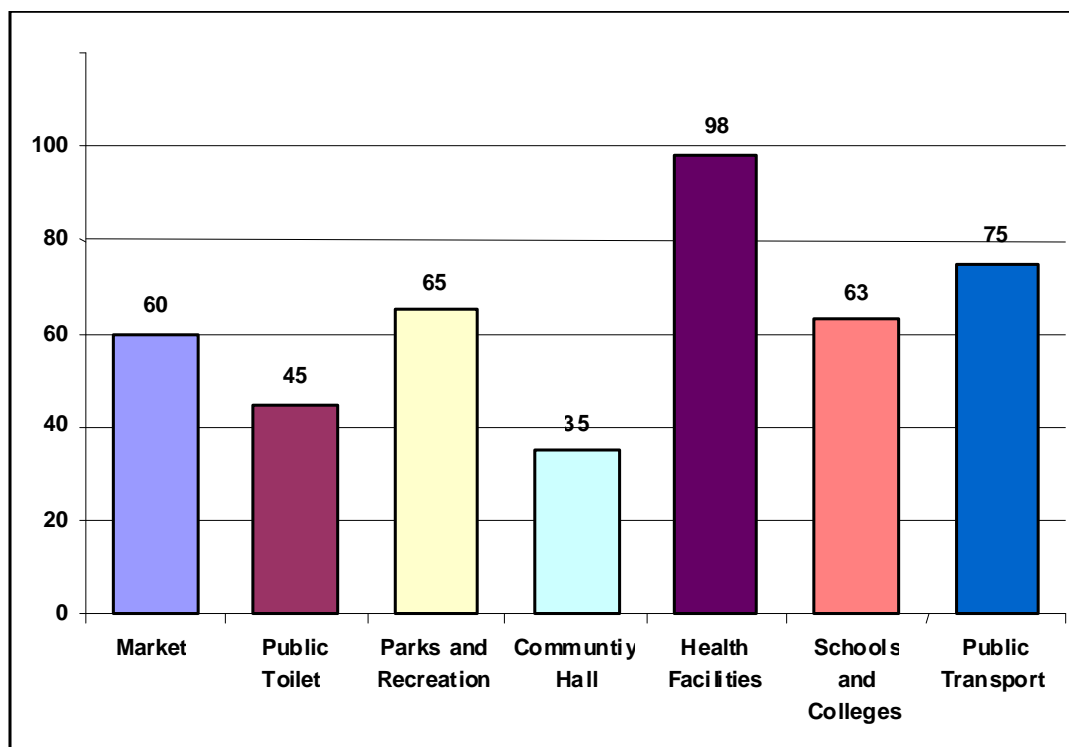
Based on City Opinion Survey findings, Stakeholders have given priority to the sectors related to Social infrastructure on the following order:

1. Health facilities
2. Public transport
3. Parks, Playfields
4. Schools and Colleges
5. Market

6. Public Conveniences

7. Community hall

Since the town lacks basic infrastructure facilities like adequate treated water, sewerage and sanitation, Solid Waste treatment plant, etc. citizens of Anankaputhur are susceptible to various health hazards. Hence, they have insisted Health facilities as one of their high priority sector.

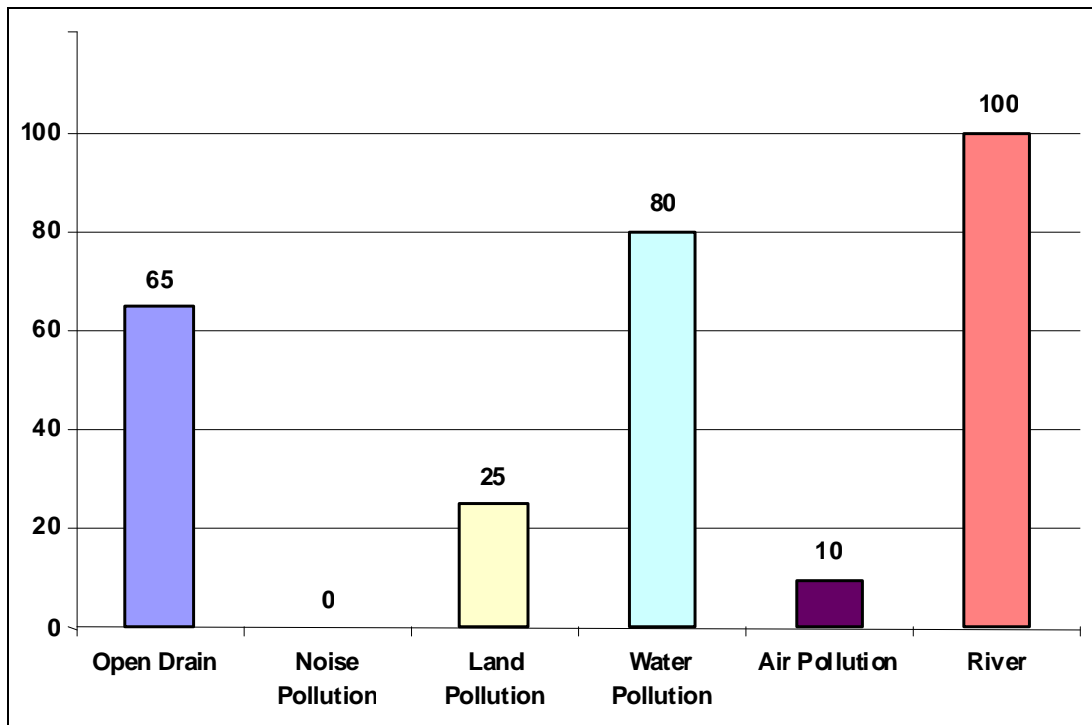


Source: From Stake Holder's Survey

4.2.1.3 Environmental Issues

Based on City Opinion Survey findings, Stakeholders have given priority to the Environmental Issues on the following order:

1. River/Lake
2. Water Pollution
3. Open drainage
4. Land Pollution
6. Air pollution
5. Flood problem (water logging)
7. Open space (unavailability)
8. Noise Pollution



Source: From Stake Holder's Survey

5 VISION AND STRATEGIC PLAN

A vision statement is a primary step to where a town wishes to be in the next 25-30 years as its preferred future. It is a realistic and reliable statement, reflects the competitive advantages, preferences & values of city dwellers, physical characteristics, historic and cultural characteristics and relation to regional and local economies. Vision gives a sense of direction and purpose to the plan, focus on and encourage creative solutions in an open manner building in interest and commitment.

One of the key steps involved in the formulation of vision is the SWOT analysis, which is based on stakeholder feedback and analysis of the town.

5.1 TOWN LEVEL SWOT

SWOT analysis is made for the town in its regional context. The SWOT for Walajapet Municipality with reference to its regional context is given in the table below:

Table 5-1: Town level SWOT

Regional positives	Regional negatives
Strategic location on the NH-46 connecting Chennai and Bengaluru.	Crippling environmental pollution affecting land ,water and air.
Availability of copious supply of Palar river water for industries to grow and thrive.	Low awareness levels regarding importance of treating industrial effluents,
Golden Quadrilateral has provided better accessibility to nearby urban centres, ports and airbases.	Increased incidence of Cancer and skin disorders due to presence of heavy metals in source
Vellore District is the major exporter accounting for 37 % of countries leather and finished products.	Palar river carries Highly toxic effluents to down stream side towns causing health disorders.
Proposed improvements to Allapuram Air base, would facilitate international connectivity.	Drastic reduction in agricultural activities due to land pollution and lucrative industrial jobs.
Proximity to Vellore, the district head quarter, a major administrative , educational and medical services centre in Tamil Nadu.	Dwindling water supply sources due to check dams at upstream area and over exploitation by industries
Established rail connectivity to major urban centres in South India.	
Town level Strengths	Town level Weakness
Excellent industrial base of leather, pharmaceuticals, chemical and automotive industries in the hinterland.	Inadequate levels of good quality and affordable housing
Inherent skills of the localities in cane furniture and carved wooden furniture	Poor implementation of Pollution control regulations, especially the red category industries- leather, chemical and pharmaceutical industries .
Employment opportunities due to SIPCOT and other industrial establishments	Squalid , unhealthy conditions and mosquito menace due to unsanitary conditons in town area.

Access to world class medical facilities at CMC , Vellore and Ida Scudder , Ranipet, attracting National and International Medical tourists	Absence of recreational facilities that is, parks and play fields.
Town level Opportunities	Town level Threats
Availability of cheap unskilled and semi skilled labour force.	Inadequate financial strength of Municipality to take up major infrastructure projects.
Proposed leather Goods SEZ by TN Govt. at Ranipet and SEZ at Katpadi	Threat to thriving industrial base, the mainstay of the economy of the region due to crippling pollution.
Proposed Chennai-Bengaluru- Mumbai Industrial corridor, with bullet train , six lane road and extension of Metro rail between Chennai-Bengaluru.	Loss of agricultural lands due to indiscriminate discharge of effluents.
Proposed IT park at Vellore by ELCOT and access to educational institutions.	Reluctance of the industrial establishments to operate existing ETPs, due to increase in overheads.
Well established educational and administrative facilities in the district	Poor road surfaces leading to dusty / unsafe conditions and stagnation during monsoons.

Source: Analysis and feedbacks from stakeholder workshop.

5.2 VISION FORMULATION

Using the results of the analysis combined with consultations with key stakeholders and civil societies, vision formulation is meant to develop a perspective for development – a collective vision of the future direction expressed in terms of expectations and goals.

The vision for the town is proposed as **“to be a center for green and sustainable industrial activities supplemented with the necessary infrastructural facilities and amenities to provide better standards of living conditions for living in the town.”**

However to achieve this vision and to translate it into Strategies and Projects, the mission statements are evolved.

Mission 1:

To achieve a Sustainable Environment by 2015 so as to prepare Walajapet as competing City for induced investments

5.3 STRATEGY OPTION FOR ECONOMIC DEVELOPMENT

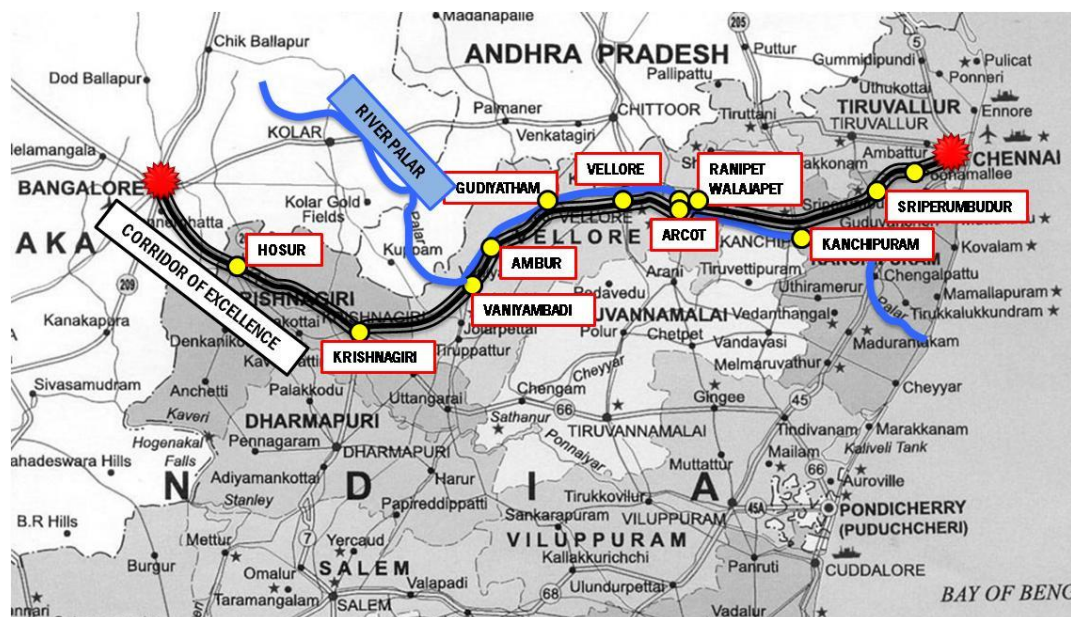


Figure 5-1: Chennai-Bengaluru Industrial corridor of excellence

1. Effort to boost up small scale and cottage industries

The Export Promotion Council for Handicrafts is a non-profit and non-trading organisation working under the administrative control of the Development Commissioner (Handicrafts). It provides

- Professional advice and services to members in areas of technology upgradation, quality and design improvement, standards and specifications, product development, innovation etc.
- Participating in specialized International Trade Fairs of handicrafts & gifts.
- Organizing Indian Handicrafts and Gifts Fair at New Delhi.

The region has leather products, Handloom, cane works, wooden articles, pottery, agarbathi etc. The small scale and cottage industries and can be encouraged by giving assistance and concessions through the Government and support through societies and councils.

2. Promote marketing through support and services schemes

Development of support institutions and schemes for semi skilled will supplement the growth of local economy. The town has well established regional linkages which connects major urban centers in the State. Availing supports from such Institutions and Resource centers may further encourage the production and marketing. Marketing Promotion Programmes like Publicity and Exhibitions, setting up of Marketing Complexes, Participation in trade fairs, Increasing capacity building in entrepreneurship and marketing skill of craft persons will open new marketing avenues.

5.4 PROTECTION OF PALAR RIVER BASIN

Regular monitoring of water quality is required to maintain and restore the wholesomeness of water under Water Prevention and Control of Pollution Act, 1974. The inland water quality is monitored under two major programmes namely

1. Monitoring of Indian National Aquatic Resources (MINARS),
2. Global Environmental Monitoring System (GEMS),

which are funded by Central Pollution Control Board, New Delhi. Under the above two programmes the rivers Thamiraparani, Palar, Vaigai and lakes such as Udhagamandalam lake, Kodaikanal lake and Yercaud lake are being monitored.

The Department of Environment has been implementing programmes/ projects under National River Action Plan:

- **Palar River Conservation at Ambur, Ranipet and Walajapet**

A novel project, the first of its kind in the state has been prepared for Ambur Municipality for diluting the treated industrial effluent containing high Total Dissolved Solids (TDS) with treated domestic wastewater at an estimated cost of Rs.25.00 crores and sent to Government of India for approval. Now a similar project has been prepared for Ranipet and Wallajah Municipalities at a cost of Rs.25.00 crores and sent to Government of India for approval. This project will be beneficial to the people of Ambur, Ranipet and Wallajah by providing underground sewerage system and minimise pollution of the River Palar besides bringing down the TDS of the treated industrial effluent. The project will be undertaken with the 70% financial assistance of the Ministry of Environment and Forests and the rest from the contribution of the Municipality (25%) and industries (5%).

Vision statement for Palar River Basin

The Palar River Basin Management and Development Board (PRBMDB) is an apex body, which endeavours the primary role in sustainable water resources planning and management in an integrated manner covering the activities of all departments concerned.

The Palar River Basin Management and Development Board (PRBMDB) seek to improve, safeguard and monitor the water and land resources programs of its member organizations.

- To promote, advice, direct and coordinate sustainable management and development of water, land and forest resources including the environmental aspects in the basin.
- To increase awareness, participation and commitment of people and to protect and enhance their wellbeing.
- To follow a participatory, transparent and objective approach and become a model for other river basins in India.

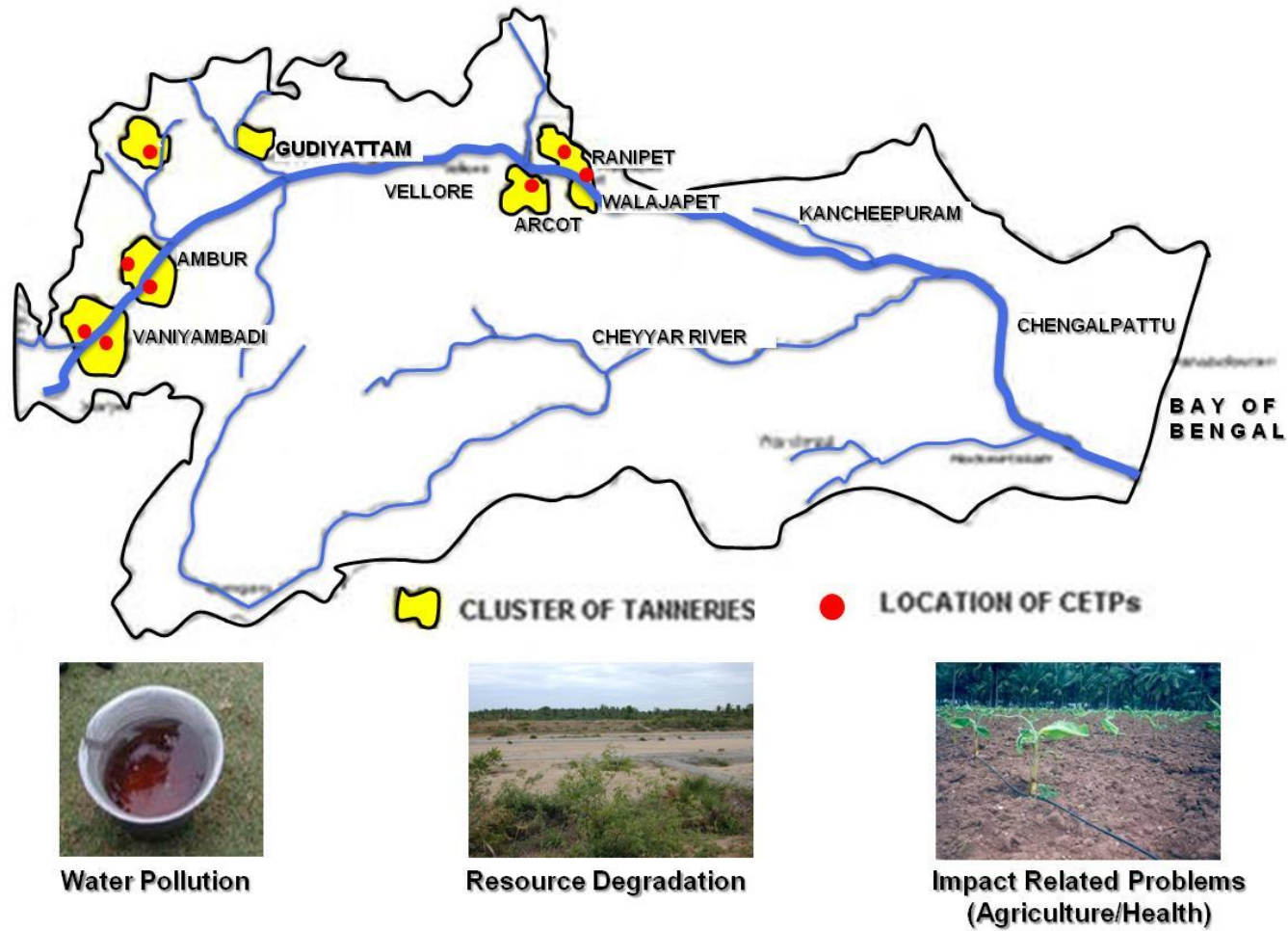


Figure 5-2: Key Environmental Issues –Palar River Basin

6 HOUSING INCLUDING SLUMS

6.1 EXISTING HOUSING SCENARIO

6.1.1 Housing Condition

Total house holds in the municipality is 1,6,8,17,21. Out of total house holds 90% is in good condition, 8.49% in livable condition and 0.51 % in dilapidated condition.

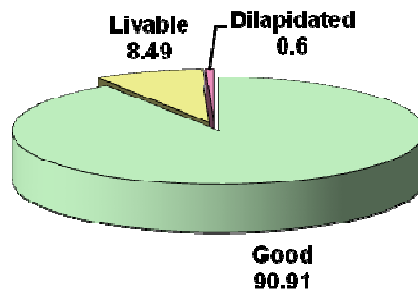


Figure 6-1: Housing Condition

Source: Compiled from Housing and Household amenities census, Census of India, 2001

6.1.2 Housing Stock



As mentioned earlier, there are total 6,742 residential units in the town, out of which 5,771 are used by the people for living purposes as per the census 2001 accommodating 6,314 households.

The Average Occupancy rate per house is 5.10 for the town which is little lower than Occupancy rate of District Urban area which is 5.42 per house.

Existing Houses

The Household size of Walajapet Town is 4.67, which is less than district Urban i.e. 4.79 in the year 2001 (Table 6-1).

Table 6-1: Existing Housing Stock

Particulars	Population	No. of Households	Average HH Size
Tamil Nadu Urban	27483998	6381600	4.31
Vellore District	3477317	756365	4.60
Vellore District Urban	1307998	272982	4.79
Walajapet (M)	29475	6314	4.67

Source: Compiled from Primary Census Abstract, Census of India, 2001

6.1.3 Existing Housing Demand- Supply Gap

Housing shortage is estimated on the basis of availability of 'minimum standard house' that excludes dilapidated dwelling units and houses in slum areas. In Walajapet town for 5,771 residential units exist for a total of 6,314 households that indicates a clear demand supply gap of 543 DUs. In addition, out of the total residential units, 1,447 dwelling units (i.e. 25% of the total available Dwelling Units) exist in slum areas which, again, as per the criteria accounts for housing shortage. The demand-supply gap has been further widened by additional 34 dilapidated dwelling units. Hence, in total, Walajapet town needs an additional housing stock of 2024 dwelling units (Table 6-2).

Table 6-2: Existing Demand- Supply Gap

Total Census Houses	Total Occupied Residential Units ¹	HHS/ Resi. Unit	Demand Supply Gap (No. of HHS)	Number of dwelling units in slum	Dilapidated Residential Units	Total Demand (No. of HHS)
6742	5771	1094	543	1447	34	2024

Source: Compiled from Housing and Household amenities census & Compiled from Primary Census Abstract, Census of India, 2001

6.2 EXISTING SLUM SCENARIO

6.2.1 Slum Population

There are 6 slums (Figure 6-2) in the municipality and 23% of the total population (8,120 persons) lives in the slums. In Total 1,794 households live in the slums at present. The average household size of 4.83.

There are total 6742 census houses in the Walajapet Municipality as per Housing and Household amenities census, census of India 2001. Out of which the occupied houses for residential purposes are 5771. So for all kind of Calculation and projections only the figure of Occupied Houses for residential purposes is used in this chapter.

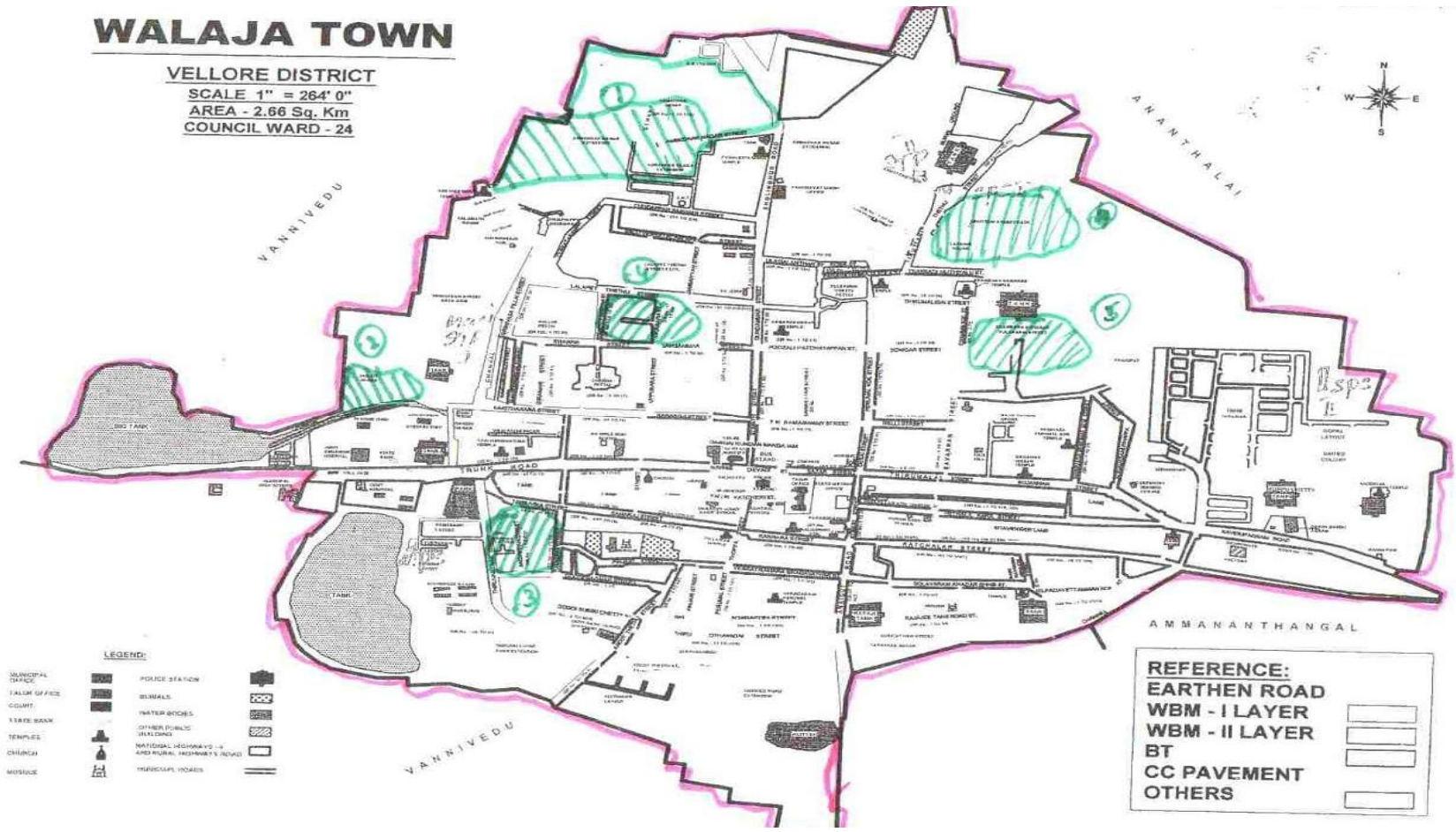


Figure 6-2: Existing slum locations

6.2.2 Slum Profile

Slums are located in the western and eastern part of the town. Slums have developed in the wards 1, 6, 8, 17, 21 and 24 where unhealthy living conditions prevail.

Most of the slum dwellers are migrants from the hinterland of the town and from the neighbouring districts and more than half of them have been staying for more than 10 years in the town.



Thiruvallur Steet Slum Area -



Community Hall

6.2.3 Access to Basic Services

Slum population is vulnerable to diseases due to inadequate supply of potable water, safe drainage and sewerage system.

Table 6-3: Level of Infrastructure in Six Slum Pockets

Infrastructure	Ward No.1	Ward No.6	Ward No.8	Ward No.17	Ward No.21	Ward No.24
	Ambedkar Nagar	Thiruthani Thethu Street	Panchupet	Arunthaniyar Colony.	M.G.R. Nagar	Salamath Nagar
Total Population	1458	1054	1453	2059	1349	747
Total Houses	324	248	315	449	302	156
Total BPL HH	197	76	133	146	71	69
Housing						
Proposed new construction houses (Nos)	36	10	40	6	-	-
Road						
C.C. Road (Km)	0.473	0.465	0.350	0.750	0.563	-
Sanitation						
Public Toilets	1	2	1	1	2	1
Community Facilities						
Community Hall	-	-	-	1	-	-

Infrastructure	Ward No.1	Ward No.6	Ward No.8	Ward No.17	Ward No.21	Ward No.24
	Ambedkar Nagar	Thiruthani Thethu Street	Panchupet	Arunthaniyar Colony.	M.G.R. Nagar	Salamath Nagar
Drainage						
Length od Pucca Drain (Km)	1.08	0.567	0.067	0.151	-	0.571
Drinking Water Facility						
Hand Pump	1	1	1	1	1	1
Public Lighting Facility						
Street Light (Nos)	23	21	27	4	15	9
Sewerage System	-	-	-	-	-	-
Solid Waste Management	1	1	1	1	1	1
Education Facility	1	-	-	-	-	-
Medical Facility	-	-	-	-	1	-

- There is no provision of protected water supply to the households though pipeline has been laid but Individual connections as well as public stand post taps are not provided.
- Due to non availability of water distribution network line in the slum area, the slum area still depends on borewells as sources of water supply.
- Sanitation facilities needs improvement as only 63% of the slum population has access to the safe mode of sanitation.
- Most of the slums do not have adequate and appropriate drainage system hence stagnation of water in these slums areas degraded the living environment.
- Still, 17.5% of the population does not have access to adequate garbage disposal system leads to unhealthy living conditions.

6.2.4 Slum Improvement Programmes

Currently only the Integrated Housing and Slum Development Program (IHSDP) is in operation for slum improvement in the town. This programme is taken up by Walajapet Municipality and now under operation.

6.3 ISSUES

The problems and issues relating to housing and slums have been identified on the basis of secondary data collected and stakeholder discussions. The issues mainly focus on basic urban services, supply of affordable services, land for housing, development guidelines and awareness amongst slum dwellers.

1. More than one-third of the town population lives in slums
2. Most of the slum population is dependant on the informal trade and small scale industries for livelihood
3. Lack of access to basic services in the wards where slums are situated. The land is developed for housing by private developers
4. Lack of basic services leads to open defecation and garbage disposal within the slum.
5. Dominance of sub-standard urban basic services
6. Threat to health & hygiene prone to epidemics; (Almost whole slum population has no access to potable water. Provision of drainage is also not satisfactory.

Proposal to meet the demand and issues are given in chapter 10.

6.4 CONCLUSION

Supply of housing for economically weaker sections is an important concern as lack of housing manifestes in the form of rising slum population in the town. Provision of urban services is an issue of major concern in the slums of the town. Attention needs to be given to housing facilities for all sections of the society to improve livability of the town on the whole.

7 INSTITUTIONAL FRAMEWORK

In order to give effect to the provisions of 74th CAA, the municipal structure was revised to include elected council to the already existing administrative setup. For this purpose elections were held in every municipality under the new act once in every 5 year. The organizational structure of the Walajapet Municipality generally consists of Elected Council and Executive wing.

7.1 ELECTED COUNCIL

The Elected Council, the political wing consists of 24 elected councilors. Each Councilor represents one electoral ward. The Councilors in turn elect the Chairperson as head of the Municipal Council. The chairman is the head of the municipal council and he is assisted by vice chairman.

To assist the council in its functioning, the following 4 administrative committees have been constituted namely:

- Appointment committee
- Agreement/Contract Committee
- Taxation Appeal Committee
- Local Planning Authority

The committees consist of the Chairman, the Municipal Commissioner and elected Councilors as members. Appointment Committee is a statutory committee, and the Chairman of the Municipality is also the Chairman of the committee. The Committee is responsible for making appointments for posts which fall under the purview of the Appointing Committee. Contract Committee is another statutory committee and quotation of works is finalized by the Contract Committee. The Taxation Appeal Committee is responsible for hearing of appeals of the tax items. The Council is the decision making as well as policy making body.

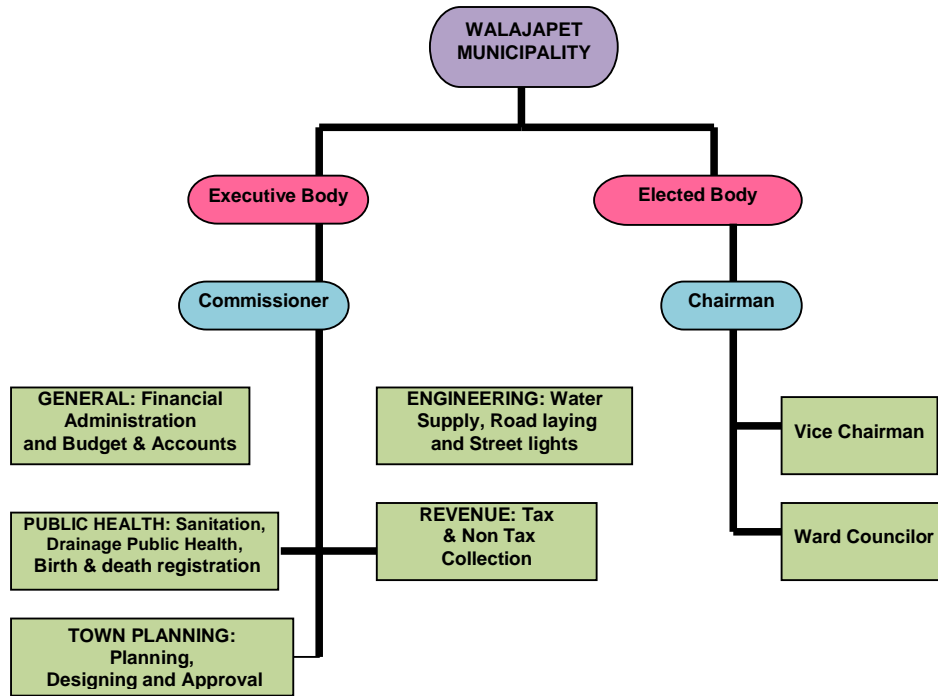


Figure 7-1: Organisational structure of Walajapet Municipality

7.2 EXECUTIVE WING

The executive wing is responsible for the Municipal operations and maintenance. The Commissioner is the administrative head of the executive wing and is supported mainly by 5 department heads in the Municipal operation and maintenance. The organization structure of the Municipality comprises of 5 functional departments namely,

1. General Administration
2. Engineering and Water Supply section
3. Accounts Section
4. Public Health Section and
5. Town Planning Section

7.2.1 General Administration

The municipal commissioner is the executive head of the ULB. He is supported by department head like, Municipal Engineer, Town Planning Officer and Manager. Manager is the head of the General Administration next to Commissioner and he is responsible for general supervision and Administration of Office. The Administrative wing looks after general administration of the Municipality including establishment matters such as appointments, pay and allowances etc., correspondence with Government and other departments, public relations, redressing of public grievances, legal matters and lawsuits and all matters related to office

administration. All establishment matters are dealt with in the General Administration.

7.2.2 Health Section

The Municipal Sanitary officer is the overall in-charge of the Health Section. He looks after the prevention of Food Adulteration, conservatory work including sweeping of Streets maintenance of Drainage, controlling of epidemic diseases, ensuring of license to D&O trades, Birth and Death Registration, issuing birth and death certificate and also responsible for removing of dead animals and stray animals. The Sanitary Supervisor and Sanitary Workers are assisting the Municipal Health Officer. The Municipal Health Officer is also responsible for solid waste management.

7.2.3 Engineering Section

The Municipal Engineer is the over-all in-charge of Engineering Section. Municipal Engineer will control the Assistant Engineer, Technical Assistant, Road Mazdoor, Electrical Superintendent, Wireman, Helper and Fitter working in the section. The Municipal Engineer looks after the maintenance of Street lights, Road laying, construction of building, drainage, maintenance of parks, head works and municipal vehicles. The other subordinate officers are assisting the Engineer to look after the above work.

7.2.4 Town Planning Section

In Walajapet Municipality, the Town Planning Officer is the over all in-charge of the section. He looks after the work of preparation of Master Plan, maintaining the land use as per the approved master plan, Licensing of plan building, booking of unauthorized construction, approval of lay out in the town limit, controlling and removing the encroachment in the town. The Town Planning Inspector will assist the Town Planning Officer in the planning of future development of the town and allied works.

7.2.5 Accounts Section

The Accounts section is included in General Section. The Accountant is the Head of the wing and controlling financial matters. It involves into preparation of Budget discipline. Also look after the Actual based Accounting System.

The Revenue section is headed by the Revenue Inspector and the inspector is supported by Bill Collectors with the task collection of taxes and Non-taxes and she is held responsible for the entire collection of Revenue At present in Revenue Department of Walajapet Municipality has three assistant.

7.3 Citizen's Charter

As per the directions of the Government of Tamil Nadu, the Municipality has

published its 'Citizens Charter' during 1998 to bring ULBs functioning closer to the people. The main focus of this charter is to introduce transparency, responsibility and user friendliness in its service provision and maintenance. The objectives of this chapter are to:

- Provide fast and quality services to citizens
- Inform the public about time limits to address the problems
- To provide transparency in administration

7.4 Information Centre

In order to provide all the relevant information to the town citizens, the Municipal Office has a reception cum information centre which also supplies various forms required by public to submit applications to the ULB. This reduces the time required on the part of the public and also provides information needed by the people on the spot.

7.5 Staff strength position and vacancy position

As of now, there are 88 personnels are working in various sections of the municipality against the sanctioned strength of 120 post. There are 32 vacancies in the proposed staff strength norms. The details are given in the table below:

Table 7-1: Staff Strength and Vacancy Position

S.No	Name of the post	Sanctioned Staff Strength	Present staff strength
General Services			
1	Manager	1	1
2	Assistant revenue Officer	1	1
3	Assistant Accountant	1	1
4	Assistant	1	-
5	Junior Assistant	4	4
6	Sharoff	1	1
7	Store Keeper	1	-
8	Typist	2	1
9	Assistant	1	-
10	Revenue Assistant	4	3
11	Record Clerk	1	1
12	Cinema Operator	1	-
	Total	19	13
Engineering services			
1	Assistant Engineer	1	1
2	Public Work overseer	1	1
3	Head works fitter Gr-I	1	-
4	Head works fitter Gr-II	1	-
5	Tap inspector	2	-
6	Pipe line fitter Gr-I	1	-
7	Turner	1	-
8	Electrician Gr-II	2	2
9	Pipe line fitter Gr-II	1	-
10	Carpenter	1	-
11	Works Inspector	1	-

12	Pipe line Maistry	1	-
	Total	14	4
Health services			
1	Sanitary Inspector	2	1
2	Maternity Assistant	-	1
3	Driver (Lorry, Motor, Tractor)	10	-
4	Sanitary Supervisor	3	3
5	Sanitary workers (All type)	69	64
	Total	84	69
Town Planning services			
1	Town Planning Officer, grade -II	1	-
2	Town Planning Inspector	1	1
3	Town planning Assitant Draughtsman	1	1
	Total	3	2
	Total	120	88

7.6 Additional Staff requirement:

Taking into consideration of the implementation of the proposed projects under the City Corporate cum Business Plan, the vacant posts in Engineering Section, Public Health Section, and Town Planning Section need to be filled up expeditiously.

In view of appointing Project Management Consultant for the proposed water supply and UGSS projects, Privatization of Solid Waste Management and Maintenance of street lights through ESCO/ Private agency, the various sections of the municipality need to be strengthened with the following personnel:

Table 7-2: Additional Staff Requirement

SI No	Name of the Post	Section	No. of Personnel
1	Accountant for Infrastructure project	General	1
2	Revenue Inspector	General	1
3	Assistant Engineer/ Junior Engineer (WS, UGSS, UIDSSMT & IHSDP Projects)	Engineering	1
4	Overseers (UIDSSMT & IHSDP Projects)	Engineering	2
5	Town planning officer	Town planning	1
	Total		6

Source: Analysis and discussions with Municipal officials

7.7 INSTITUTIONAL FRAMEWORK FOR SERVICE DELIVERY

The responsibility for good governance and management is vested with the Municipality. Although, the municipality is responsible for overall development of the town including provision and maintenance of services, there are other agencies responsible for planning, development and provision of specific services. Such key stakeholders include:

Table 7-3: Institutional Framework for Urban Service Delivery

S.No	Services	Planning and design	Implementing agency
1	Master plan preparation and Updation	DTCP	Municipality

2	Water Supply	TWAD	TWAD
3	Sewerage	TWAD	TWAD
4	Drainage	ULB	ULB
5	Solid waste Management	ULB/CMA/TNUIFSL	ULB
6	Roads and Highways	Highways dept / Municipality	Highways dept / Municipality
7	Bridges and water bodies	Municipality / CMA/PWD	Municipality / PWD
8	Street Lighting	Municipality/TNUIFSL	Municipality
9	Parks and playfields	Municipality	Municipality
10	Health and Education	GoTN / Municipality	GoTN / Municipality
11	Slum Development	Municipality/ TNSCB	Municipality
12	Environmental protection	TNPCB	

7.8 Organization Management

As been seen from various sections of the report particularly relating to service deliveries, there are gaps of various sizes which result in a shortage in the delivery system. This could be overcome by certain specific options:

- In most of the service sections of the Municipality, there are vacancies which could be filled up. This alone may not ensure a totally satisfactory delivery of the services as it requires an efficient personnel management.
- The organization and delivery mechanism in some of the important personnel intensive service sectors has to be modernized. To mention the important few particulars relate to Solid Waste Management, where large no. of workers and staff are involved, could be modernized resorting to localized and more efficient composting and Landfill system. This could be assigned to NGOs, voluntary organizations or even the respective resident associations in the various colonies. This is a remunerative venture as is proved in many places. This process not only will significantly reduce the burden of the Municipality in engaging workers and staff but also will improve its resource position either through substantial reduction in a cost of solid waste management and / or could improve in the resource position as a remunerative venture.
- Tamil Nadu Urban Infrastructure and Financial Services initiated action to identify Landfill site through GIS in combination with 2 or more municipality as a centralized disposal of solid waste. This will reduce the cost of solid waste management for each municipality.

Privatizing the operation and maintenance of water supply system, collection of taxes and fees and maintenance of public assets particularly sanitary and public health units is a well known option. This could be taken up under joint venture between urban local body and private sector.

8 URBAN INFRASTRUCTURE AND SERVICES

8.1 WATER SUPPLY

8.1.1 Existing Scenario for Water Supply

In Walajapet Town, nearly 96% of population is dependent on protected Water Supply while the rest are dependent on unprotected sources of water supply. The main source of water supply to Walajapet Town is Palar River at Vannivedu village on the southern bank of Palar River. The present water supply schemes were implemented utilizing the water from Vannivedu village during the year 1994. Water Supply Scheme exists in Walajapet town since 1946. The Scheme was improved during 1994 & 1996. The total population as per the census 2001 is 29,475. There are 24 wards in the municipality. These sources located at a distance of 5 km away from the town (i.e Vannivedu Village). A number of tube wells have been installed at different locations for water supply is made through piped-network which serve about 96.00% of the town's population.



At present the Municipality has provided 4282 individual connections, of which 99.5% connections are domestic and 0.5% connections are non-domestic connections. Also the Municipality has provided 118 public stand posts are also provided by the municipal administration. The maximum water connections in the municipality are in the domestic sector as given in **table 8.1**. Apart from this municipality has provided 115 hand pumps and two **Existing O.H.T** mini power pumps.

Table 8.1: Break up of Water Supply Connections

S. No.	Type	No. of Connections	Percentage of Total
1.	Domestic	4262	99.5
2.	Non-Domestic	20	0.5
	Total	4282	100.00

Source: Compiled from data provided by Walajapet Municipality

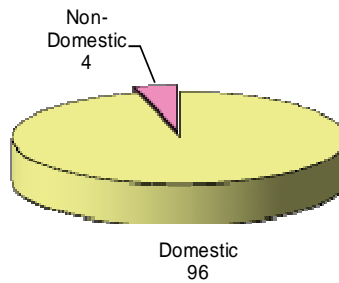


Figure 8-1: Break up of Water Supply Connections

Table 8.2: Classification of Sources of Water by type in Walajapet

Location	Total no. of house holds*	Sources of drinking water				
		Protected		Unprotected		
		Tap	Hand pump	Tube well	Well	Any other
Within Premises	4,492	4,399	47	43	1	2
Near Premises	908	746	59	40	0	63
Away	452	288	62	14	5	83
Total	5,852	5,433	168	97	6	148
% of House Hold		93	3	1.4	0.10	2.50

Source: compiled from Housing and Household Amenities, Census of India 2001

* As per the Primary Census Abstract the Number of Households in Walajapet Town is 6314

8.1.2 Sources and Treatment

The town has been provided with local sources since 1946. Major source of water supply to Walajapet Town is infiltration wells at palar river. There are 7 intake pumps and all of these pumps are working presently. These intake pumps are installed at different locations on Palar River bed near Vannivedu Village.



Pumping house

The quality of water is tested and then distributed to the public from the source reservoir. The pH value of water is 7.8 and is used to get chlorinated before distribution from local reservoir.

The quantity of water distributed from the local reservoir is around 17.15 Lakhs liters in the town. The details of locations and tank capacity are presented in table – 8.3.

Table 8.3: Location of Reservoirs

S. No.	Name of service reservoir	Capacity in lakhs liters
1	Arcot thethu street	3.50
2	Arcot thethu street	1.15
3	Kadappa rangaiyan street	3.00
4	Kadappa rangaiyan street	2.50
5	Tamil Nadu Housing board	1.00
6	Indira Nagar	2.00
7	Tamil Nadu Housing board	4.00
Total		17.15

Source: Compiled from data provided by Municipality, Walajapet

8.1.3 Storage and Distribution Network



The existing distribution system comprises of distribution network from the service reservoirs to the individual house service connections and public fountains, which covers 98% of the total municipal road length (29.465 Km.) in the town. The existing network system is laid out to cover the area which has dense population.

At present, the water is distributed for duration of 1 hour in a normal day to cover different wards in the town. Table 8.4 shows details of the water supply scheme in the town.

Table 8.4: Water Supply Distribution Details in Walajapet Town

S.No	Distribution system	Details
1	Length of Pumping Main	4.050 km
2	Distribution Main	34.200 km
3	Storage reservoirs	8 Nos.
4	Length of Distribution Network	29.465 km
5	Storage capacity	17.15 lakh litre

Source: Compiled from data provided by Municipality, Walajapet

8.1.4 Demand Supply Scenario



Existing Over Head Tanks

At present, the municipality supplies about 40.00 Lakh litre of water to its residents at the rate of 130 LPCD. To meet the demand of the public, the municipality is maintaining 115 hand pumps and 2 mini pumps. Because of the insufficient quantum of water supplied by the municipality, the people use unprotected water for their domestic needs. However, the other sources of water are tagged as unprotected sources due presence of septic tanks densely exist in the town area, which poze a high vuneability of the ground water contamination by microbial pollutants. The municipality is planning to extend its boundaries by including 6 villages namely Ananthalai, Vannivedu, Gudimallur, Ammanthangal, Sennasamudram and Kadappanthangal with in this justification. The six villages extended over an area of 36.88 sq.km and hold a population of 23771. With this additional population, the demand for the water supply would increase to a great extent. The municipality also plans for implementation of UGD Scheme for the town, which will also, increase the demand for water. As per CPHEEO standard for a town which has a sewerage system, it is required to supply water @ 135 lpcd. So, water supply @ 135 lpcd is adopted for the future demand calculation **Table 8.5** summarises the demand supply scenario in the town.

Table 8.5: Existing Demand and supply in the town

Year	2007-08	2009	2024	2039
Population	30975	31800	61479*	65950
Per Capita(LPCD)	130	135	135	135
Demand@135 LPCD	42.0	43.0	83.0	89.0
Supply of Water(LLD)	40.00	40.00	40.00	40.00
Gap(LLD)	2.00	3.00	43.00	49.00

*In waljapet Municipality additional population added due to delimitation of boundaries in 2011 (23770)

Source: Compiled from data provided by Walajapet Municipality

8.1.5 Performance Indicators

Attributes	Components	Indicator	Value	unit
Service Level	Service Delivery	Water supply per day	130	Liters per capita per day
		Average hours of supply per day	60	minutes/day
		Average number supply days in a week	3 to 4	Day
	Storage capacity	Storage capacity adequacy (7 OHT)	17.50	Lakh Litres

8.1.6 Issues in Water Supply Sector

- The system is running to its full capacity yet not able to meet the current demand and there is a need to identify new water sources and comprehensive redevelopment of the water supply system.
- New water supply lines for Rajiv Gandhi & Maasila mani nagar
- Renovation of water supply lines in Thirumalai street since there is no pressure in the supply.
- The old water supply scheme could not meet the demand of the town. In future it will not be able to withstand pressure for additional demand.
- Insufficient supply of protected water for current and future demand.
- Lot of Tanning industries in this belt and they discharge there water in Palar River which is deteriorating the ground water.
- At present 3" water supply pipes are provided in the 1st ward area, so pipes has to be changed to 6" dia.

- The water is drawn from the Palar river bed and the TDS level of water is in higher side as compared to standards. Whereas the limits of TDS should be maintained at 0 to 500ppm.

Proposal to meet the demand are given in chapter 10.

8.2 SEWERAGE AND SANITATION

8.2.1 Existing Sewerage Status:

At present, Walajapet town does not have a sewerage network. Under the predominant system of open drainage disposal, the untreated sewage effluent usually over flows to pollute the residential and commercial area of the town.

The Governemnt of Tamil Nadu has decided to provide Under Ground Drainage for this municipality under the UIDSSMT Scheme.



Existing Sewerage system

Under Ground Drainage Scheme proposal and cost:

The detailed project report of Under Ground Sewerage Scheme is prepared by TWAD Board and estimated to **28.57** crore. Approval by CMA is under progress.

8.2.2 Sanitation

Septic tank is the most common mode for disposal of sanitary waste adopted in the town. The other modes of disposal and household distribution are shown in **Table**

8.6. About 65.50% of households have access to safe mode of sanitary disposal i.e. by the means of Septic tanks and Pit latrines. However, about 35.00 % of households do not have an access to safe mode of sanitation as per the municipal records nearly 5000 houses have water closet and the remaining houses do not have a safe sanitation facility. The details are given in **table 8.6**

Table 8.6: Classification of modes of sanitary waste disposal by type

Particulars	Facility by Type	Households	Percentage	Mode
Safe mode of disposal	Pit latrine	536	9.00	65.50
	Water closet	3297	56.00	
Unsafe mode of disposal	Other latrine	681	12.00	34.50
	No latrine	1338	23.00	
Total Households		5852	100	100

Source: compiled from Household and Housing Amenities Census, Census of India 2001

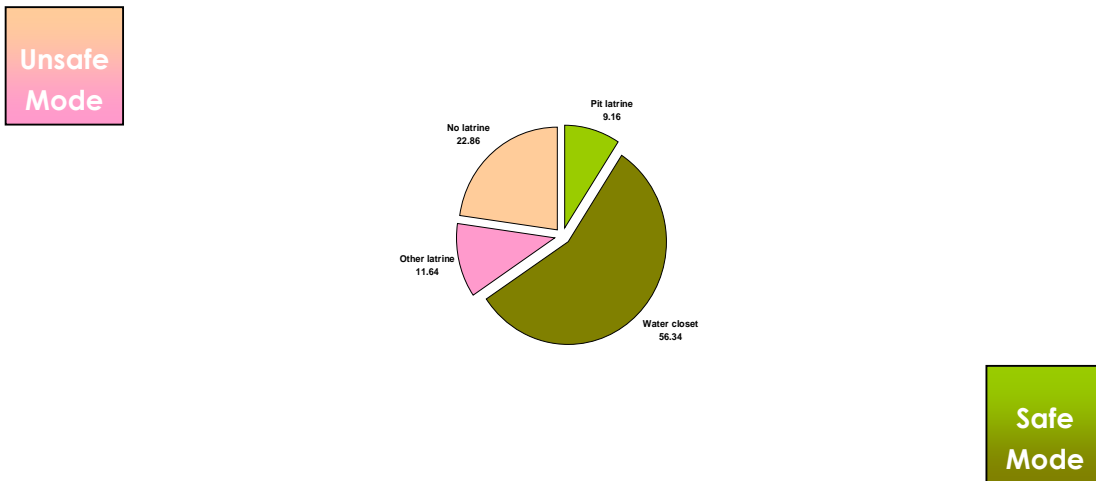


Figure 8-2: Status of Toilet Facility in Walajapet Town



Existing public toilets

The municipality is maintaining 9 public toilets in different areas of the town. However, considering the floating population, there is a need for provision of public toilets and Pay and Use toilets especially in the commercial localities and other

public places like bus stand, rickshaw stand etc. Another area where the sanitation standard needs to be improved is the educational institutions. Immediate attention is to be given for providing of toilet in educational institutions. The existing toilets to be maintained and provided adequate infrastructure facilities.

8.2.3 Issues in Sewerage and Sanitation Sector

- 23.00% of total population do not have an access to sanitary facilities, and thus follow open defecation
- Lack of sewerage system and inadequate safe mode of sanitation facilities.
- Outlets of Municipal toilets are connected to the nearby existing storm drain.

8.3 STORM WATER DRAINAGE

8.3.1 Existing Condition of Storm Water Drainage

The storm water drains are constructed and maintained by the municipality. As such, the Town is covered by network of surface drains of lined and unlined drains—leading to different directions along the slopes. In the town, the waste water is carried through open drains. The present condition of storm water drain carries sullage and sewage, which ultimately discharged into the Vannivedu Yeri. This poses a health and environmental hazard to the natural water system need to be addressed through a proper treatment facility for the sewage water into the yeri.



Existing Storm water drains

No comprehensive drainage flow has been made till date. The existing surface drainage net work is quite inadequate to cater present day needs. The town has 40.2 km drains including storm water drain and house hold drain. In the total length 29.2 km are pucca drains and 11km are earthen drains. The sewage and Sullage carried through the drains to Vannivedu and finally discharged to Palar River.

8.3.2 Drainage Connectivity

In the town 51% of the total houses were connected to the pucca drain, 33.00% connected to open drains and 16.00% of the total houses do not have drainage facility. In the town 51% of the houses are covered with pucca drains. Apart from the absence of comprehensive drainage system, the town is also lacking a treatment plant and the sewage directly flows in to Vannivedu Yeri and finally to Palar River. The details are given in table 8.7

Table 8.7: Existing Drainage Scenario

S. No.	Type of Drainage	Percentage coverage of houses
1.	Closed drainage	51
2.	Open drainage	33
3.	No drainage	16

Source: Housing & Household Amenities Census, 2001

8.3.3 Performance Indicators

Attributes	Components	Indicator	Value
Service level	Storm water drains	percentage of road length having storm water drains	89%
Service coverage	physical coverage	percentage of town area covered by storm water drains	80%



Existing storm water drain



Storm water stagnation area

8.3.4 Issues in Storm Water Drainage Sector

- Water stagnation is increasing in the kutcha drains rather than the pucca drains in the town and 16% of the households neither have a kutcha drain or drainage facility which needs a comprehensive planning.
- Water stagnation is increasing due to dumping of garbage and solid waste into the drains.
- Thiru. V. K street drains on the both side are fully damaged.

- In Indira nagar drainage facility has to be provided.
- There is no drainage facility in Subramani layout for 120 m long.
- In Phinchari street, drainage on both side fully damaged
- In Kamarajar street, Nehru street, cross street, Perumal street etc required drainage system.
- In Balli Venkatachalapathy Street drainage facility is to be provided.
- The untreated water is flowing in the Vannivedu Yeri and finally to Palar river. Proposal to meet the demand are given in chapter 10.

8.4 SOLID WASTE MANAGEMENT

Solid waste management is one of the important obligatory functions of any urban local body.

8.4.1 Generation of Solid Waste



The daily average generation of garbage in Walajapet Town is 15 Metric Tonne (Mt). Per Capita Solid Waste Generation in the town is about 500 grams. The details of waste generation in the municipality are given below:

Table 8.8 : Type of Waste Generated from Walajapet Municipality

S. No.	Type of Waste	%
1	Biodegradable	50%
2	Paper	2%
3	Plastic	0.60%
4	Rags	0.60%
5	Metal	0.05%
6	Rubber and Leather	0.05%
7	Inert	0.06%
8	Glass	0.05%
9	Household Dust, Waste from Construction, slit etc	46.59%
	Total	100%

Source: Walajapet Municipality, 2007

Out of the total waste collected, 59.00% of the waste is from House hold, petty shops and establishments, 12.00% of the waste is generated from markets, hotels, marriage halls and restaurants (discarded packaging from shops, waste food from eateries, waste generated from vegetable, fruit etc.), 2.00% from Meat, Fish and slaughter

house, 15.00% from Construction and 12.00% is slit (Vide table 8.9).The Waste from Hospital (bio-medical waste) and pathology lab is very low and negligible.

Table 8.9: Source of Waste Generation

S. No.	Source of Waste	Percentage of Total Waste
1	House hold, petty shops and establishments	58.82%
2	markets, hotels, marriage halls and restaurants	11.76%
3	Meat, Fish and slaughter house	2.29%
4	Construction	14.71%
5	Slit	11.76%
6	Hospital (bio-medical waste) and pathology lab	0.66%
	Total	100.00%

Source: Walajapet Municipality, 2007

It is also observed that the waste generated from the hotels, fish and meat stalls and vegetable market being used for anaerobic composting “ward level secondary sorting and segregation” of non-Bio, recyclable waste is also being done to remove especially the plastic waste. Also 60% waste is segregated at source.

8.4.2 Collection of Solid Waste

The collection of solid waste in Walajapet Town is through tricycles. The town is divided in to three zones for collection of the Waste. The Municipality collects the waste from two zones and third zone is privatised. Door to door collection of waste by tricycles is in practise.The Town is covered by 6 transfer stations out of which the municipality collects waste from 5 transfer stations. The waste collected from houses transferred to these transfer stations. The average distance between the transfer stations is above 250 meters.



Open dumping of solid waste at the disposal situ

The collected waste is segregated under the category of biodegradable, non-biodegradable and recyclable waste and transported by tractor and taken to the

waste disposal site near the town boundary. All the collected wastes dumped in to the dumping ground. The waste is collected everyday and adequate vehicles are available for the secondary transportation.

Table 8.10.: Number and Type of dustbins for waste collection

Vehicle	Nos.	Requirement
Transfer Stations	6	0
Big Collection Bins	0	6
Collection boxes	Nil	

Source: Public Health Department, Walajapet Municipality, 2006-07

8.4.3 Transportation Facilities

The collected solid waste from secondary storages i.e. concrete collection bins is transported to the dumping grounds.

The fleet of vehicles used for transporting the waste is not adequate. And lack of waste collection system to achieve segregation at source leads to non-retrievable collection of the probable reusable waste. The list of vehicle available for solid waste management is given below.

Table 8.11: Detail of Vehicles for Solid Waste Management in Walajapet Municipality

S. No.	Using Section	Type of Vehicle	Nos	Make
1	Public Health	Lorry	01	Ashok leyland
2		Mini Lorry	02	Swaraj Mazda
3		Tractor	01	HMT
4		Tractor With Trailer	01	HMT
5		Bins	190	
6		Tractor Troleys	01	

Nearly 15 tonnes of waste per day is collected for disposal but only 10.00 (67%) tonnes is disposed in the dumping ground. The Rest of the waste like building material is dumped in low lying area and the recyclable material used to send for recycling.

8.4.4 Disposal of Solid Waste

At present, the waste being collected is dumped with in the municipality boundary near Ambethkar Nagar opposite to Pakkupet. The area of disposal site of 1 acre which is fully filled up. For the solid waste disposal Walajapet, Ranipet and Arcot municipalities have planned for a combined wasted disposal plan. The municipalities already identified a place for a compost yard near Marudambakkam village. The development of this site as a landfill site is already in the process. The total extende of the site is 1.51Ha while the required land for dumping site is nearly 1.67ha. Issues in Soild Waste Disposal

- Un-scientific solid waste management.
- Improper management of waste at storage points.

- Transportation of the waste material by open Vehicle
- Hazardous domestic wastes (like aerosol cans, used batteries, cosmetic items, broken light bulbs, paints, etc.) are dumped together with other waste.
- Lack of Safety suits - Injurious to the health of the sanitation workers and reduces the productivity of the manpower.

Proposal to meet the demand are given in chapter 10.

8.5 STREET LIGHTING

8.5.1 Status of Street Lighting



Almost 100 % area of town is covered with street lights. There are 1066 electric poles have functional light points. The poles are both of concrete and steel material. There are no high and semi high mass poles in the town and not even at major junctions. On the main roads the poles are fitted with Sodium Vapour Lamps of 250 watt and 200 watt

Mercury Vapour Lamps.

The streets in the residential areas are provided with tube lights. The average distance between the poles is 49 meter.

Table 8.12: Number of Street Lights in Walajapet Municipality

Ward No.	250 Watt Sodium Vapor Lamps	Tube Lights	Ordinary Bulbs	200 Watt Mercury Lamps	Grand Total
1	5	84	-	-	89
2	4	65	-	-	69
3	7	70	-	2	79
4	16	18	-	3	37
5	3	27	-	1	31
6	2	81	-	-	83
7	6	20	-	2	28
8	3	27	-	-	30
9	6	29	-	1	36
10	4	17	-	3	24
11	7	16	-	1	24
12	16	57	-	2	75
13	-	13	-	-	13
14	3	22	-	1	26
15	-	26	-	-	26
16	4	22	-	-	26

Ward No.	250 Watt Sodium Vapor Lamps	Tube Lights	Ordinary Bulbs	200 Watt Mercury Lamps	Grand Total
17	1	60	-	-	61
18	7	51	-	-	58
19	7	27	-	-	34
20	2	13	1	-	16
21	-	31	1	-	32
22	-	16	-	-	16
23	-	58	-	-	58
24	19	77	-	-	96
Total	117	927	2	20	1066

There are no specialised poles for the street lights and as a result lights are implanted on electricity poles which are relatively shorter in height and restrict the spread of light to a limited area. Street lights should be removed from electricity poles and separate poles should be raised to maintain its height.

8.5.2 Issues in Street Light Sector

- No criteria and standards were taken in to consideration when providing street lights
- In 18th ward extra street lights is to be provided.
- In Suwarna street and Paanakara street lights is to be provided.
- Electric poles are used for provision of street lights so height of these lights is very low results in low spread of lights.
- In narrow streets these poles become hindrance to traffic flow.
- The placing of street lights is very near and this results in more spending on infrastructure and more electricity bills.
- Inadequate provision and monitoring of street lighting.

Proposal to meet the demand are given in chapter 10.

8.6 TRAFFIC AND TRANSPORTATION

Wajajapet town is well connected with roads and rail linkages. The town lies on the Chennai-Bangalore highway i.e. NH-4. The town is well connected by rail and road with the adjoining urban centres of Ranipet, Arcot, Arni and Vellore. Chennai - Bangalore broad gauge railway line is passing at distances of 4.5 km. on the north of the town.

8.6.1 Regional Linkages- Roads, Railways and Airways

This town is having good transport facilities for all directions through National Highways Major district roads and village roads. These roads are giving access to

surroundings important towns like Arcot, Walajapet, Vellore, Arani and Katpadi. It also connects metro cities of Chennai and Bangalore.



Existing Road

8.6.2 Town Level Road Network and Hierarchy

The roads/ streets in the town are looked after by the municipality and partly by Highways and Rural Works Department.

Nearly all the roads in the town are metalled. The Municipality maintains 29.465 Km of roads. In the municipal limit the length of the NH is 2.293 kms. The NH is passing in the middle of town through when heavy vehicles pass the town.

Table 8.13: Length of National Highways Passing through Walajapet

S. No.	Name of the Road	Length (km)
1	Chennai-Mumbai National Highway (NH-4)	4.85
2	Walajapet – Krishnagiri National Highway (NH-46)	1.07
3	NH-46 bye pass	1.82
4	Walajapet – Sholingur State Highway	1.24
Total		8.98

Source: Engineering Department, Walajapet Municipality, 2007-08

The municipality is maintaining 45 kms roads (Table 8-14) within the town. The category of the roads maintained by the municipality is given in table below:

Table 8.14: Types of Roads in Walajapet Municipality

S. No.	Type of Roads	Length in Kms	Percentage
1	Concrete Road	18	40
2	BT Road	26	57.8
3	Earthen Road	1	2.2
Total		45	100%

Source: Engineering Department, Walajapet Municipality, 2007-08

The analysis of road network inventory data is shown in the table 8.15:

Table 8.15 : Roads by Hierarchy, 2004

ROADS	Lenth (km).	Road Width (m)
National Highways	7.74	
State Highways	1.24	7 to 10
Town Roads	45	5 to 9

Source: compiled from data collected from Walajapet Municipality

8.6.3 Parking

There is no authorised parking area in the town. Hence, private vehicles as well as auto-rickshaws are generally parked on road intersection or along the road.

8.6.4 Pedestrian Paths



There is no pedestrian path along the major and minor roads and people face problem in walking along the main roads. This also creates problem for the fast moving traffic. The both sides of the main roads have been encroached by shop owners on the existing carriage way up to 1 meter and it acts as a hindrance to the free flow of traffic.

8.6.5 Public Transport System

There is no public transportation system within the town. However para-transit modes like auto rickshaws are available for the town movement. There are almost 125 auto rickshaws in the town. There are no authorised parking spaces for auto rickshaws.

Bus transport provides connectivity to nearby areas as well as to other major towns.

These buses are being run by State Government Transport Department as well as by private operators.

8.6.6 Issues in Traffic and Transportation Sector

- The road junctions at nawab deavadi street and bus stand with poor geometrics
- Majority of town roads like nawab deavadi street, tirumalai mudali street, bujanna rao street, Kommuty Street etc., are narrow and there is no scope of widening. Even these roads has been encroached on both sides by shop owners.

- There is no provision of signage in the town and is major problem to visitors to the town.
- Absence of pedestrian platform along nawab deavadi street, tirumalai mudali street, bujanna rao street, Kommuty Street and also people walks on roads where fast moving traffic also runs
- There are no authorised parking lots or demarcated parking areas. Haphazard parking all along the main roads increases congestion. The auto stand is inside the bus stop only.
- Absence of median in the main roads due to level of traffic density.

Proposal to meet the demand are given in chapter 10.

8.7 SOCIAL INFRASTRUCTURE FACILITIES

8.7.1 Educational Facilities

At present 2 higher secondary schools, 2 matriculation schools, 2 middle schools and 4 elementary schools are present in the town. Apart from this one Government Arts college for women and one aided for men are functioning in Walajapet and Melvisharam respectively which is adjoining to Walajapet Town. Self Finance Science College, Poly Technique and ITI are functioning in the nearby village. Higher order educational facilities are available the District Headquarter which is located 31 km away from the Walajapet. The town has educational facilities and shows satisfactory situation when compared to the standards specified in UDPFI guidelines. The educational institution existing in the town is given in the table below:

Table 8.16: Existing Educational facilities in Walajapet Town

Particulars	No. of Institutions	Population served by 1 school
Elementary	4	7368
Middle	2	14737
Matriculation	2	14737
Higher secondary	2	14737
College	2	14737
Technical institutions	2	14737

Source: Compiled from District Statistical Abstract Vellore - 2006

The population served by each primary school is about 7,368, which is more than UDPFI standard, but the student strength is less than prescribed of 500. Similarly, the total population served by each and middle school, matriculation school and secondary school is about 14737, whereas the UDPFI standards recommend population threshold of 7,500. The details of educational institution in the town are given in table 8.17:

Table 8.17 : Details of Education Facilities

S.No.	Ward No.	Name of the School	Location
1	18	Market School	Taluk kacheri street
2	7	Mixed School	Bavamar Street
3	11	Municipal Sowrastra School	Vetriaikara Street
4	18	Municipal Central School	Tauk kacheri street (opposite Police Station)
5	11	Municipal Muslim School	Vetriaikara street
6	10	Gandhi Mission Vidyalaya	Kaveripakkam Gate Road
7	19	Mangalambal	Trunk Road
8	19	Govt. Boys Hr.Sec. School	Trunk Road
9	19	Govt. Girls Hr.Sec. School	Trunk Road

8.7.2 Existing Scenario in Educational Facilities

- The infrastructure facilities in the school are very poor
- No awareness campaign for promoting professional education in the town
- Improper infrastructural facilities in elementary educational institutes

Proposal to meet the demand are given in chapter 10.

8.7.3 Health Facilities

At present, one Government Hospital, two private nursing home, one maternity centre and three private clinics are functioning in Walajapet Town. The capacity of Government Hospital is 32 beds serving a population of 29,475 (2001). Adopting a standard of 3 beds per thousand population, medical facilities are sufficient for the existing population of the town. The details of medical facilities available in the municipality are given in the table below:

Table 8.18: Existing Health facilities in Walajapet Town

Type	Nos.	Bed Strength	Management
Govt. Hospital	1	32	Government
Private Nursing Home	2	9	Private
Maternity Centre	1	2	Municipal
Private Clinic	3		Private
Total No. of Doctors in Govt. Hospital	8		
Total Number of Nurses in Govt. Hospital	13		
Total Number of Technical Person in Govt. Hospital	26		
Other Office Staff	04		
Total Number of Patients Treated	92064		

Source: District Statistical Handbook Walajapet 2005-06

Issues:

- Due to inadequate facilities in the hospitals as the local people go to Vellore to avail better medicine facility

Proposal to meet the demand and issues are given in chapter 10.

8.7.4 Market

The Municipal market is located near the municipal office and to bus-stand. It is on the prime location Walajapet-Ranipet main road. The existing stretch in the market is in a dipulated conditions and needs improvement.

Proposal to meet the demand and issues are given in chapter 10.

8.7.5 Slaughter House

The existing beef municipal slaughter house is in usage with poor infrastructure facilities.

Issues:

- Improper or inadequate upkeep of the slaughter house.
- Inadequate water supply in the slaughter house.
- Inadequate lighting arrangements.
- Old structures and no safe mode of disposal of waste.
- The Improvement of Slaughter house is given below

Proposal to meet the demand are given in chapter 10.

8.7.6 Burial Ground

There are two burial ground in the municipality. The basic infrastructure facilities are not available in the site. The issues in the burial ground are listed below:

- Inadequate access or pathway to the Burial ground
- Inadequate water supply
- Inadequate lighting arrangements
- Inadequate infrastructure for facilitating burning of the dead bodies

Proposal to meet the demand are given in chapter 10.

8.7.7 Parks and Recreational Places

The town has 7 municipal parks and 7 undeveloped parks. At presents the parks needs improvement.

Proposal to meet the demand are given in chapter 10.

9 MUNICIPAL FINANCE

9.1 OVERVIEW

Walajapet Municipality maintains a municipal fund for managing the finances of the Municipality. The accounts of the municipal fund were maintained on cash based single entry system till the year 1999-2000. From 1.4.2000 onwards, accrual based double entry book keeping system was implemented. The Municipality maintains accounts separately for General Fund, Water Supply and Sewerage Fund and Education Fund.

This Section contains a description of the municipal finances, the sources and uses of funds, and an assessment of municipal finances based on important financial indicators.

9.2 GENERAL DETAILS

Walajapet is located at Vellore District and the total population as per 2001 census is 29472 Nos. Out of the same the total urban poor is 1612 Nos., comprising 5.47% of the total population. The total number of slums is 6 Nos. with total slum population of 6250 Nos, which aggregates to 21.20% of total population.

It is a Grade II municipality.

9.3 RECEIPTS

Receipts under the Revenue Account include taxes and fees, grants, water & sewerage charges, income from properties, service charges charges & fees and other income.

9.3.1 Property Tax

Property Tax is the single largest tax revenue source and accounts for around 24% of the total revenue. This tax is levied on residential, commercial, industrial and vacant lands. The property tax is levied on the basis of Annual Rental Value of the property. The property tax is levied on the annual value of the property, which is determined on the basis of gross rent at which the property can be reasonably expected to be let out.

The Municipality currently charges property tax @ 15% per annum on the basis of Annual Rental Value. The components of property tax are as below:

Table 9-1: Property Tax Components

S.No	Particulars	% (Per Annum)
1	General	6.00%
2	Scavenging	2.75%
3	Lighting	1.00%
4	Water Tax	
5	Sewerage Tax	2.75%
6	Education	2.50%
	Total	15.00%

The total number of property tax assessments is 6894 Nos. the breakup of which is as below :

Table 9-2 : Property Tax Assessments

S.No	Particulars	Nos.
1	Domestic	6238
2	Commercial	629
3	Industrial	2
4	State Government Properties	23
5	Public Sector Undertakings	2
	Total	6894

The last revision of Property Tax was carried out on 01.10.1998.

The total property tax collections during the last 6 years ended 2006-07 is as below:

Table 9-3 : Property Tax – Growth during last 6 years

Year	Rs. in lacs	% Growth Rate
2001-02	43.83	-
2002-03	43.21	(1.41%)
2003-04	43.99	1.81%
2004-05	44.54	1.25%
2005-06	45.19	1.46%
2006-07	45.97	1.73%

It may be observed from the above that the average property tax collection is around Rs. 45 lacs per annum and average growth over the years is around 1.5%.

The demand and collection of property tax over the last 6 years is as below:

Table 9-4: Property Tax – Demand Collection %**(Rs. in lacs)**

Property Tax	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07
Demand						
- Current	47.50	46.82	47.43	49.80	48.91	48.27
- Arrears	72.72	56.98	58.96	33.07	67.75	75.70
Total	120.22	103.80	106.39	82.87	116.66	123.97
Collection						
- Current	25.10	27.78	37.94	44.82	29.33	29.70
- Arrears	18.19	17.06	35.38	23.15	11.62	11.45
Total	43.29	44.84	73.32	67.97	40.95	41.15
Collection %						
- Current	53%	59%	80%	90%	60%	62%
- Arrears	25%	30%	60%	70%	17%	15%
Total	36%	43%	69%	82%	35%	33%

The current collection performance of property tax is very poor at around 60% and the arrears collection performance is around 25%.

9.3.2 Profession Tax

Profession Tax is another source of revenue to ULB. Profession tax is a tax deducted from the salaries of the employees falling within the Municipality and is collected from all registered organizations, companies or firms, public or private, individuals and State & Central Government Departments. Currently profession tax is deducted on a slab basis.

The total number of profession tax assessments is 1147 Nos., out of which state / central / quasi Govt. employees comprise 685 Nos., private employers / companies is Nil and traders / self employed professionals 462 Nos.

During the last 6 years, it has increased from Rs. 3.75 lacs to Rs. 5 lacs. It accounts for around 2.5% of the total revenue. The profession tax for the last 6 years is as below:

Table 9-5 : Profession Tax – Growth during last 6 years

Year	Rs. in lacs	% Growth
2001-02	3.72	-
2002-03	3.70	(0.54%)
2003-04	4.28	15.68%
2004-05	4.93	15.19%
2005-06	5.18	5.07%
2006-07	0.21	(95.95%)

The demand and collection of profession tax over the last 6 years is as below:

Table 9-6 : Profession Tax – Demand Collection %

(Rs. in lacs)

Profession Tax	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07
Demand						
- Current	3.73	4.29	3.83	4.21	4.69	4.69
- Arrears	7.74	7.05	7.76	2.90	9.85	10.19
Total	11.47	11.34	11.59	7.11	14.54	14.88
Collection						
- Current	3.14	3.33	2.87	3.79	4.30	4.30
- Arrears	0.02	0.25	5.82	2.61	0.05	0.50
Total	3.16	3.58	8.69	6.40	4.35	4.35
Collection %						
- Current	84%	78%	75%	90%	92%	92%
- Arrears	0%	4%	75%	90%	1%	0%
Total	28%	32%	75%	90%	30%	29%

The Municipality has average current collection performance of 90% and the arrears collection performance is low at around 5%.

9.3.3 Assigned Revenues

This item head comprises of income from Government of Tamil Nadu (GoTN) / State transfers of municipal income collected by the state line department. Transfers are in the form of municipality's share of taxes levied and collected by GoTN from establishments / operations within municipal limits.

Surcharge on transfer of immovable properties and entertainment tax are the major items on which these revenues are realized by municipality.

This income varies from year to year. The items under this category accounted for nearly 15% of the total municipal revenue. The assigned revenue for the last 6 years is as below:

Table 9-7: Assigned Revenue – Growth & % of Total Income

(Rs. in lacs)

Particulars	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07
Assigned Revenue						
Duty on transfer of property	5.96	22.70	9.96	8.23	13.36	8.25
Entertainment Tax	0.79	0.96	1.06	0.73	0.33	0.13
Total	6.75	23.66	11.02	8.96	13.69	8.38
% of Total Income	4.83%	15.05%	5.83%	5.54%	6.37%	4.29%
% Growth	-	250.52%	(53.42%)	(18.69%)	52.79%	(37.33%)

It may be observed that Assigned Revenue has increased @ 8-10% p.a. over the years. In case of entertainment tax, the Commercial Department collects entertainment tax from cinema halls functioning within municipal limit. The CT Department transfers 90% of total tax collection to municipality and retains 10% towards management charges. The Walajapet Municipality has 1 theatre and the income from entertainment tax is negligible.

9.3.4 Revenue Devolution Funds in aid of revenue expenditure

Grants in aid of revenue expenditure got boosted up following the 74th CAA and the same is reflected in the Municipality Revenue. The item mainly comprises revenue grants and compensations from State Government under various heads. The regular grants include the SFC grants and others include aid grants, grants for services like roads, buildings, maternity and child welfare, public health, contributions for elementary and secondary schools and etc. Grants which are for specific purposes are adhoc in nature.

This income varies from year to year. The items under this category accounted for nearly 35% of the total municipal revenue. The assigned revenue for the last 6 years is as below:

Table 9-8: Devolution Fund – Growth & % of Total Income**(Rs. in lacs)**

Particulars	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07
Devolution Fund	31.75	49.33	69.65	52.25	82.57	39.60
Total	31.75	49.33	69.65	52.25	82.57	39.60
% of Total Income	22.74%	31.37%	36.83%	32.28%	38.43%	19.78%
% Growth	-	55.37%	41.19%	(24.98%)	58.03%	(52.04%)

As per SFC recommendation, 12% of state revenue under Pool B is transferred to each local body based on formula recommended by SFC. The fluctuation in SFC grant is due to delay and deduction at source.

9.3.5 Water Charges

The water charges and deposits collected by the Municipality are as below :

Table 9-9: Water Tariff & Deposit

Category	Tariff	Deposits
Domestic	Rs. 30/- per month	Rs. 1500/-
Commercial	Rs. 60/- per month	Rs. 3000/-
Industrial	Rs. 120/- per month	Rs. 3000/-

The last revision of tariff was in 1998. The total number of house service connections (HSC) is 4282 Nos., the breakup of which is as below :

Table 9-10: No. of House Service Connections

Particulars	Nos.
Domestic	4262
Commercial	20
Industrial	-
Total	4282

The percentage of water supply connections to property tax assessments is 62%, which is less than norms. It could be further stepped to around 85%.

The water charges for the past 6 years is as below :

Table 9-11 : Water Charges – Growth & % of Total Income**(Rs. in lacs)**

Particulars	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07
Water Charges	14.68	15.23	15.33	15.35	15.41	20.35
Total	14.68	15.23	15.33	15.35	15.41	20.35
% of Total Income	10.51%	9.69%	8.11%	9.48%	7.17%	10.16%
% Growth	-	3.75%	0.66%	0.13%	0.39%	32.06%

It may be observed that water charges account for around 10% of total income. There has been growth of 7.5% over the last 6 years.

The water connection charges for the past 6 years is as below :

Table 9-12: Water Connection Charges – Growth & % of Total Income**(Rs. in lacs)**

Particulars	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07
Water Connection Charges	0.40	2.92	0.39	0.24	-	15.06

Total	0.40	2.92	0.39	0.24	-	15.06
% of Total Income	0.29%	1.86%	0.21%	0.15%	-	7.52%
% Growth	-	630%	(86.84%)	(38.46%)	(100%)	1506%

It may be observed that water connection charges accounts for negligible portion of total income @ less than 0.50%. The income from water connection charges has increased to around Rs. 15 lacs in 2006-07.

The last date of revision of water charges was in 1992. The demand collection balance statement of water charges for the last 6 years is as below :

Table 9-13 : Water Charges – Demand Collection %

(Rs. in lacs)

Water Charges	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07
Demand						
- Current	14.68	9.22	15.31	15.66	15.41	15.41
- Arrears	16.67	9.43	7.06	5.59	27.04	26.51
Total	31.35	18.65	22.37	21.25	42.45	41.92
Collection						
- Current	7.36	7.00	11.48	14.09	8.06	8.06
- Arrears	5.18	4.59	5.30	5.03	7.88	7.88
Total	12.54	11.59	16.78	19.12	15.94	15.94
Collection %						
- Current	50%	76%	75%	90%	52%	52%
- Arrears	30%	49%	75%	90%	29%	30%
Total	40%	62%	75%	90%	38%	38%

The municipality has extremely poor collection performance, with current collection charges at around 50%. The arrears collection % is around 30%.

9.3.6 Drainage Charges

The Municipality does not have a under ground drainage system and the number of households with septic tank facility is 1156 Nos.

9.3.7 Service Charges & Fees

The Municipality receives service charges and fees in the form of trade licence fees, building licence fees, fees for bays in bus etc. The income in the form of service charges and fees received during the last 6 years is as below :

Table 9-14 : Service Charges & Fees – Growth & % of Total Income

(Rs. in lacs)

Particulars	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07
Service Charges & Fees	8.15	7.35	7.07	7.38	8.20	20.06
Total	8.15	7.35	7.07	7.38	8.20	20.06
% of Total Income	5.84%	4.67%	3.74%	4.56%	3.82%	10.02%
% Growth	-	(9.82%)	(3.81%)	4.38%	11.11%	144.63%

It may be observed that service charges & fees accounts for around 5% of the total income. There has been growth of around 25% over the last 6 years.

9.3.8 Income from Properties & Other Income

The Municipality receives income by way of market fees – daily market, lease of land, rent on shopping complex & buildings, rent on bunk stalls, fees on pay & use toilets etc.

Other income comprises interest from bank & investments, deposits lapsed, income from cable TV operations, project overhead expenses and interest apportioned, misc. recoveries and other income.

The income from properties and other income received during the last 6 years is as below :

Table 9-15 : Income from Properties & Other Income – Growth & % of Total Income

(Rs. in lacs)

Particulars	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07
Income from Properties and other income	29.93	32.81	37.07	27.96	37.61	31.78
Total	29.93	32.81	37.07	27.96	37.61	31.78
% of Total Income	21.44%	20.87%	19.60%	17.28%	17.50%	15.87%
% Growth	-	9.62%	12.98%	(24.58%)	34.51%	(15.50%)

It may be observed that income from properties and other income together accounts for around 18% of total income and the same has shown growth rate of 3% over the last 6 years.

The demand collection balance statement of income from properties and other income for the last 6 years is as below :

Table 9-16 : Non Tax Income – Demand Collection %

(Rs. in lacs)

Other Income	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07
Demand						
- Current	24.97	26.72	25.68	26.16	34.35	-
- Arrears	23.73	27.41	30.11	35.62	32.47	-
Total	48.70	54.13	55.79	61.78	66.82	-
Collection						
- Current	14.28	19.59	17.51	20.93	24.83	-
- Arrears	7.02	4.42	2.65	26.71	5.03	-
Total	21.30	24.01	20.16	47.64	29.86	-
Collection %						
- Current	57%	73%	68%	80%	72%	-
- Arrears	30%	16%	9%	75%	15%	-
Total	44%	44%	36%	77%	45%	-

On the average, the total current collection performance of other income is low @ 70% and the arrears collection performance is around 25%. The current and arrears collection performance needs to be improved.

9.4 EXPENDITURE

The revenue expenses mainly comprises of establishment charges, power charges for street lighting, water supply, repairs & maintenance and other revenue expenses on account of maintenance of roads, public health etc.

9.4.1 Establishment Expenses

The major revenue expenditure incurred by the Municipality is establishment expenses comprising personnel cost and terminal benefits. The details of establishment expenses for the last 6 years is as below :

Table 9-17 : Establishment Expenses – Growth & % of Total Expenditure

(Rs. in lacs)

Estb Expenses	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07
Personnel – Salaries	63.67	63.21	64.75	67.64	70.14	78.68
Terminal & Retirement Benefits	19.07	19.15	14.24	6.41	17.36	0.05
Total	82.74	82.36	78.99	74.05	87.50	78.73
% of Total Expt	35.98%	40.35%	31.99%	35.01%	39.62%	55.62%
% Growth	-	(0.46%)	(4.09%)	(6.25%)	18.16%	(10.02%)

The establishment expenses constitute around Rs.85 lacs per annum and accounts for around 35-40% of the total expenditure.

9.4.2 O&M Expenses – Water Supply

The next major share of expenditure goes for water supply and drainage works. The same accounts for around 18% of the total expenditure.

O&M expenses on account of water supply comprises power charges of head works, pumping stations and booster stations, maintenance expenses for water supply works, vehicle maintenance etc. The O&M expenses on account of water supply for the last 6 years is as below :

Table 9-18 : O&M Expenses (Water Supply) – Growth & % of Total Expenditure

(Rs. in lacs)

O&M - Water Supply	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07
Power Charges	6.70	14.30	10.23	9.69	16.19	18.63
Maintenance Exps	0.42	2.84	3.08	1.22	3.90	1.23
Vehicle Maint.	-	0.30	0.39	0.18	0.60	0.18
Others	0.21	-	0.16	0.02	0.40	1.87
Total	7.33	17.44	13.86	11.11	21.09	21.91
% of Total Expt	3.19%	8.54%	5.61%	5.25%	9.55%	15.48%
% Growth	-	137.93%	(20.53%)	(19.84%)	89.83%	3.89%

The O&M Expenses – water supply constitutes around Rs. 20 lacs per annum and the main component of the same is power charges. The O&M water supply has grown on an average by 35% over the years.

9.4.3 O&M Expenses – Street Lights & Others

The O&M expenses on account of street lights and others comprises power & maintenance charges on street lights & buildings, sanitary & conservancy expenses, vehicle maintenance, repairs & maintenance – buildings, roads and others. The expenses on account of street lights & others for the last 6 years is as below :

Table 9-19 : O&M Expenses (Street Lights & Others) – Growth & % of Total Expt

(Rs. in lacs)

O&M – Street Lights & Others	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07
Operative Expenses	11.52	8.64	28.05	9.09	9.23	2.78
Repairs & Maintenance	5.61	2.37	2.56	2.22	5.71	8.03
Total	17.13	11.01	30.61	11.31	14.94	10.81
% of Total Expt	7.45%	5.39%	12.40%	5.35%	6.77%	7.64%
% Growth	-	(35.73%)	178.02%	(63.05%)	32.10%	(27.64%)

The O&M expenses – street lights and others constitute around Rs. 12 lacs per annum and accounts for 7% of total expenditure. The same has been growing @ 15% p.a.

9.4.4 Administration & Other Expenses

Besides establishment and O&M expenses, administration expenses form the major part of revenue expenditure. The summary of administration expenditure over the last 6 years is given below :

Table 9-20: Administration Expenses – Growth & % of Total Expenditure

(Rs. in lacs)

Particulars	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07
Administration Expenses	6.20	15.53	11.71	18.53	13.62	25.94
Total	6.20	15.53	11.71	18.53	13.62	25.94
% of Total Expt	2.70%	7.61%	4.74%	8.76%	6.17%	18.32%
% Growth	-	150.48%	(24.60%)	58.24%	(26.50%)	90.46%

The administration expenses comprise around 7.5% of the total expenditure and on an average constitute Rs. 15-20 lacs per annum.

9.5 SUMMARY OF FINANCES

We summarise below the finances of Walajapet Municipality for the last 6 years :

Table 9-21: Summary of Finances for last 6 years

(Rs. in lacs)

Particulars	Audited					Unaudited
	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07
Income	139.62	179.79	189.12	161.84	214.86	200.23
Expenditure	115.26	126.57	139.79	115.00	141.05	138.80
Surplus before Int & Depreciation	24.36	53.22	49.33	46.84	73.81	61.43

Finance Charges	50.61	18.01	50.27	46.83	34.26	1.50
Surplus / (Deficit) before Depreciation	(26.25)	35.21	(0.94)	0.01	39.55	59.93
Depreciation	64.12	59.55	56.89	49.71	45.52	1.26
Net Surplus / (Deficit)	(90.37)	(24.34)	(57.83)	(49.70)	(5.97)	58.67

Note :

The real autonomy of any organisation depends on its financial autonomy. Weak tax base, inadequate tariff level and poor collection performance have continued to be the salient features of local bodies in India.

- In the case of Walajapet Municipality, it is observed that the Municipality has shown deficit in all the years. The surplus in 2006-07 is because no depreciation and finance charges have been charged.
- Prior to depreciation, the Municipality has shown surplus in 2 out of last 5 years and just breakeven in 2004-05. So the Municipality needs to undertake lot of fiscal reforms and full leverage of its assets over the next few years to improve its financial strength and thereby undertake new projects.
- The summary of finances of the Municipality under the broad heads of income and expenditure for the last 6 years is as below :

Table 9-22: Head-wise Income & Expenditure for last 6 years

(Rs. in lacs)

Particulars	Audited					Unaudited
	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07
Income						
Property Tax	43.83	43.21	43.99	44.54	45.19	45.97
Profession Tax	3.72	3.70	4.28	4.93	5.18	0.21
Water & Drainage	15.26	19.73	16.04	15.81	15.67	52.49
Assigned Revenue	6.75	23.66	11.02	8.96	13.69	8.38
Devolution Fund	31.75	49.33	69.65	52.25	82.57	39.60
Serv. Chgs & Fees	8.15	7.35	7.07	7.38	8.20	20.06
Grants & Cont.	0.23	0.00	0.00	0.01	6.75	1.61
Sale & Hire Chgs	0.00	0.00	0.00	0.00	0.00	0.13
Other Income	29.93	32.81	37.07	27.96	37.61	31.78
Total Income	139.62	179.79	189.12	161.84	214.86	200.23
Expenditure						
Personnel Cost	63.67	63.21	64.75	67.64	70.14	78.68
Terminal Benefits	19.07	19.15	14.24	6.41	17.36	0.05
O&M-Street Lights	17.13	11.01	30.61	11.31	14.94	10.81
O&M - Water	7.33	17.44	13.86	11.11	21.09	21.91
Repairs & Maint.	7.42	5.51	8.19	3.64	11.54	11.31
Programme Exps	0.68	0.23	2.62	0.00	2.97	1.41
Administrative Exp	6.20	15.53	11.71	18.53	13.62	25.94
Finance Expenses	50.61	18.01	50.27	46.83	34.26	1.50
Depreciation	64.12	59.55	56.89	49.71	45.52	1.26
Total Expenditure	229.99	204.13	246.95	211.54	220.83	141.56
Surplus / (Deficit)	(90.37)	(24.34)	(57.83)	(49.70)	(5.97)	58.67

- It may be observed that the Municipality has shown deficit in all the years. The fall in deficit in 2005-06 is due to increase in Devolution Funds income in that year.
- The assigned revenue of the municipality has increased by around 8-10% p.a. over the last 6 years and accounts for 15% of total income. Devolution Fund, which accounts for 35% of the total revenue, has increased by 12% over the last 6 years.
- The municipality's own resource has also shown increase of only around 5% over the last 6 years. The municipality's own revenue comprises property tax, profession tax, water charges and income from properties have all shown growth of around 5% over the last 6 years.
- The total accumulated surplus of the Municipality as on 31st March 2007 stands at Rs. 191.67 lacs. As against the same, the total fixed assets comprising land, buildings, plant & machinery, vehicles etc. stands at Rs. 440 lacs. Out of the total fixed assets, the value of land is only Rs. 4.14 lacs.
- The total loans of the Municipality as on 31st March 2007 stands as below :

Table 9-23 : Borrowings of the Municipality**(Rs. in lacs)**

Loan from	Purpose	Rate of Interest	O/s as on 31.3.07
Government Loan	Water Supply & Others	13.5% & 6.75%	74.00
TUFIDCO Loan	Special Roads	9.5%	72.72
IUDP Loan	Shopping Complex, Markets etc.	12% & 14%	5.54
Total			152.26

- As against the same, the contribution by Municipality, contribution by Government and Grants from Government as on 31st March 2007 stands as below

Table 9-24 : Status of Contributions & Grants

Particulars	Rs. in lacs
Contribution by Municipality	40.80
Contribution by Government	178.11
Contribution by Private Parties	0.16
Grants from Government	8.85
Total	227.92

- It is observed from the above that around 60% of the fixed assets excluding Land have been funded by means of Contribution and Grants from Government over the years and the balance 40% from Loans.
- The average current collection efficiency of the municipality is poor, with 60% efficiency in property tax, 95% efficiency in profession tax, 50% in water charges

and 70% efficiency in case of non tax revenue. The arrears collection performance is also poor.

- The broad financial analysis of the Walajapet Municipality finances reveal that the Municipality has to necessarily increase its own sources of income and collection efficiency for servicing the additional borrowings in the future.
- To summarise, the overall income pattern of the Walajapet Municipality indicates more negative features than positive features. The positive trends are on the income side, where the Municipality has higher growth rate in income than growth in expenditure.
- But the growth in income is higher mainly on account of growth in Grants income comprising Devolution Fund and Assigned Revenue. The growth in Own Income is only 5% p.a.
- Though the Municipality borrowings are only around Rs. 152 lacs, it is quite high considering other factors. The municipality can resort to further borrowings for new project identified only based on the additional income to be generated.
- Around 52% of the property tax assesses have water connections, but it can be further improved up to 85%. The population per residential assessment is adequate at 4.72 persons.
- On the negative side, the municipality has a very poor collection performance in respect of property tax, water charges and non tax income and there is enough scope for improvement. The non tax income is also low compared to other heads of income and the Municipality should look in to ways and means for increasing non tax income. Therefore the municipality has to look at various mechanisms to improve its scope of own income to service the additional borrowings in the coming years.
- With more effective management of resources, there is scope for further enhancing credit worthiness and revenues of the Municipality.

On our review of the past 5 years financials of Wallajapet Municipality, we find the following major variations in the various heads of income and expenditure resulting in disparities in financial results :

The accounts for the year 2006-07 are un-audited and hence many of the heads of income and expenditure are showing variations in 2006-07.

Income

- There is a reduction in Devolution Fund by around Rs. 30 lacs in the year 2006-07. As Devolution Fund is assigned by the Government, the same would have been released and adjusted against interest dues and repayment of loans by the Government. The Municipality should obtain these details / figures and incorporate the same in Accounts.

Expenditure

- Depreciation and Finance Charges have not been provided for the year 2006-07.
- Terminal and Retirement Benefits have not been provided and as a result the same is less by around Rs. 15 lacs in 2006-07.

9.6 KEY FINANCIAL INDICATORS

A set of key financial indicators has been derived using the financial data procured from the Municipality for the assessment period. These indicators are used to assess the municipal performance with regards to resource mobilization, fund utilization, financial performance and collection efficiencies.

9.6.1 Resource Mobilisation Indicators

These indicators summarise the performance of the Municipality with regards sources of funds. Walajapet Municipality derives about 52 percent of its revenue income from own sources, while grants account for just about 48 percent of the revenue income.

Table 9-25: Resource Mobilisation Indicators

Indicators	Value
Per Capital Income	Rs. 660/- p.a.
Share of Own Sources in Total Revenue Income	52.06%
Share of Property Tax in Total Revenue Income	21.03%
Share of Revenue Grants & Subsidies in Total Revenue Income	47.94%
Growth in Revenue Income	13.47% p.a.
Growth of Own Sources of Revenue Income	2.72% p.a.
Per Capital Own Income	Rs. 334/- p.a.

9.6.2 Fund Application Indicators

These indicators are a measure to ascertain the utilization from the municipal fund. Around 40% of the revenue expenditure is spent on establishment heads, around 17% for municipal assets and services, leaving mere 33% for debt servicing and administration expenses. Establishment expenditure accounts for about 41% of the total revenue generated by the municipality.

Table 9-26: Fund Application Indicators

Indicators	Value
Per Capita Expenditure	Rs. 679/- p.a.
Share of Establishment Expenses in Total Revenue Expenditure	39.62%
Share of O&M Expenditure in Total Revenue Expenditure	16.74%
Share of Establishment Expenditure to Total Revenue Income	40.72%
Growth in Establishment Expenditure	1.43% p.a.
Growth in O&M Expenditure	11.04% p.a.
Growth in Total Revenue Expenditure	(1.00%) p.a.

9.6.3 Liability Management Indicators

These indicators are a measure to ascertain the utilization from the municipal fund regarding debt servicing. The ratio of debt servicing to revenue income is high at 60% during the assessment period. The per capita average debt outstanding is very high at Rs. 468/- and the per capita outstanding debt to property tax demand is around 337% of the property tax demand for the current year.

Table 9-27: Liability Management Indicators

Indicators	Value
Per Capita Liability	
- Outstanding Debt per Capita	Rs. 468/-
- Outstanding Non Debt Liability per Capita	-
- Total Outstanding Liability per Capita	Rs. 468/-
As a proportion of Property Tax Current Demand	
- Outstanding Debt as % of Property Tax Demand	337%
- Outstanding Non Debt Liability as % of Property Tax Demand	-
- Total Outstanding Liability as % of Property Tax Demand	337%
As a proportion of Property Tax Own Revenue Income	
- Outstanding Debt as % of Own Revenue Sources	136%
- Outstanding Non Debt Liability as % of Own Revenue Sources	-
- Total Outstanding Liability as % of Own Revenue Sources	136%
Non Debt Liability as % of Total Liability	-
Debt Servicing Ratio	60%

9.6.4 Overall Financial Performance Indicators

These indicators are a measure to assess the overall financial performance of the Municipality with regards operational performance and effective growth in revenue income and expenditure.

The average operating ratio during the assessment period is high at 82%. The indicators of growth in per capita income and expenditure item heads indicate the effective growth, giving a performance measure relative to the growing population. Walajapet Municipality has demonstrated 9.85% annual growth in per capita revenue income during the assessment period, while the per capita revenue expenditure has grown at a negative CAGR of 3.25% during the corresponding period, which indicates that as population increases revenue fund will be surplus.

Table 9-28: Financial Performance Indicators

Indicators	Value
Operating Ratio	82%
Growth in Per Capita Own Revenue	0.11% p.a.
Growth in Per Capita Grant	35.24% p.a.
Growth in Per Capita Total Revenue Income	9.85% p.a.
Growth in Per Capital Establishment Expenditure	(1.05%) p.a.
Growth in Per Capita O&M Expenditure	7.65% p.a.
Growth in Per Capita Revenue Expenditure	(3.25%) p.a.

9.6.5 Efficiency Indicators

These indicators are essentially a measure to assess municipal efficiency with regards revenue base coverage and utilization. Walajapet Municipality has low collection performance both with regards property tax, water charges and non tax income (60%, 50% and 70% respectively). The average population per residential assessment at 4.72 persons indicates that the property tax base has standard coverage.

Table 9-29 : Efficiency Indicators

Indicators	Value
Tax Collection Performance (Current)	
- Property Tax	60%
- Profession Tax	90%
- Water Charges	50%
- Non Tax Income	70%
No. of Property Tax Assessments per Tax Collection Staff	2439 Nos.
Property Tax Demand per Assessment	Rs. 618/- p.a.
No. of Municipal Staff per 1000 Population	3.29 Nos.
Annual Revenue (Own Source) per Municipal Staff	Rs. 1.05 lakh p.a.
Population per Residential Property Tax Assessment	4.72 persons

Note :

The detailed financials of Walajapet Municipality comprising Income & Expenditure Statement, Balance Sheet, Demand Collection Balance Statement, Growth in Income and Key Indicators for the last 6 years are given as Annexure.

9.7 MEASURES TO BE TAKEN FOR IMPROVING COLLECTION EFFICIENCY

The average collection efficiencies under the various heads of revenue works out as below :

Particulars	Current	Arrears
Property Tax	67.28%	36.21%
Profession Tax	85.02%	28.30%
Water Charges	65.94%	50.61%
Other Fees	70.20%	29.00%

The Municipality has average collection efficiency under all heads of revenue. Steps need to be initiated to improve the collection efficiency under all heads of income.

- Implement door-to-door collection mechanism, whereby property tax and water charges are collected from every household by the municipality staff. A separate collection team to be formed for this purpose, which will visit all the households and collect tax. A mobile collection van has been provided for this purpose in the FOP, which will help the staff in collection mechanism.
- Launch a focused drive on existing arrears.
- Conduct one time settlement scheme for old arrears and incentivise payments through marginal rebates for arrears > 5 years.

- Implement payment due date along with a 90 day grace period during which payments would involve a nominal interest payment.
- Payments beyond the grace period should include a steep penal charge to encourage payments on time.
- Work with GoTN to moot creation of a special tribunal for speedy disposal of properties under litigation.
- In case of disputed property tax, the assessee should first pay the tax under protest as in the case of excise or customs and then take necessary legal course. The Act should be modified in such a way that no legal recourse should be available to the assessee without paying the tax under protest.
- The billing mechanism, accounts and DCB Register should be fully computerized. This will help the Municipality in providing ready information on defaults and help in speedy recovery process.
- With regard to improvement in collection efficiency of water charges, the Municipality should first improve the service levels. The Municipality should conduct a survey on the present service levels and identify places where service levels are good. The Municipality should then do a focused drive on these blocks with good service levels and implement various collection measures given above.
- The Municipality may also consider implementation of late payment fines and in case of extreme overdue situations, disconnecting supply.
- As regards blocks with low service levels, the Municipality should improve the service levels and effect various measures to improve the service levels. Only with improvement in service levels, the collection efficiencies can be improved.
- As regards Other Fees, which basically comprises rent / lease from various assets of the Municipality, the Municipality should send eviction notices to the defaultees. Unlike property tax and water charges, the Municipality can enforce eviction of defaultees.

10 CAPITAL INVESTMENT NEEDS FOR IDENTIFIED PROJECTS

All the projects relating to urban infrastructure, urban growth and development have been identified through a conscious participatory process. The projects are in the form of improvements and, extension of the existing services and facilities such that the present inadequacies as per the norms and standards are made up and, in addition meet the requirements of the projected population of the town during the perspective period of plan.

Each project component, as identified has been verified in the field of their suitability and feasibility in terms of location, coverage and adequacy and finalized with as intensive consultation with the office of the municipality and as suggested and recommended in the review meetings of the previous stage of this exercise in the office of TNUISL. The projects thus finalized and firmed up are detailed thus finalized and firmed up are detailed out in their present status, gaps, projected requirements, cost estimates, capital needs, funding pattern etc in the following section. In all the identified projects constituting physical and social infrastructure facilities and other projects including bus stand, remunerating projects are including cost about Rs. 70.50 crores to be implemented starting from the current financial year. These projects have been prioritized as warranted in their importance over the implementation time frame. The projects, breakup of the investment and implementation schedule are given in the following tables:

Table 10-1: Summary of Capital Investments under CCCBP

S. No.	PROJECTS	TOTAL COST (Rs in Lacs)
1	Water supply	1632.40
2	Sewerage & Sanitation	2884
3	Solid waste management	503.90
4	Storm water drainage	260
5	Roads	650
6	Bus stand	413
7	Street light	17
8	School	49.25
9	Maternity centre	18.3
10	parks	35
11	Slaughter house	20
12	Market	29.50
13	Shopping complex	20
14	Burial ground	74
15	E-Governance & Mobile tax collection vehicle	43
16	Slum development	197
17	Reconstruction of sanitary workers quarters - 48 units	204
	Total	7050.35

10.1 PHYSICAL INFRASTRUCTURE - IMPROVEMENT NEEDS

In chapter -6 the problems and issues of the physical infrastructure as well as social infrastructure sector has been identified. Also the projects identified by the municipality for the following sectors which are mostly curative measures in the particular sector and not for the future needs. Here it is discussed about the shortcomings in the projects identified by the municipality or by the different agencies i.e. Municipality, TWAD board etc. and discuss about the improvement needs, future proposals and funding pattern.

10.1.1 Water Supply:

1. Improvement Needs:

The frequent bursts and leaks in the main from Palar Head Works is causing problem. Though the municipality has meted out temporary repairs, a permanent solution is required for an effective distribution of water supply to the town. The lines were mostly laid more than 30 years before and they need replacement. Some of the pipe lines are renovated but still required lot to change. So there should be a comprehensive study for effective solution for water supply provision and rezoning.

2. Water Supply Proposal

Here it is proposed 135 LPCD for the horizon year 2039 and based on the water demand, additionally increase 3 Service Reservoir.

As of now, there has no bulk meters system in exiting system as well as proposed scheme also for the leakage detection. The Bulk metering system required in head works.

It is important to assess consumption at the consumer ends which will helpful for performance of production system and supply side. Installation of good consumer meters will be starting point of recovery of cost of production and supply.

The exiting water supply system has not proper disinfection system. As of now, bleaching powder only is used as disinfectant, so the installation of chlorinations will therefore be an important to health aspect.

Mettur water supply scheme can be serve the purpose after the intermittent period in horizon.

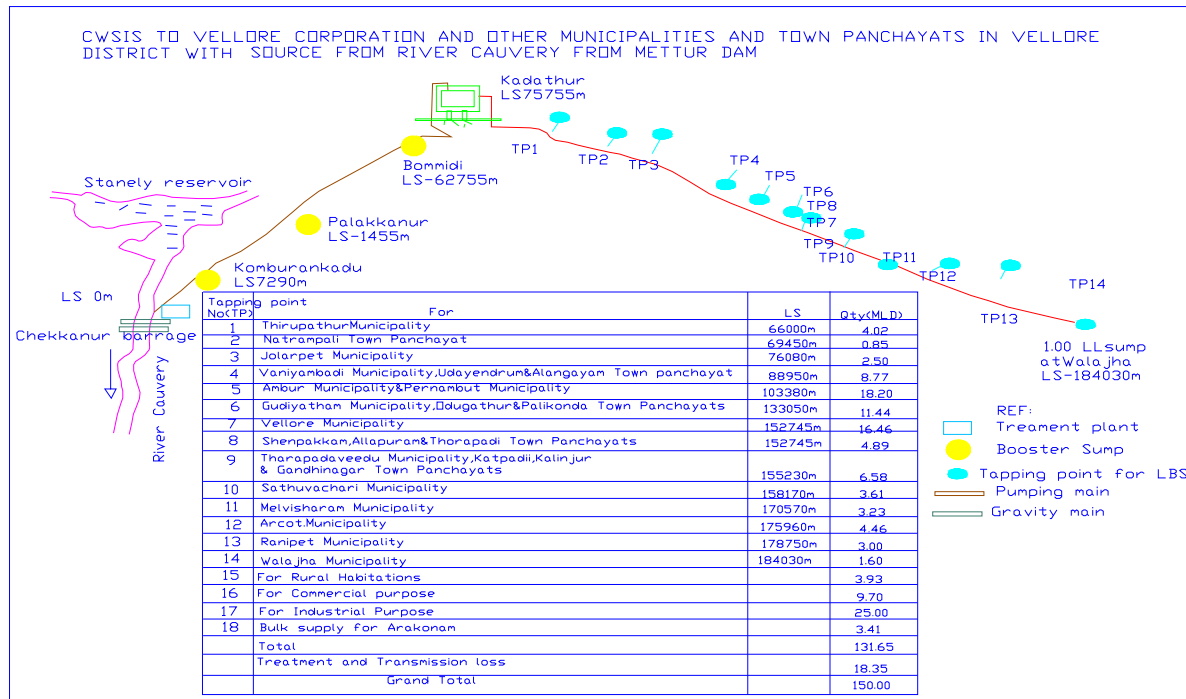


Figure 10.1: Mettur water supply scheme to walajapet

The above Sketch showing the new Water supply scheme from mettur dam to walajapet municipality.

The description of fund requirement for the water supply sector is given in the table 10.2:

Table 10-2: Investment requirement in water supply sector for Walajapet Municipality

S.No	Description	Cost in Rs. lacs
1	Source Augmentation	23
	Infiltration well	23
2	Transmission System Improvement	125.4
	Pumping Main	45
	Transmission Line	30
	Sump	6
	Pump Room	1
	Construction of Service Reservoirs /Overhead tanks	9
	Pumpsets	32.4
	Technological upgradation of the Pumping Station	2
3	Improvement of Distribution System	227
	Supply and installation of bulk water meters	3
	Supply and installation of consumer water meters	60
	Supply and installation of vaccum feed chlorinators	15
	Coverage of services in new areas/ uncovered areas	149
4	Upgradation of Existing System	10
	Rehabilitation of existing reservoirs and other buildings	10
5	Mettur CWSS scheme	1247
	Total	1632.40

10.1.2 Sewerage System

1. Needs:

At present there is no underground sewerage system in the Municipality. The sewage and sullage water are discharged in the open drains and finally let in to the Palar river without any treatment .This disposed sullage and seage in to Palar river causes severe environmental degradation and Pollution of water source in Palar river.

But Government of Tamil Nadu has proposed to lay new system in every municipality in Tamil Nadu.

2. Sewerage Proposals

Needs :

The detailed project report of Under Ground Sewerage Scheme is prepared by TWAD Board and estimated to Rs. 28.84 crore. Approval by CMA is under progress.

Table 10-3: Investment requirement in Sewerage sector for Walajapet Municipality

S.No	Description	Cost in Rs. lacs
1	New Sewerage System	
	Comprehensive Sewerage system for entire city	2857
	Construction of Sewerage Treatment Plant	
2	Public Conveniences	
	Upgradation of Existing Public Toilets	27
	Total	2884

Table 10.4: Proposal for Toilet Facility in Walajapet Town

S.No	Description	Cost in Lakh
1	Water Supply arrangement in the public toilets	0.50
2	Electrical arrangement	0.25
3	Modification of Existing Buildings	1.00
4	Compound Wall	0.75
5	Gardening	0.50
6	Total	3.00
	For 9 Toilets (9x3=27)	27.00

10.1.3 Drainage

1. Needs:

The existing drainage condition of Walajapet consists of tanks and manmade drainage system (Storm water open drains). Due to the natural slope of the town, all the drains discharge water in Palar River. The present condition of Storm Water Drainage is that it also carried the sludge and sewage water, which ultimately carried to the Palar River. This has created enormous environmental problems. Also there are certain lengths of roads which are unlined and needs to convert them in lined drains to use the Rain Water Harvesting in an effective way.

2. Drainage Proposals

Table 10-5: Capital Investment Needs for the Storm Water Drainage System

S.No	Description	Cost in Rs. lacs
1	Construction of New Drains - Closed	260

10.1.4 Solid Waste Management

1. Needs:

Domestic waste consists of wastes generated at the household level, primarily houses. The household waste is dumped at various community collection points spread over entire town. Though municipality is doing its best to manage the solid waste yet it is not up to the mark to manage the solid waste from collection to disposal and lot has to be done for it.

Community Participation: Current level of participation in Walajapet is very low. There are NGOs operating in the city, especially in health and sanitation sector. Due

to semi urban characteristics of the town there are not many residential colonies in the city. Due to this fact, community level organizations such as residence welfare associations do not exist in the town. Street plays and ward wise meetings are conducted to motivate the people.

Community Education: The steps involved in implementing and ensuring community participation will comprise formulation of neighbourhood communities, residential welfare associations or other community organizations, identification and mobilization of NGOs and other social welfare groups in the town.

Conduct Sanitation Campaign: Vigorous sanitation campaign across the town could also be taken up emphasizing the need for storage and segregation, recycling and reduction and local composting of wastes. In these campaigns, the school children and NGOs shall also be involved so that the message of the campaign reaches the community.

Campaigning and Environmental Awareness: Media is another important tool in environmental education, hence extensive campaigning through electronic media, print media, mass media and other means on environmental sanitation and solid waste management could carry out.

2. Solid Waste Management Proposals

Table 10-6: Capital Investment Needs for the Solid Waste Management

S.No	Description	Cost in Rs. lacs
1	Improvement of Solid Waste Collection System	
	Purchase and Distribution of household dustbins i.e. Segregated Format	32
2	Improvement of Solid Waste Transportation System	
	Auto Tippers (20 Nos.)	26
	Tricycle (50 Nos.)	8.5
	Push Carts (30 Nos.)	4.5
	Dumper Placer (2 Nos)	29
	Dumper Body Container (4 Nos.)	33
3	Purchase of Equipments for Landfill site Management	
	Dumper Pulsar (1 Nos)	13
	JCB (1 Nos.)	25
	Turner	10
	Wind Rose Platform and Organic composting	90
	Compund Wall	6
	Electricity	2
	water Supply/ OHT	2
	Internal road	4
	Watch man Shleter	1
	Weigh Bridge	10
4	Land Fill for Waste Disposal	
	Land cost for landfill	28.9
	Landfill development cost	179
	Total	503.90



Figure 10.2: Location of sanitary landfill site for walajapet at Kilminal Village

Based on the study conducted by the Institute of remote sensing, Anna University, Chennai, sanitary land fill site is identified in Kilminal Village about 18km from the walajapet municipality boundary.

10.1.5 Street Light

1. Needs:

In the midst of unplanned growth of the town, there are numerous places with in the town where street light is essential for security. Almost High mast poles of 25m height are to be installed at suitable places with in the town. But sodiujm vapour lights and tube lights are required in newly formed layout. As the city is under the pressure of heavy maintenance and electricity bill of street lights it need innovative ideas to reduce the reoccurring expenditure in this sector.

2. Street Light Proposals

The suggested innovation of existing street light with automatic timer switch will require Rs. 0.7 lacs. Then requirement of sodium vapour lamp and tube lights cost around 7.00 lacs. The total estimate cost for street light is Rs. 17 lacs.

Table 10-7: Capital Investment Needs for the Street Light

S.No	Description	Cost in Rs. lacs
	Automatic Time Switcher	0.7
	Sodium Vapour Lamp (120)	7
	Tube Light(100)	9.30
	Total	17.00

10.1.6 Roads and transportation

1. Needs:

The town has lot of important roads which connect it with the surrounding and most important is Vellore and Walajapet road. There are city roads which need widening as well as resurfacing, apart from this these city roads are encroached and without drainage facility and side walks. So these roads need improvements.

2. Road and Transportation Proposals

The capital works relating to improvements of roads interms of covering exiting bitumunous road , earthen road ,WBM roads and CC road to new Concrete Road . Also included the road widening, road junction improvements and bus stand improvements at an estimated cost of Rs. 1063 Lacs.

Table 10-8: Capital Investment Needs for the Roads and Transportation

S.No	Description	Cost in Rs. lacs
1	Road Improvement	
	B.T. Roads to CC	10
	W.B.M. Roads to CC	550
2	Road Junction Improvement	
	Public Road	10
	Proposed new roads	80.00
3	Bus Stand Improvement	
	Old Bus Stand	93.00
	Construction of 10 shops in bus stand	20.00
	Construction of New Bus stand at sarkar governor porambokku land in 5.21 acres	300.00
	Total	1063.00

10.1.7 Educational Institutions

1. Needs:

The school needs relate to renovation of exiting old buildings, the A.C roof and Mangalore tiles are to be convert the R C C roof Structures, sports materials, computers and separate water supply arrangements

2. Educational Institutions Proposals

Table 10-9: Capital Investment Needs for the Educational Institutions

S.No	Description	Cost in Rs. lacs
	Development of Education Institutions	
1	Elementary School 3	49.25
	Total	49.25

10.1.8 Health Facilities

1. Needs:

The municipality runs only one maternity centre in the town. Now only it was modernized by the municipality under part II scheme. Main needs of this maternity centre, they require specialized doctor.

2. Proposal:

Table 10-10: Capital Investment Needs for the Health Facilities

S.No	Description	Cost in Rs. lacs
1	Modernized Labour Room	3
2	Dadoing and Floor Tiling	2
3	Providing adequate lighting	0.8
4	Providing consultation Room	1.5
5	Beds, Table Chairs, Cots, Mattresses & Covers	8
6	Toilets & Urinals	3
	Total	18.3

10.1.9 Parks and Play Ground

1. Needs:

- Restoration of parks with children play facilities, greenery, lawns, tree plantation etc.
- Development of new parks/ play fields
- Development of road side gardens through sponsorship
- Walkways all-round the parks

Apart from acting as the lung spaces and recreation area to the local population, these parks could act as a temporary resting and refreshment area for the people. A look at the parks reveals that they are very poorly maintained and are used for other than the designated uses. All the parks require proper fencing for maintenance and right use of the land parcels; Landscaping of the parks is a must by planting of choice species. Provision of pathways along the periphery of the parks with shrubs and plantations on both the sides is one of the present requirements as walkways for all age groups of residents. Maintenance of greenery comprising shady, ornamental and avenue trees will greatly improve the quality and usage of parks. Fountains and water supply provisions should be provided in the parks at appropriate places. The maintenance of the parks may be entrusted to interested voluntary agencies on private participation/donation. Also some of the commercial houses may be involved in maintaining the parks providing appropriate advertising space.

2. Parks and Play Ground Proposals

Table 10-11: Capital Investment Needs for the Parks and Play Grounds

S.No	Description	Facilities	Cost Rs in Lacs
1	Ghandhi park	Fencing, lighting, water supply, childrens play materials, adequate seating arrangements, all around pathway, water cascade and fountains.	11.00
2	Another 6 parks	Fencing, lighting, water supply, childrens play materials, adequate seating arrangements, all around pathway, water cascade and fountains.	24.00
		Total	35.00

10.1.10 Market Development

1. Needs:

The existing market of municipality needs the basic infrastructure facility, lighting arrangements and Vehicle Parking. It is also one of the most remunerative project to the municipality.

2. Market Development Proposals

The improvement for the exiting market needs Rs. 29.5 lacs for following items i.e. water supply arrangements, toilets, lighting arrangements and vehicle parking lots are included in the estimation cost.

One more new shopping complex are also proposed and built in existing shops opposite to bus stand area (ground floor). In the first floor flower market is to be provided with basic infrastrture facilities at a cost of Rs.20.00 Lacs.

Table 10-12: Capital Investment Needs for the Market Development

S.No	Description	Project Cost Rs.in Lacs
1	Vegetable and fruit market	29.50
2	Flower market in 1st floor and additoanl buildings opp to bus stand	20.00
	Total	49.50

10.1.11 Slaughter House Development

1. Needs

There is one slaughter house located in the municipality limit. Its renovation work was completed recently. But treatment system was not provided in that slaughter House

2. Slaughter House Development Proposals

The total system is proposed for the existing slaughterhouse at a cost of Rs. 20.00 lacs.

Table 10-13: Capital Investment Needs for Slaughter House Improvement

S. No	Description	Project Cost Rs.in Lacs
1	Water Supply	1.00
2	Electrical Arrangement	1.00
3	Structures	5.00
4	Providing Treatment Unit for Proper Disposal	3.00
5	Cattle shed	10.00
	Total	20.00

10.1.12 Burial Ground Development

1. Needs:

The existing burial grounds need the compound wall, prayer hall and adequate lighting facility.

2. Burial Ground Development Proposals

The estimated cost for the both burial grounds with inclusion of one Gasifier Crematorium, Compound wall and Lighting facility at a cost of Rs.74.00 Lacs.

Table 10-14: Capital Investment Needs for Burial Ground Development

S.No	Description	Project Cost Rs.in Lacs
1	Existing Burial Ground	
	Gasifier	40.00
	Gasifier building	5.00
	Provision of Barbed wire Fencing Around	3.00
	Water Supply Arrangements	2.00
	Internal Paved Walk ways with Around	3.00
	Adequate Lighting Facility	1.50
	Prayer Hall (Thidhi)	5.00
	Office and security room	2.50
	Landscaping and planting trees	2.00
	Sub Total	64.00
2	Crematorium Without Gasifier	10.00
	Total	74.00

10.1.13 Slum Improvement

1. Needs:

Nearly, 18 slums are identified with a population of 16,425 (2737 House holds), which account for 18 % of the total population in the town. The slums are mainly lack in physical infrastructure facilities.

2. Slum Improvement Proposals

Table 10-15: Capital Investment Needs for Burial Ground Development

S.No	Description	Project Cost Rs.in Lacs
1	Upgradation of 7 slums in building components	123.00
2	Other infra structure works in the slum	74.00
	Total	197.00

10.1.14 System Improvement GIS Platform, Updation of Database and E-Governance

1. Needs:

Till date there is no entirely dependable and realistic database for the town, in form of topography, updated base map, assessment of properties in their location, size, use and intensity, assets – lands and structures in their location, status, extent and quality, topography, land parcels by town survey, numbers and sub divisions and so on. All these can be updated with cent percent precision using high resolution satellite imageries supplemented by cent percent primary survey. All these with spatial and non-spatial data can be had on a GIS format which, on a click at any features or site on the town map will provide the entire details including the description of the features / address of the owner including tax paid etc. This is a one time comprehensive exercise to include the updated town map with town survey, land parcels, structures, service network, assets with the relevant details and description on a GIS format.

2. System Improvement and E-Governance Proposals

In this ultra modern age with high-tech interventions this is considered a must for easy efficient and flawless governance, administration and functional operation from local body level to the government level. Apart from this GIS is a perfect solution for upgraded information in terms of grievance redrassal as well as property tax collection. Also these upgraded solutions will provided to monitor the city growth for future. Computerization of ULB is required and each person above LDC level should be trained to operate the computer system. There is a need that the ULB should upgrade the website on daily basis and there should be a uniformity in the content provided in the website of the ULBs in Tamil Nadu.

Table 10-16: Capital Investment Needs for System Improvement and E-Governance Proposals

S.No	Description	Project Cost Rs.in Lacs
1	e-Governance & Mobile tax collection vehicle	27.00
2	GIS Mapping for Comprehensive Property Database	16.00
	Total	43.00

S.No	Description	Project Cost Rs.in Lacs
1	Reconstruction of sanitary workers quarters - 48 units	204.00
	Total	204.00

10.2 OTHER DEPARTMENT PROJECTS

PWD Buildings

- Construction of Outpatient block, Maternity block, Repairs and renovation of existing building in Government District Head Quarters Hospital campus tender cost around Rs. 3.2 lac.

PWD Irrigation

- IMWARM- Poiney subbasin rehabilitation. Estimated cost around 25.5 crore
- Feasibility DPR has to be prepared for IMWARM- Kosuthalaiyar subbasin rehabilitation.

Electricity Board

- One 110 KV sub station is in under process in Musuri road. The project is under consideration.

National Highways

- Walajapet bus stands to sholingar strenthing of roads.
- Strengthening of 22 km stretch for Rs.11 crore from walajapet bus stand to Sholingur (end of north limit)
- Union roads upgradation with in the municipal limits.
- Improvements to Walajah Palar Anaicut road

Agricultural Department

- National Agricultural Development Program (NADP) under this program free tree samplings are given to municipality for planting avenue trees. Estimated spending is around 5 lac per year
- Loan facilities are available for farmers to develop their barren land in to useful lands.

TWAD Board:

- Water supply Scheme from Mettur dam. The DPR is under preparation.

Table 10-17: Project to be taken by Other Department

S.No	Project Description	Nodal Agency	Cost (Rs.In lakhs)-
Regional Level			
1	Industrial pollution remediation measures - Business Plan	TNPCB,CMA, DTCP, DTP, TNUIFSL/ other funding agencies and Association of Industrial owners	..
2	Setting up of Resource center for alternative green technology for leather industries	CLRI, VIT and Association of Industrial owners	30.00

3	Feasibility Study for Development of Industrial Corridor of Excellence connecting Chennai and Bengaluru	CII/NHAI	Study under progress
4	Preparation of Regional Plan for Vellore region focussing on green and sustained economic development.	DTCP/ Planning organisations	30.00
5	Updation of Walajapet Master Plan	DTCP / CMA	
6	Preparation of Regional Traffic Operation and Management Plan	NHAI	5.00
7	Feasibility Study for extension of metro rail between Chennai and Bengaluru	Railway Authority	12.00
8	Feasibility study for Bullet Train between Chennai and Bengaluru	Railway Authority	Long term
Town Level			
9	Strengthening of NH Roads - 22 Km (Walaja Bus Stand to Sholingar Route)	NHAI	1100.00
10	Poiney Sub Basin Rehabilitation	Water Resources Department	2550.00
11	Kosuthalaiyar Sub Basin Rehabilitation		..
12	Free tree samplings for Avenue Trees	Horticulture Department	..
13	Construction of Outpatient block, Maternity block, Repairs and renovation of existing building in Government District Head Quarters Hospital campus	Public Health / PWD	3.20

11 RISK AND MITIGATION MEASURES

11.1 PROJECT RISKS AND MITIGATION MEASURES

Risk is an integral ingredient in any project venture. Projects without risk are not heard to have met with great success. Particularly the project package such as this for a Municipal body has multi-various risks as it is mainly with the public of different attitudes, background, profession and traits. As such the local bodies are facing problems of complex nature even in carrying out their rightful functions and duties. The project risks identified are addressed below

1. Environmental risks*
2. Social risks*
3. Site risks
4. Implementation risks
5. O&M risks
6. Financial risks
7. Market risks
8. Risks due to Natural disasters
9. Risks in private participation

Though the projects identified under the CCCBP do not mostly constitute as sensitive environmental components, but come under various degrees of environmental concerns. The identified projects are categorized under the environmental concerns relating to E1, E2, E3 and Based on the Project Affected Area (PAP) and the level of social impact as S1, S2 and S3.

Table 11-1: As per the Guidelines on Environmental & Social Concerns of CCCBP projects – Ambur

No.	Project Items	Environmental Category	Social Category
1	Water Supply	E2 & E3	S2
2	Sewerage System	E2	S1
3	Storm Water Drains	E2	S2
4	Solid Waste Management	E1 & E2	S2
5	Roads	E2	S3
6	Bus Stand	E2	S2
7	Street Lights	E3	S3
8	Parks and Playgrounds	E3	S2
9	Burial Grounds	E2	S2
10	Public Convenience	E2	S3
11	Medicare	E2	S2
12	Slum improvement	E3	S1
13	Market	E2	S2
14	GIS database	E3	S3
15	E-governance	E3	S3

Note:

- E1 projects relate to those where major environmental impacts are foreseen warranting Environmental Assessment Report (EAR).
- E2 projects are moderate in environmental concerns.
- In E3 projects, no environmental issues are foreseen
- S1 projects will affect 200 people or more.
- S2 projects are those where no PAP is physically displaced and less than 10% of the productive assets are lost.
- In S3 projects, no household will be affected.

The risks involved in the identified projects and the mitigation measures are given in the table below

Each of the above categories are detailed out in the table below:

Category	Mitigate measures
Site risks	
Land interests and land acquisition	Providing all land related information to the contractor
Resistance from public	Community consultations to ensure least resistance from local population
Delay due to statutory approvals	Interfacing with all concerned departments to ensure land approvals or reduce bottlenecks
Un-suitable site conditions.	Careful site selection after detailed investigation of site history and characteristics
Environmental issues	Addressing all related environmental issues before the bid process , including impact assessments
Implementation risks	
Risks related to design ,construction and commissioning the projects such as:	
Design flaws	Review of proposed design by Government, parastatal agencies.
	Ensure correction of design and construction defects before commencing service delivery
Non - availability of suitable contractor due to the simultaneous execution of similar project in many ULBs near by.	Consolidating contract packages and calling tender at state level or National level.
	Short listing of potential contractors at regional level and Tendering the contract in a planned manner.
Time and cost over runs	Proper specification of project outputs and core services to be delivered.
Defaulting in meeting dead lines in construction and commissioning	Linking contracting services to key performance indicators and in turn to the payment schedule
Ensuring service delivery	Independent commissioning tester to ensure delivery of the required performance.

O&M risk	
Increase in predicted operating costs	Address future service delivery demands also
Impact of design flaws & defective construction, deterioration of performance standards	Operating guarantees/performance bonds to ensure service continuity and compensation for default
Technologically outmoded practices	Inbuilt options for upgrading technology as the contract term proceeds
Inherent defects of the system	Escrow mechanisms to ensure protected cash flows and enforce during service/operational default
Defaults from designer, builder and operators	Termination rights in case of insufficient delivery/break down in service provision
Financial risks	
Funding uncertainties	Ensuring project structure, in-built contractual provisions and foreseeing risks make the project bankable, addressing lender related issues.
Cost escalation	Mitigate risks arising from inflation, interest rates, foreign exchange rates etc.
Delays in financial closure of the project	Avoid looking for the lowest cost bid- base selection upon financially sound structure and business plan
Market risks	
General economic down turn	Quantify demand, providing demand related information at the bid stage
Changes in Government policies, Shift in industry focus	Initiate feasibility studies, demand forecasting, sensitivity analysis.
Change in target-market competition	Incentives to stimulate end-users
Risks from Natural disasters	
Floods, Cyclones, Earth quakes, Tsunami	Minimize impacts through appropriate insurances to transfer risk to insurer
Insurance coverage	Regularly review insurance policies to ensure effective and adequate coverage
Interruption in Service delivery	Appropriate action plans for temporary service arrangements
Risks in Private sector participation	
Project initiation	Specify desired project outcomes, taking into account Govt. policies

Private operator	Ensure sound financing pattern or the model on which the private sector has based its participation
Lack of service delivery	Ensure Government rights to take over some or all of the sub-contracts of the private party in case of its failure to perform.
Inadequate capabilities for legal and technical issues	Contingency plans for continuation of core or ancillary services
	Ensure and technical legal ability to contract with private party
Delays due to statutory approvals	Identify and facilitate Govt. approvals-related to planning, environment etc
Delays due to land acquisition	Anticipate ,identify and resolve land tenure issues- Acquisition , title, encroachments, usage of land
Unforeseen risks to private operator	Insurances to cover aspects like owners liability, asset risks, business interruption, some policy risks, natural disaster.
Technically out dated mechanisms	Incentives to private sector to incorporate latest technology by making the design consultant, builder and the operator part of the OWG

12 REFORMS AND ACTION PLAN

A City Corporate cum Business Plan (CCCBP) is essentially a road map to achieve a set of development objectives within a specific period. This CCCBP has identified gaps in municipal service delivery and institutional management, ascertained by expert analysis and stakeholder feedback. The proposed interventions for the Municipality are in the form of reforms, action plans and strategies to achieve the same.

Strategies and Action Plans are the elements which bridge the gap between the Proposed Reforms and implementation. The following sections detail out the strategies and Action Plan plans for the proposed Reforms and interventions in the areas of revenue enhancement, privatization, computerization initiatives, energy efficiency and municipal service delivery.

12.1 PRESENT SCENARIO IN URBAN REFORMS

“Reforms and change are critical elements in development process; they become more significant in urban development in the context of growth of towns and consequent pressure on infrastructure and services, growth of poverty, etc. This is compounded by institutional constraints like in capacity, fragmented structures, functional overlaps and outdated processes and procedures. In addition, there has been a paradigm shift in governance from the traditional top-down model. As a result governance reforms have become imperative for efficient delivery of services, provision and maintenance of infrastructure and to provide efficient and responsive governance to the people. Recognizing the significance of reforms to provide efficient and effective governance, the State Govt. has initiated and implementing several urban sector reforms during the last few years. “

The following are the key reforms implemented by the GoTN :

1. **Devolution of funds:** 3.5% of State's total tax revenue passed on to urban local bodies.
2. **State Finance Commissions:** Three consecutive state finance commissions were setup for recommendations to Government.
3. **Setting up of TNUDF:** A successful private-public partnership initiative to tap the capital market.
4. **Accrual Based Accounting System:** The new accounting system has been implemented in all the urban local bodies.
5. **Computerization and E-governance** of select Municipal functions have been successfully implemented in all urban local bodies.
6. **Urban Indicators:** Performance assessment of ULBs initiated by the Commissionerate of Municipal Administration.
7. **Revision of Property tax:** With effect from April 1.2008, subject to a maximum of 1.25 times the existing tax structure.

- 8. Debt monitoring cell:** It has been established in the office of CMA with the objective of collecting financial information on individual ULBs, assisting them in making realistic financial projections and facilitating the Urban Local Bodies to access the Capital Markets by information dissemination from the office of CMA.
- 9. GIS for 5 urban local bodies:** Consultancy for Preparation of Property mapping and Utility Mapping for Madurai, Coimbatore and Tiruchirappalli Corporations and Rajapalayam & Gobichettipalayam Municipalities has been initiated as a pilot project by the office of CMA.
- 10. ESCO Studies:** TNUIFSL initiative for the Implementation of energy efficiency in Water pumping and Street lighting systems under performance contract.
- 11. Right to Information Act, GoI :** An Act to provide for setting out the practical regime of right to information for citizens to secure access to information under the control of public authorities, in order to promote transparency and accountability in the working of every public authority.
- 12. Preparation of Human Development report** for 5 Municipal Corporations under TNUDP-III, Commissionerate of Municipal Administration- to identify the strengths and weaknesses of each urban local body on the appropriate parameters. This would enable them to propose and implement schemes to overcome the shortcomings and improve the quality of life of their residents.

12.2 PROPOSED INTERVENTIONS AT STATE LEVEL

a. Property Tax

Implement a framework law for disputed properties, so that the assessee pay the tax first and then carry out necessary litigation as in Central Govt. Depts.

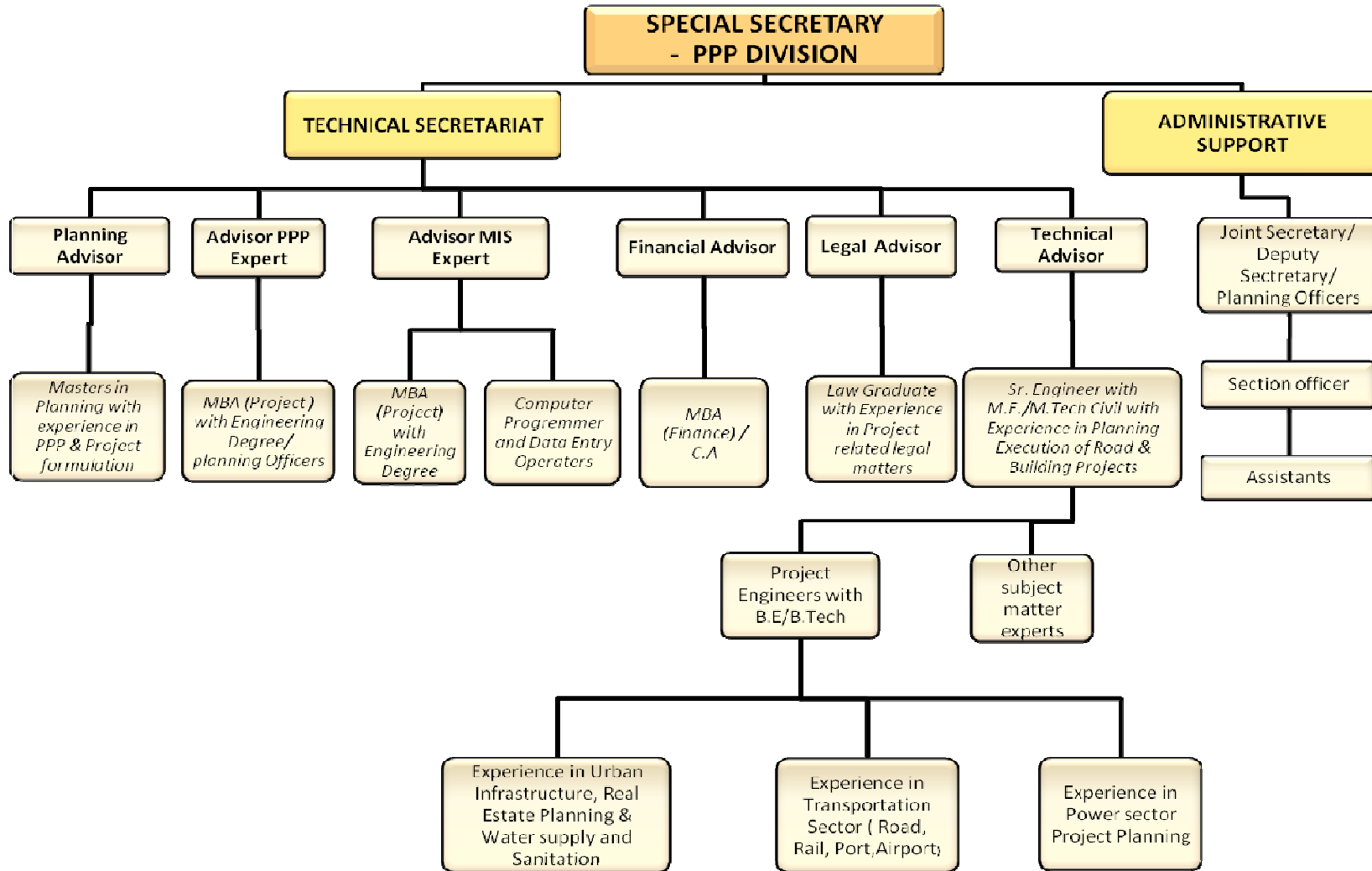
b. Community participation law

Enacting the "Community Participation Law" that will make it mandatory for the government and its agencies to get the view of citizens, mainly residents' welfare associations and other citizens' groups, before starting any project.

c. Initiatives in Private Participation

Frame work law for PPP as in Gujarat, Punjab and Andhra Pradesh – An enabling and regulatory framework for private sector participation. TNUIFSL may initiate capacity building in public institutions and private sectors for handling PPP projects.

Setting up a **PPP cell** and creating database at the State level listing projects in various sectors of developmental activities for PPP participation.



Base source: www.pppinindia.com Organisation chart of PPP Cell

Infrastructural projects:**Water supply project**

1. As regards water supply projects, the consultant proposes using available local sources (surface water) in lieu of capital intensive projects from far off sources. The enforcement of RWH in all buildings is a commendable initiative, which has proven successful in improving the quality and quantity of ground water table according to a recent study. Rejuvenation and protection of water bodies and recycling, reuse of water is also a major issue to be addressed in this regard. Participation of SHGS, voluntary organizations, resident welfare associations need to be sought.

UGSS project

1. Highly engineered and mechanized conventional sewage treatments require large Capital Investments, demand high maintenance costs and are not feasible for the developing countries like India. Capital intensive and highly technological waste disposal solutions, utilizing indiscriminate collection and large-scale disposal, do not consider the value of recovering organic waste resources and do not promote recycling. The land required for the disposal of treated wastewater in the conventional treatment systems is not readily available. Alternative treatment systems like Root zone treatment methods could be used.
2. GoTN may also encourage recycle of water, to meet requisite standards rather than let them out into streams or sewage farms. This will not only promote water recycling, but also resource recovery of minerals.

Integrated Water Resources Management Plan(IWRM) – The solution.

As a general rule, in the past with smaller population, less intense economic activity and with less affluent societies demanding much less water, supply of the resource was usually much greater than demand for it. In such circumstances water for agriculture, for industry, for domestic and all other uses could be managed separately there being sufficient water to accommodate all needs and there being little competition between uses and between users.

As populations have grown, as food production has increased, as economic activity has developed and as societies have become more affluent, so demand for water has burgeoned. The traditional fragmented or purely sectoral approach is no longer viable and a more holistic approach is essential. This is the rationale for the Integrated Water Resources Management (IWRM) approach that has now been accepted internationally as the way forward for efficient and sustainable development and management of the world's limited water resources and for coping with conflicting demands.

“IWRM is defined as a process that promotes the coordinated development and management of water, land and related resources, in order to maximize the resultant economic and social welfare in an equitable manner without compromising the sustainability of vital ecosystems”.

Source: Status Report on Integrated Water Resources Management and Water Efficiency Plans – UN water report.

12.3 PROPOSED INTERVENTION AT MUNICIPAL LEVEL

The Proposed Municipal intervention is broadly categorized under the heads of:

1. Strategies for Environmental Improvement
2. Reforms in Resource Mobilisation
3. Privatisation Initiatives
4. Energy & resource efficiency
5. Computerization and E-governance
6. Accounts and Auditing
7. Institutional Management
8. Municipal service delivery

12.3.1 Strategies for Environmental Improvement

1. Initiate a ‘Pollution remediation Pooled fund for Vellore region’- A public-private partnership initiative, with contributions from Industrial establishments, Govt. and funding agencies.
2. Launch intensive water recharge activities to surface water bodies including open wells, rivers and eris, to improve water quality in this region.

Table 12-1-Road Map – Environmental improvement

Sl.No	Reforms	Year of Implementation				
		Year 1	Year 2	Year 3	Year 4	Year 5
1	Preparation of Business Plan for Industrial remediation measures		✓			
2	Implementation of Industrial remediation measures			✓		→
3	Intensive water recharge activities	✓				→
4	Enforcement of Pollution control regulations	✓				→

12.3.2 Reforms in Resource Mobilisation

In an environment in which business activity is booming and urban infrastructure threatens to become a constraint to growth, the municipalities are faced with an unprecedented need to find substantial resources for development, and an unprecedented opportunity to raise the same. The various options for enhancement of Municipal revenue based are discussed below:

1. Improving revenue from own sources
2. Improving revenue from user charges
3. Formation of new sustainable revenue bases

12.3.3 Action Plan : Improving revenue from own sources

Strategy options :

i. Property and Profession tax

1. Expanding Property tax and Profession tax base.

Onetime assessment of all unassessed and under assessed properties. This would increase the property tax revenue base .The project could be taken up as a door –to –door survey of all existing properties, with details on

1. Size & built up area of the property
2. Present use - residential, commercial, industrial or vacant.
3. Number of households, houses, size of families, etc.

Street naming and property numbering already undertaken by Govt. of Tamil Nadu needs to be linked to this to streamline the study. Property mapping would form a database for GIS projects (Land use and Utility Mapping) and improve tax base.

Identifying and including omitted Profession tax assesses - This project is to be linked to the property mapping exercise. An improvement of 20-30% on the existing tax base could be expected.

2. Rebates on Property tax:

Most of the collections take place during the last quarter of the year. This results in poor collection efficiency, wherein the ULB ends up collecting much less taxes than the tax demand raised. The option of providing rebates upto 10% for 'early birds' paying the tax during the 1st and 2nd quarter could be explored. This would ensure timely spending on capital and operating expenditure and efficient tax management systems.

3. Regular and periodic increment of property tax at 15% every 5 years.
4. Mobilizing a 'Fast Track Litigation Campaign' to settle disputes on properties.

- 5. Levying Vacant Land Tax** as per the recommendations of Third State Finance Commission. Empowering the municipality to convert non-claimed lands to socially benefiting uses.
- ii. Profession Tax Reform**
- Revising the profession tax based on the Third State Finance Commission recommendations.
- iii Regularization of unapproved construction**
- Regularization fees for unapproved constructions at the rate of 5 times the existing building license fee.

Table 12-2-Road Map - Improving revenue from own sources

Sl.No	Reforms	Year of Implementation				
		Year 1	Year 2	Year 3	Year 4	Year 5
1	Property tax Reform					
	i Property Mapping	✓	-----▶			
	ii Rebates on Property tax		✓	-----▶		
	iii Regular and periodic increment of property tax			✓		
	iv Mobilizing a 'Fast Track Litigation Campaign'			✓		
	v Levying Vacant Land Tax	✓	-----▶			
2	Regularization of unapproved construction	✓				

12.3.4 Action Plan : Improving revenue from user charges**Strategy options****i. Water supply and UGSS**

- Increase in the penetration of connections to at least 85% of total assessments. This backed by higher collection efficiency and enforced leakage losses (less than 15%) would further improve service delivery.
- Levy Reasonable User Charges to recover full O&M Cost of water supply and UGSS.
- Implementation of graded tariff structure (UGSS) for domestic and non-domestic connections. This needs to be linked to property mapping project and type of assessment to be ensured.
- Mandatory mobilisation of deposits for Capital intensive WS or UGSS projects during pre-construction stage of the project.

ii. Solid Waste Management

- Approval of the Municipal council for the proposed Solid waste conservancy charges for commercial and industrial establishments during the base year and after 5 years for domestic assessments.
- For implementing collection of conservancy fee for Solid waste Management .The proposed tariff structure is given below:
 - Domestic - Rs.5 per month.(medium term plan)
 - Commercial - Rs.10 per ton.
 - Industrial - Rs.15 per ton.
 - Bio-medical - Collected by IMA.
- Privatisation of collection, transfer, construction and management of compost yard and compost production. This would reduce the O&M expenses of Municipality on SWM by 30 to 40%.
- Revenue generation from selling scrap after segregation at secondary collection point or compost yard at Rs.10 -Rs.15 per kg.
- Revenue Generation from sale of compost at the rate of Rs.1000 per tonne as bulk supply to nearby agricultural areas. Incidentally, the manure generated from Municipal garbage is found to be richer in NPK values compared to the one available in the market. This has resulted in producing better yield of agricultural products both in quantity and quality.

Table 12-3-Road Map Improving revenue from user charges

Sl.No	Reforms	Year of Implementation				
		Year 1	Year 2	Year 3	Year 4	Year 5
1	Water Supply and UGSS					
	i Increasing deposit and tariff	✓	-----▶			
	iii Graded tariff for UGSS				✓	
	iv Pre mobilization of deposits	✓	-----▶			
2	Solid Waste Management		-----▶			
	ii Collection of conservancy fee for Commercial and Industrial Establishments	✓				
	iii Collection of conservancy fee for Domestic assessments					✓

12.3.5 Action Plan: Formation of new sustainable revenue bases

Strategy options

i. Remunerative projects

To improve the revenue base of the municipality, following are the remunerative proposals identified.

- Improvements in the old bus stand and construction of new shops in the old bus stand
- Construction of new bus stand
- Renovation of vegetable market
- Flower market in 1st floor and additional buildings opp to bus stand
- Construction of new slaughter house with modern facilities.

ii. Parking Regularisation Plan

Enforcing no-parking zones and identification of possible parking areas with the involvement of stakeholders would be the first step in mitigating congestion in the central areas of the town. Preparation of inventory for all roadside parking areas. Initiating time based *pay and park* facilities for vehicles. Appropriate rent structure from auto stands, LCV and heavy vehicles parking would also improve income generation.

The proposed parking fee structure is:

- ◇ Bicycles - no tax
- ◇ Two wheelers - Rs.2.00
- ◇ Light Vehicles - Rs.5.00
- ◇ Heavy Vehicles - Rs.10.00

iii Advertisement Regularisation Plan

Identifying strategic locations such as bus shelters, road medians, for hoardings and poster places in Municipal area and levying advertisement tax at the rate of Rs.25 per sq. ft per annum.

To prepare an inventory of advertisement spaces within their limits with size and type .Auctioning the entire rights to a single bidder on an annual basis is suggested. The initiative of GoTN to remove hoardings and encroachments is a welcome step to regularize the advertisements and hoardings.

iv. Collection of Annual Tract rent

- From cable T.V operators - (Rs.3.00 per running metre)
- From Telecommunication service providers - (Rs.5.00 per running metre)

The urban local body may be empowered to collect the security deposits at Rs.10,000 per operator and revise the tract rent every three years. The collection of tract rent and deposits can be handed over to SHGs.

Table 12-4-Road Map for Formation of new sustainable revenue bases

Sl.No	Reforms	Year of Implementation				
		Year 1	Year 2	Year 3	Year 4	Year 5
1	Formation of new sustainable revenue bases					
	i Remunerative Projects					
	a.Premobilization of deposits for new shops at bus stand	✓	→	→	→	→
	b.Premobilization of deposits for reconstruction of vegetable market	✓	→	→	→	→
	c.Premobilization of deposits for flower market	✓	→	→	→	→
	ii Parking Regularization	✓				
	iii Advertisement Regularization	✓	→	→	→	→
	iv Collection of Annual tract rent	✓				

12.3.6 Action Plan: Privatisation Initiatives

The present areas of privatization of the functions of the ULB in Tamil Nadu are

- i. Solid waste management- all components.
- ii. O&M of street lights.
- iii. O&M of water supply distribution.
- iv. AMC of public and pay & use toilet facilities.
- v. Parks and parking lots Maintenance and user charges collection.

The GoTN states that this list is indicative and ULBs are free to explore more options. This would not only save the O&M expenses, but also indirectly in pension and gratuities. The various strategy options are discussed below:

Strategy options

1. Privatisation of Collection mechanism

Providing a computer fitted mobile van with online access to municipal database for spot billing and collection of all taxes. Performance based incentives can be given to the private operators at the rate of 5% of total collection. The support of the Youth / Women SHGs or fan clubs can be sought for the purpose of collection with adequate sensitization programmes.

2. Improving community participation by organizing Public awareness campaigns and Training of Tax Inspectors, to improve the 'willingness to pay' of the users. The aid of SHGs, fan clubs, media could be utilized for the purpose. The following are the various avenues of revenue, the collection of which could be privatized.

1. Property tax
 2. Profession tax
 3. Water - Deposits and tariff
 4. UGSS- Deposits and tariff
 5. Advertisement spaces /rights as a single contract
 6. Parking areas
 7. Solid waste conservancy fees(Domestic and non-domestic)
- 3.** Privatisation of Operation and Maintenance of the entire Water Supply and Distribution System.
- 4.** Privatisation of operation and maintenance of the UGSS.
- 5.** Privatisation of Solid waste management (Discussed in detail under Improving revenue from user charges)
- 6.** Privatisation of O&M of street lights & pumping machinery(detailed out in Action plan for energy & resource efficiency)
- 7.** Repair and maintenance of major Municipal roads for 3 years from the period of laying.
- 8.** Option of BOT, BOOT for parks & play grounds by implementing user charges for areas more than 5000 sft .
- 9.** Option of converting public toilets to pay & use type and privatization of O&M.
- 10.** Private participation in medical infrastructure like RCHP, maternity homes and adoption of premium and free facility programme in return for improved medical facility.

Table 12-5-Road Map for Privatization initiatives

Sl.No	Reforms	Year of Implementation				
		Year 1	Year 2	Year 3	Year 4	Year 5
1	Privatization of Operation and Maintenance					
	i water supply and Distribution system	✓				
	ii Sewer network & STP				✓	
	iv street lights	✓				
	vi AMC of Public and pay % use toilet facilities	✓				
	vii Parks and parking lots Maintenance and user charges collections	✓				
2	Privatisation options in Solid Waste Management					
	Privatization of Door to door collection of solid waste	✓				
	Compost yard management & sale of compost & scrap			✓		

3	Privatization of Collection mechanism					
	Spot billing and tax collection using mobile van		✓	----->		
4	Formation and sensitisation of youth & women SHGs	✓		----->		
5	Public awareness campaign for improving tax collection (IEC)	✓		----->		

12.3.7 Action Plan: Energy & resource efficiency

Strategy options

- Conducting energy audits for water pumping machinery and street lights.
- Conducting leak detection studies, if transmission losses are more than 15%.
- All Head works and service reservoirs may be fitted with bulk water meter to assess the loss due to non revenue water and unaccounted water.
- Enforce regulations on illegal tapping of water.
- Fixing flow control valves and meters for all water service connections.
- Provision of energy saving lights, and equipments like dimmer and timer switches to reduce energy consumption.
- Privatizing the maintenance of street lights to ESCO companies.

Street lights

TNUISL has initiated the preparation of Energy Saving Company(ESCO) studies for energy efficiency in the O&M of street lights and pumping machinery for select Municipalities throughout Tamil Nadu. ESCOs provide comprehensive services - encompassing audits for energy saving performance, design & implementation of conservation measures, maintenance, operation and management of the introduced facilities and procurement of project funds. ESCOs conduct retrofitting for energy conservation without damaging the environment. The ESCO will guarantee the savings that would meet or exceed the annual payments to cover up the entire project costs usually a period of 5 to 10 years. The savings can be shared proportionately with the institution for which the project is designed and implemented for.

The salient features of performance contracting for energy savings through ESCO based business model are as under:

2. 'Nil' investment by customer.
3. ESCO to identify Energy Efficient Measures (EEMs) to replace / modify existing in efficient systems.
4. ESCO supplies, installs and maintains the Energy Efficient Measures (EEMs) during the contract period.

5. Contract period could be 3-5 years or as mutually agreed upon.
6. Energy saving is shared between ESCO and customer as per agreed terms. Total project cost is funded by ESCO. The O & M expenses will be met by the Municipality.
7. Guarantee Energy savings and recover its investment including interest & other costs out of generated energy savings.

Table 12-6-Road Map for Energy and Resource efficiency

Sl.No	Reforms	Year of Implementation				
		Year 1	Year 2	Year 3	Year 4	Year 5
1	Energy audit					
	i Leak detection study					✓
	ii Fixing of bulk water meter	✓▶			
	iii Fixing flow control valves and meters		✓▶		
	iv Implementing energy saving measures on street lights and pumping machineries (ESCO)	✓▶			

12.3.8 Action plan: Computerization and E-governance

Strategy options

1. Launch data warehousing on a large scale, which would avoid cross-reference to paper record, which are time consuming and also preservation of paper media, which occupies space, could be avoided.
2. Computerization of bill payment and facilitation of on line payments
3. Computerisation of registration of land records within Municipal limit
4. Digitisation of Birth and death certificates for the past 30 years
5. Property Mapping to be computerised and details on area, year of construction, type of assessment to be computerized to facilitate calculation of property tax.
6. Administration and issue of trade licenses to be on line, including payment and reconciliation of license fee.
7. Computerization of birth and death certificates and on line issue of certificates.
8. Computerization of public grievances and Redressal mechanism
9. Introduction of asset management system for all available land and building assets of the Municipality
10. On-line submission of building plans and approval.
11. Track O&M of assets and their replacement
12. E-tendering processes.

The above proposal can be taken up after giving sufficient training to Municipal staff in hard ware and software.

Table 12-7-Road map for Computerization and E-Governance

Sl.No	Reforms	Year of Implementation				
		Year 1	Year 2	Year 3	Year 4	Year 5
1	Computerization and E-governance					
i	Digitizing municipal records (past 30 years)		✓			
ii	On-line bill payment	✓	----->			
iii	Registration of Land records	✓	----->			
iv	Digitization of old Birth and death certificates	✓	----->			
v	On-line issue of Birth and Death certificates	----->				
vi	Property Mapping	✓	----->			
vii	on-line Issue of trade license		✓	----->		
viii	Online submission of building plans		✓	----->		
ix	E-tendering		✓	----->		

12.3.9 Action Plan: Accounts and Auditing

- A Consultant committee of chartered accountants having experience in municipal accounting should be constituted to provide training to the Municipal employees.
- Timely Auditing should be performed with the use of private Chartered Accountants for routine audit and local audit to carry out proprietary audit.
- Closing all Auditing before September 30 of the next financial year and publishing the audited statement on the website.

12.3.10 Action Plan: Institutional Management

The constant change in urban sector in the context of reforms results in the need for continuous upgradation of the skills and knowledge of the ULB staff. TNUDF III has initiated the process of providing the required training to the staff during the current planning period. It is essential that the training process becomes a sustainable one with the introduction of an institutional framework which would ensure that the training is provided in a continuous manner.

Training programmes need to be evolved depending upon whether they are Elected Representatives, Senior level officers, Middle level officers and staff in various sections of the ULBs. Training of public representatives and staff of ULBs will not only improve their skills but also exposes modern/scientific technological advancement in engineering, management and inter personal communication.

The categorization of training is based upon the position at various levels focusing primarily of managerial aspects, technical knowledge, skills and management tasks and awareness about responsibilities.

Strategy options

12.3.11 A. Capacity Building for Elected Representatives and Committee members

The details of the various training requirements for elected representatives and Committee members are presented below.

Table 12-8-Technical Assistance for Elected representatives

Category	Identified Training areas
Elected representatives	<ul style="list-style-type: none"> • Visioning, goal setting, Planning • Urban Governance, Management and Planning • Social management and urban poor management • Financial and cost management • Budget preparation • Tender procedure • Training in interpretation of various laws, rules, regulations and statutes that ULB is bound by • E - Governance • Redressal of public grievances • Environment management • JNNURM, UIDSSMT, IHSDP, IHSDP & BSUP • City Corporate Plan, Urban Development plans (Master plans, DDPs) • Solid waste management. • Disaster management • Managerial development and effectiveness • Public relations and Human resource development. • Crisis management and Stress management • Personality development and Motivation skill development • Written and Oral Communication skills
Committee members	<ul style="list-style-type: none"> • Tax appeal committee: tax assessment methods; interpretation of various laws, rules, regulations and statutes • Contracts committee: procurement procedures; interpretation of various laws, rules, regulations and statutes • Appointment committee: Interviewing skill and techniques

12.3.12 B. Capacity Building for ULB staff

The training areas identified for ULB staff in all position is classified as functional, managerial & behavior and attitude in short, medium and long term training. The details of the various training requirements for ULB staff are presented below.

Table 12-9-Technical Assistance for ULB staff

Category	Identified Training areas
Senior Management Staff	<ul style="list-style-type: none"> • People management skills • Motivation and Interpersonal skills • Leadership and Public relations • Attitudes – both personal and organizational • Team Building, Human resource development • Goal setting, Budgeting • Written and Oral Communication skills • Effective use of computers especially for managerial decision making • Proper interpretation and effective use of MIS reports • Decision support systems • Training in interpretation of various laws, rules, regulations and statutes • Time management, Stress management • Change management • Effective urban management • Management principles, Managerial development and effectiveness • Interviewing skills • Social management and urban poor management • Citizen grievance handling • Project appraisal, Project Management and project financing • Contract management, Bid management, Costing • Procurement procedures • Pricing and tariffs/taxation methodologies • Operations research • Quality control • Public private partnerships and opportunities for ULB in the same • Reforms at the ULB level • Financial and cost management • Environment management • Disaster management • Solid waste management • Systems management (improving citizen service and ULB efficiency) • Strategic urban planning • Performance management system and key result areas.
Supervisory Staff	<ul style="list-style-type: none"> • Motivation and Interpersonal skill development

	<ul style="list-style-type: none"> • Effective use of computers • Training in interpretation of various laws, rules, regulations and statutes • Training for development of a positive attitude • Citizen handling and grievance handling • Managing urban poor, education and health services • Implementation skills • Training in developing a Performance Management Systems (PMS) and key Result Areas (KRA)
Training for Operational staff	<ul style="list-style-type: none"> • Functional skills required in their respective function <ul style="list-style-type: none"> - Training in office Procedures - Training in computers - Training in team work • Training in general office administration and management <ul style="list-style-type: none"> - Training in effective servicing - Training in communication - Training in equipment usage

Source: CMA Records.

Table 12-10-Road map for Accounts & auditing and Institutional Management

Sl.No	Reforms	Year of Implementation				
		Year 1	Year 2	Year 3	Year 4	Year 5
1	Accounts and Auditing with chartered accountant					
	I Appointing private chartered accountant consultant	✓▶			
	ii Closing of audit and accounts (Sept 30th)	✓▶			
	iii Online publication of audited statement (Oct 30th)	✓▶			
2	Institutional Management					
	i Capacity Building for Elected Representatives▶▶▶▶▶
	ii Capacity Building for ULB staffs▶▶▶▶▶

Table 12-11-Road map for implementation of all projects

S.N	Projects	Implementing Agency	2009-10	2010-11	2011-12	2012-13	2013-14
I	Water supply	TWAD Board					
	Source augmentation		←→				
	Transmission system & Distribution system Improvement Upgradation of existing system		←→	←→			
II	Under Ground Drainage system with STP	TWAD Board		←→	←→		
III	Strom water Drain	Municipality				←→	←→
IV	Solid Waste Management	Municipality					
	Vehicles & equipments for primary & secondary collection		←→	←→	←→		
	Purchase of Land fill site		←→				
	Land fill site & compost yard development	Municipal/ Private Operator		←→	←→		
V	Road improvement	Municipality			←→	←→	
VI	Bus stand Improvements	Municipality					
	Old bus stand improvement		←→				
	Construction of New Bus stand			←→			
VII	Street light	ESCO/ Municipality	←→	←→			
VIII	Slum	Municipality		←→	←→		
IX	Education	Municipality	←→				
X	Medicare		←→				
XI	Parks				←→	←→	
XII	Market - improvement						
	Renovation of Vegetable Market		←→				
	Flower market in 1st floor & additional blgs opp to bus stand		←→				
XIII	Slaughter house			←→			
XIV	Public Convenience		←→	←→			
XV	Burial Ground		←→			←→	
XVI	Reconstruction of sanitary workers quarters			←→	←→	←→	
XVII	E-Governance	Municipality		←→			
XVIII	GIS Mapping						
	Property mapping		←→				
	GIS database						←→
XIX	Mobile tax collection van		←→				

Source: Analysis and calculations

12.3.13 Reforms in Municipal Service Delivery

The reform agenda for municipal service delivery is given in the following table

Table 12-12-Reform Agenda Municipal Service Delivery

Sector	Particulars	Benchmark considered	Existing	Target					
				Year 1	Year 2	Year 3	Year 4	Year 5	After 5 years
WAETR SUPPLY	Net Supply per capita	135 lpcd	130	130	130	135lpcd			135 lpcd
	HSCs - % of assessed properties	≥85%	60	70	80	85%			≥85%
	Frequency of Supply - Hours per day	24x7 hours	1hr daily	Period of implementation		2 hrs daily			24x7
SEWERAGE SYSTEM	HSC coverage	≥85%	Nil	-	Period of implementation		85%		≥85%
	Coverage of UGSS network - % of road length	100%	Nil	-	Period of implementation		100%		100%
SOLID WASTE MANAGEMENT	Availability of Composting facility	100% available	Available	Period of implementation			100% available		100% available
	Collection efficiency	100%	67%	Period of implementation			100%		100%
ROADS, STORM WATER DRAIN, STREET LIGHTS	Surfaced roads- % of total road length	100%	98%	84	84	Period of implementation		100%	100%
	Storm water drains - % of total road length	130%	89%	119	119	Period of implementation			130%
	Average spacing between Street lights	30m	49m	Period of Implementation		30m			30m

Source: Analysis and research

13 ASSET MANAGEMENT PLAN

All the assets developed, operated and maintained by the Municipality are termed as municipal assets and comprise roads, bridges, culvert, water supply & distribution system, UGSS network, STPs, drains, and street lights. Municipal Assets also includes social infrastructure assets such as municipal owned schools, hospitals, parks and playgrounds, community halls, shopping complexes, stadium, and vacant lands.

Municipal assets are normally classified into movable and immovable assets. Immovable assets attain importance as indicators for the financial worth which would help in its borrowing capacity and credit worthiness of Walajapet Municipality.

The management of assets in the local bodies is at the initial stage where, only the assets are listed and status is described. Invariably, in all the cases, the management component is missing as to the techniques and methods of managing the assets either in improving their state and value or in sustaining them with a growth motive. There is hardly any case where a local body has made use of its immovable assets for raising loans or improving its borrowing capacity. It requires an overall approach outlining the alternative options of maintaining and managing the assets in a worthwhile mode.

13.1 ACTIVITIES OF ASSET MANAGEMENT PLAN (AMP)

The Asset Management Plan for Walajet Municipality would comprise the following 5 steps as explained below:

1. Asset identification

All movable and immovable equipments, immovable municipal properties, assets of Municipality that have been developed, handed over or acquired over time from various sources and departments have to be identified and traced. This would include the detection of unrecorded infrastructure facilities and properties; scrutiny of records, land registers and land surveys, etc.

2. Audit and reconciliation of records

The Municipality should record all movable and immovable municipal properties and assets and infrastructure facilities. Maps and master plans should be crosschecked and an infrastructure facilities audit should be prepared or updated (if already existing). Current asset values should be assigned based on a 'condition-survey' of the infrastructure facilities.

Land and property records should be crosschecked and municipal registers to be updated to include previously undetected land, properties and development. A comprehensive list of municipal land, properties and development should be compiled with approximate assigned.

3. Assessment of Remunerative potential

Municipality should review the existing revenue earning potential of all its assets. New projects or initiatives should be taken to maximize the revenue earning potential of assets including infrastructure facilities. The intangible benefits of social facilities also need to be considered in the process.

4. Digitisation of asset register

Focus should be placed on designing, testing and installing a database management system for municipal assets. All data, once compiled should be classified on the basis of sector specific infrastructure facilities, land and properties. Specific software should be customized to suit local requirements and data should be translated into specified formats.

5. Training in database management

Training is the most important part of an asset management plan. Training should emphasize methods of simplified updation of data, and methods of monitoring and follow-up relating to infrastructure facilities management, land use, litigation, encroachment, values, expenditure and revenue flows.

13.2 INFRASTRUCTURE ASSETS

Infrastructure Assets will include all movable and immovable equipments and properties including water supply, drainage, sewerage, solid waste management, roads, street lighting etc. Unlike other assets of the municipality, these assets undergo constant use, wear and tear, addition, repair etc. This correspondingly changes their values and hence a constant value updating is necessary.

13.2.1 Movable and immovable assets

Water Supply

1	Length of Pumping Main	:	4.050 km
2	Distribution Main	:	34.200 km
3	Storage reservoirs	:	8 Nos.
4	Length of Distribution Network	:	29.465 km
5	Storage capacity	:	17.15 lakh litre

Public Convenience

1	Public Toilets	:	9 nos
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Storm Water Drains

1.	Drainage	:	40.20 km
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Solid Waste Management

1.	Lorry	:	01	Ashok Leyland
2.	Mini Lorry	:	02	Swaraj Mazda

3.	Tractor	:	01	HMT
4.	Tractor With Trailer	:	01	HMT
5.	Bins	:	190	
6.	Tractor Troleys	:	01	

Roads

1.	Concrete Road	:	18	
2.	BT Road	:	26	
3.	Earthen Road	:	1	

Bus Stand

1.	No. of bus stands	:	1	
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Street Lightings

1.	250 Watt Sodium Vapor Lamps	:	117	
2.	Tube Lights	:	927	
3.	200 Watt Mercury Lamps	:	20	

Parks

1.	Municipality parks	:	7 Nos	
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Burial Grounds

1.	No. of burial grounds	:	2 Nos	
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Slaughter house

1.	No. of Slaughter house	:	1 No	
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Education

1.	Elementary school	:	4Nos	
2.	Middle school	:	2 No	

Medicare

1.	Maternity center	:	1 No	
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Markets

1.	Daily Market	:	1 No	
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13.3 PRIORITY ASSET MANAGEMENT OPTIONS

There are remunerative and non-remunerative assets of the municipality on which the municipality incur considerable expenditure for operation and maintenance. The commercial complexes in the town, Shops in the bus stand, Markets, Slaughterhouse, Pay and Use toilets, etc are all remunerative. Non-remunerative assets of the municipality are the burial ground, public toilets, compost yard, parks and playfields etc,. The list of land assets are given in the table below:

Table 13-1: Land Assets – Proposed use

S.No	Location	Present use	Proposed use
1	Marudambakkam village	Compost Yard	Compost Yard (Improvements proposed)
2	Kilminal Village	Vacant land	Land fill site (Proposed)
3	Near Municipal office on Ranipet road	Bus stand	Bus stand (Improvements proposed)
4	MBT road, Housing board, Kamakshi nagar, Ramaswamy layout, Teachers colony, United colony & TNHB colony	Not efficiently used	Parks
5	Near Municipal office	Daily Market	Daily market (Improvements proposed)
6	Oppt. to Bus stand area	Vacant land & Existing shops	Shopping complex & Flower market (proposed)
7	Ambedker nagar	Slaughter house	Slaughter house (proposed)
8	Ambedker nagar	Vacant land	Slaughter house Treatment plant (proposed)
9	Sholingar thethu street & Pinjipettai	Burial ground	Burial ground (improvement proposed)

Source: Survey, Analysis and discussion with municipal officials

Table 13-2: Income Details from Remunerative Assets

S.NO	PARTICULARS	COST in lac
1	Daily Market Fees	10.00
2	Slaughter House Fees	0.50
3	Lease of Land	0.85
4	Rent from Shopping Complex	10.75
5	Rent from Community Hall	1.00
6	Fees for Bays in Bus	5.00
7	Fees for Pay & Use Toilets	2.00
8	Income fom Water Supply	15.00
9	Income from Water Connections	0.50

Table 13-3: Income from Proposed new Projects

S.No	Description	Income (Rs.in lakhs)
1	Gasifier Crematorium	0.75
2	Slaughter House	2
3	Flower market	2.3
4	Shopping Complex	1.44
5	New shops at bus stand	2.4

The suggestions for the improvement of land asset management are listed below:

1. Create land asset register listing all Municipal properties with the following data:
 - ◇ Survey number
 - ◇ Location
 - ◇ Ownership data
 - ◇ Date of acquisition
 - ◇ Extent in Sq.m
 - ◇ Present status
 - ◇ Rate per sq.m
2. Establishment of GIS inventory for Municipality lands.
3. Removal of encroachments on Municipal lands.
4. Alternatively, levy of rent on Encroached Municipal lands.
5. Use of land assets for borrowing loans from capital market.
6. Identifying the most remunerative activity by Public Private Participation, BOT, BOLT, BOOT initiatives.
7. Lease or rent out of land parcels for a specific period of time.
8. Asset creation by acquiring lands in peri-urban areas.

13.4 PROPOSED NEW ASSETS

Since every year there is an addition to such assets, an indication of the values is a must in calculating the present values and also projecting to the future. In the absence of any trend, the values of the structural assets have become difficult to be computed. However, the values of the proposed projects in the form of assets both for structural elements and certain movable items are indicated in the statement.

The assets creation by way of the projects proposed under CCCBP for implementation in the years to come are indicated with the capital investment values as in table below:

Table 13-4: New Assets for the year -2009-10 to 2013 -14

S. No.	PROJECTS	TOTAL COST (Rs in Lacs)
1	Water supply	1632.40
2	Sewerage & Sanitation	2884
3	Solid waste management	503.90

4	Storm water drainage	260
5	Roads	650
6	Bus stand	413
7	Street light	17
8	School	49.25
9	Maternity centre	18.3
10	parks	35
11	Slaughter house	20
12	Market	29.50
13	Shopping complex	20
14	Burial ground	74
15	E-Governance & Mobile tax collection vehicle	43
16	Slum development	197
17	Reconstruction of sanitary workers quarters - 48 units	204
	Total	7050.35

14 FINANCIAL AND OPERATING PLAN

14.1 CAPITAL INVESTMENT PLAN

The proposed projects for Walajapet Municipality taking in to account its resources and the existing shortfall in services are given below. The projects have been phased out taking in to account the time-span required for implementation of the project and the availability of the funds (loans, grants and municipality's own resources) for the same.

Table 14-1: Projects to be executed by the Municipality

S.No.	Particulars	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	Total
	Physical Infrastructure Facilities								
A	Water Supply								
a)	Improvements to Water Supply	176.92	208.48	-	-	-	-	-	385.40
b)	Metur CWSS	-	-	-	-	-	623.50	623.50	1247.00
	Sewerage & Sanitation								
a)	New Underground Sewerage Scheme	-	1076.62	1780.38	-	-	-	-	2857.00
	Strom Water Drains								
a)	Construction of new drains and providing mesh covers	-	-	-	100.00	160.00	-	-	260.00
	Solid Waste Management								
a)	Cost of Land Fill site	28.90	-	-	-	-	-	-	28.90
b)	Land Fill site & compost yard development	-	184.40	157.60	-	-	-	-	342.00
c)	Vehicles & equipments for primary & secondary colln	33.60	48.10	51.30	-	-	-	-	133.00
	Roads								
a)	BT & CC Roads improvement	-	-	300.00	270.00	-	-	-	570.00
b)	Proposed New Roads	-	-	-	80.00	-	-	-	80.00
	Bus Stand								
a)	Old Bus Stand improvement	93.00	-	-	-	-	-	-	93.00
b)	Construction of 10 shops in Bus Stand	20.00	-	-	-	-	-	-	20.00
c)	Construction of New Bus Stand	-	300.00	-	-	-	-	-	300.00
	Street Lights								
a)	Proposed new lights	3.00	4.00	-	-	-	-	-	7.00
b)	Retrofitting existing	7.00	3.00	-	-	-	-	-	10.00

	lights & energy saving devices								
B	Social Infrastructure Facilities								
I	Slum Improvement								
a)	Improvements to Slums	-	135.50	61.50	-	-	-	-	197.00
II	Education								
a)	Improvements to Schools	49.25	-	-	-	-	-	-	49.25
III	Parks & Playgrounds								
a)	Improvement to Gandhi Park	-	11.00	-	-	-	-	-	11.00
b)	Improvement to 6 Layout Parks	-	8.00	8.00	8.00	-	-	-	24.00
IV	Burial Ground / Crematorium								
a)	Burial Ground with Gasifier and internal arrangements	-	-	-	64.00	-	-	-	64.00
b)	Burial Ground improvements	10.00	-	-	-	-	-	-	10.00
V	Market								
a)	Renovation of Vegetable Market	29.50	-	-	-	-	-	-	29.50
b)	Flower Market in I Floor and additional buildings	20.00	-	-	-	-	-	-	20.00
VI	Slaughter House								
a)	Construction of Slaughter House with Treatment Plant	-	20.00	-	-	-	-	-	20.00
VII	Maternity Centre	18.30	-	-	-	-	-	-	18.30
VIII	Sanitary Workers Quarters								
a)	Renovation of Sanitary Workers Quarters	-	54.00	50.00	100.00	-	-	-	204.00
IX	Public Convenience								
a)	New Toilets	14.00	13.00	-	-	-	-	-	27.00
C	Other Projects								
I	E-Governance								
a)	Updation of Database on GIS platform	-	17.00	-	-	-	-	-	17.00
b)	GIS Mapping for Comprehensive Data Base	6.00	-	-	-	10.00	-	-	16.00
II	Vehicle								
a)	Mobile Tax Collection Vehicle	10.00	-	-	-	-	-	-	10.00
	Total	519.47	2083.10	2408.78	622.00	170.00	623.50	623.50	7050.35

The initial building blocks of the Corporate Plan are the 'elements' required to sustain the town's growth; public utility, urban environment, economic and social development, land use and transportation, municipal resources, urban governance

and capital facilities. The projects in the plan were developed through a consultative process carried out between the Local Body Officials, Council Staff and Elected Officials, Public Interest Groups, Project Stakeholders and the local citizens.

The projects have been prioritized in the following order :

- a) Water Supply
- b) Sewerage and Sanitation
- c) Solid Waste Management
- d) Storm Water Drains
- e) Urban Service for Poor (Slum Upgradation)
- f) Roads, traffic and transportation
- g) Street Lighting

14.2 OTHER PROJECTS AND ON GOING PROJECTS

The details of projects identified to be executed by other departments / agencies and the ongoing projects that are being executed by the Municipality are given below :

Table 14-2: Projects to be executed by Other Agencies

S.No	Particulars	Total	Funding By
I	Regional Level		
a)	Industrial Pollution Remediation		TNPCB, CMA, DTCP,
	Measures - Business Plan	1100.00	DTP, TNUFSL / other funding agencies and Assn of Industrial Owners
b)	Setting up of Resource Center for alternative green technology for leather industries	30.00	CLRI, VIT and Assn of Industrial Owners
c)	Feasibility study for Development of Industrial Corridor of Excellence connecting Chennai & Bengaluru	Study under prog	CII / NHAI
d)	Preparation of Regional Plan for Vellore Region focussing on green and sustained economic development	30.00	DTCP / Planning Orgs
e)	Updation of Walajapet Master Plan	-	DTCP / CMA
f)	Preparation of Regional Traffic Operation and Management Plan	5.00	NHAI
g)	Feasibility study for extension of metro rail between Chennai and Bengaluru	12.00	Railway Authority
l)	Feasibility study for Bullet Train between Chennai and Bengaluru	Long Term	Railway Authority
II	Town Level		
a)	Strengthening of NH Roads - 22 Km (Walaja Bus Stand to Sholingar Route)	1100.00	NHAI
b)	Poiney Bus Station rehabilitation	2550.00	Water Resources Dept
c)	Kosuthalaiyar Sub Basin rehabilitation	- Do -	Water Resources Dept
d)	Free free samplings for Avenue Trees	-	Horticulture Department
e)	Construction of Outpatient block,		

	Maternity block, repairs and renovation	3.20	Public Health / PWD
	of existing building in Government		
	District Head Quarters Hospital Campus		
	Total	4830.20	

Table 14-3: Projects under Implementation by the Municipality

S.No	Particulars	Total Cost	Loan	Grant	Mun Cont.	Funding By
a)	Roads (Earthen to CC and BT)	48.00	-	48.00	-	100% Grant
b)	Alloy Metal Fittings	16.91	-	16.91	-	100% Grant (MLA Fund)
c)	Slaughter House (Part II Scheme)	20.00	-	10.00	10.00	0:50:50
d)	Drains (Rajiv Gandhi Nagar)	7.50	-	-	7.50	100% Own Funds
e)	High Mass Light	19.91	-	19.91	-	100% Grant
f)	Construction of Toilet in Bus Stand	12.00	-	12.00	-	100% Grant (MLA Fund)
	Total	124.32	0.00	106.82	17.50	

14.3 MEANS OF FINANCE

The means of finance for each individual project identified taking in to account whether the same is remunerative or non-remunerative and the availability of Grants from various sources is given below :

Table 14-4: Multi Year Investment Plan and Means of Finance

S.No.	Particulars	Multi Year Investment Plan							Total
		2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	
A	Physical Infrastructure Facilities								
1A	Water Supply Improvement Scheme								
	Total Project Cost	176.92	208.48	-	-	-	-	-	385.40
	Add : Price Inflation @ 7%	12.38	30.21	0.00	0.00	0.00	0.00	0.00	42.59
	Total	189.30	238.69	0.00	0.00	0.00	0.00	0.00	427.99
	Means of Finance								
	TNUISL Loan	113.58	143.21	0.00	0.00	0.00	0.00	0.00	256.80
	Grant	56.79	71.61	0.00	0.00	0.00	0.00	0.00	128.40
	Municipality Own Funds	18.93	23.87	0.00	0.00	0.00	0.00	0.00	42.80
	Total	189.30	238.69	0.00	0.00	0.00	0.00	0.00	427.99
1B	Metur CWSS								
	Total Project Cost	-	-	-	-	-	623.50	623.50	1247.00
	Add : Price Inflation @ 7%	0.00	0.00	0.00	0.00	0.00	312.21	377.70	689.91
	Total	0.00	0.00	0.00	0.00	0.00	935.71	1001.20	1936.91
	Means of Finance								
	Grant	0.00	0.00	0.00	0.00	0.00	935.71	1001.20	1936.91

	Total	0.00	0.00	0.00	0.00	0.00	935.71	1001.20	1936.91
2	Sewerage								
	Total Project Cost	-	1076.62	1780.38	-	-	-	-	2857.00
	Add : Price Inflation @ 7%	0.00	156.00	400.66	0.00	0.00	0.00	0.00	556.66
	Total	0.00	1232.62	2181.04	0.00	0.00	0.00	0.00	3413.66
	Means of Finance								
	TNUIFSL Loan	0.00	739.57	1308.63	0.00	0.00	0.00	0.00	2048.20
	Grant	0.00	369.79	654.31	0.00	0.00	0.00	0.00	1024.10
	Municipality Own Funds	0.00	123.26	218.10	0.00	0.00	0.00	0.00	341.37
	Total	0.00	1232.62	2181.04	0.00	0.00	0.00	0.00	3413.66
3	Storm Water Drains								
	Total Project Cost	-	-	-	100.00	160.00	-	-	260.00
	Add : Price Inflation @ 7%	0.00	0.00	0.00	31.08	64.41	0.00	0.00	95.49
	Total	0.00	0.00	0.00	131.08	224.41	0.00	0.00	355.49
	Means of Finance								
	TNUIFSL Loan	0.00	0.00	0.00	78.65	134.64	0.00	0.00	213.29
	Grant	0.00	0.00	0.00	39.32	67.32	0.00	0.00	106.65
	Municipality Own Funds	0.00	0.00	0.00	13.11	22.44	0.00	0.00	35.55
	Total	0.00	0.00	0.00	131.08	224.41	0.00	0.00	355.49
4A	SWM - Cost of Land Fill Site								
	Total Project Cost	28.90	-	-	-	-	-	-	28.90
	Add : Price Inflation @ 7%	2.02	0.00	0.00	0.00	0.00	0.00	0.00	2.02
	Total	30.92	0.00	0.00	0.00	0.00	0.00	0.00	30.92
	Means of Finance								
	Grant	30.92	0.00	0.00	0.00	0.00	0.00	0.00	30.92
	Total	30.92	0.00	0.00	0.00	0.00	0.00	0.00	30.92
4B	SWM - Land Fill site & compost yard devt								
	Total Project Cost	-	184.40	157.60	-	-	-	-	342.00
	Add : Price Inflation @ 7%	0.00	26.72	35.47	0.00	0.00	0.00	0.00	62.19
	Total	0.00	211.12	193.07	0.00	0.00	0.00	0.00	404.19
	Means of Finance								
	Grant	0.00	211.12	193.07	0.00	0.00	0.00	0.00	404.19
	Total	0.00	211.12	193.07	0.00	0.00	0.00	0.00	404.19
4C	SWM - Vehicles & Equipments								
	Total Project Cost	33.60	48.10	51.30	-	-	-	-	133.00
	Add : Price Inflation @ 7%	2.35	6.97	11.54	0.00	0.00	0.00	0.00	20.87
	Total	35.95	55.07	62.84	0.00	0.00	0.00	0.00	153.87
	Means of Finance								
	Grant	17.98	27.53	31.42	0.00	0.00	0.00	0.00	76.93
	Municipality Own Funds	17.98	27.53	31.42	0.00	0.00	0.00	0.00	76.93
	Total	35.95	55.07	62.84	0.00	0.00	0.00	0.00	153.87

5A	Roads - BT & CC Roads - Improvements								
	Total Project Cost	-	-	300.00	270.00	-	-	-	570.00
	Add : Price Inflation @ 7%	0.00	0.00	67.51	83.91	0.00	0.00	0.00	151.43
	Total	0.00	0.00	367.51	353.91	0.00	0.00	0.00	721.43
	Means of Finance								
	TNUIFSL Loan	0.00	0.00	220.51	212.35	0.00	0.00	0.00	432.86
	Grant	0.00	0.00	110.25	106.17	0.00	0.00	0.00	216.43
	Municipality Own Funds	0.00	0.00	36.75	35.39	0.00	0.00	0.00	72.14
	Total	0.00	0.00	367.51	353.91	0.00	0.00	0.00	721.43
5B	Roads - BT & CC Roads - New Roads								
	Total Project Cost	-	-	-	80.00	-	-	-	80.00
	Add : Price Inflation @ 7%	0.00	0.00	0.00	24.86	0.00	0.00	0.00	24.86
	Total	0.00	0.00	0.00	104.86	0.00	0.00	0.00	104.86
	Means of Finance								
	TNUIFSL Loan	0.00	0.00	0.00	62.92	0.00	0.00	0.00	62.92
	Grant	0.00	0.00	0.00	31.46	0.00	0.00	0.00	31.46
	Municipality Own Funds	0.00	0.00	0.00	10.49	0.00	0.00	0.00	10.49
	Total	0.00	0.00	0.00	104.86	0.00	0.00	0.00	104.86
6A	Old Bus Stand								
	Total Project Cost	93.00	-	-	-	-	-	-	93.00
	Add : Price Inflation @ 7%	6.51	0.00	0.00	0.00	0.00	0.00	0.00	6.51
	Total	99.51	0.00	0.00	0.00	0.00	0.00	0.00	99.51
	Means of Finance								
	Grant	49.76	0.00	0.00	0.00	0.00	0.00	0.00	49.76
	Municipality Own Funds	49.76	0.00	0.00	0.00	0.00	0.00	0.00	49.76
	Total	99.51	0.00	0.00	0.00	0.00	0.00	0.00	99.51
6B	Bus Stand - Shops								
	Total Project Cost	20.00	-	-	-	-	-	-	20.00
	Add : Price Inflation @ 7%	1.40	0.00	0.00	0.00	0.00	0.00	0.00	1.40
	Total	21.40	0.00	0.00	0.00	0.00	0.00	0.00	21.40
	Means of Finance								
	Municipality Own Funds	21.40	0.00	0.00	0.00	0.00	0.00	0.00	21.40
	Total	21.40	0.00	0.00	0.00	0.00	0.00	0.00	21.40
6C	New Bus Stand								
	Total Project Cost	-	300.00	-	-	-	-	-	300.00
	Add : Price Inflation @ 7%	0.00	43.47	0.00	0.00	0.00	0.00	0.00	43.47
	Total	0.00	343.47	0.00	0.00	0.00	0.00	0.00	343.47
	Means of Finance								
	Loan	0.00	309.12	0.00	0.00	0.00	0.00	0.00	309.12
	Municipality Own Funds	0.00	34.35	0.00	0.00	0.00	0.00	0.00	34.35

	Total	0.00	343.47	0.00	0.00	0.00	0.00	0.00	343.47
7A	Street Lights - New								
	Total Project Cost	3.00	4.00	-	-	-	-	-	7.00
	Add : Price Inflation @ 7%	0.21	0.58	0.00	0.00	0.00	0.00	0.00	0.79
	Total	3.21	4.58	0.00	0.00	0.00	0.00	0.00	7.79
	Means of Finance								
	Grant	1.61	2.29	0.00	0.00	0.00	0.00	0.00	3.89
	Municipality Own Funds	1.61	2.29	0.00	0.00	0.00	0.00	0.00	3.89
	Total	3.21	4.58	0.00	0.00	0.00	0.00	0.00	7.79
7B	Street Lights - Retrofitting								
	Total Project Cost	7.00	3.00	-	-	-	-	-	10.00
	Add : Price Inflation @ 7%	0.49	0.43	0.00	0.00	0.00	0.00	0.00	0.92
	Total	7.49	3.43	0.00	0.00	0.00	0.00	0.00	10.92
	Means of Finance								
	ESCO	7.49	3.43	0.00	0.00	0.00	0.00	0.00	10.92
	Total	7.49	3.43	0.00	0.00	0.00	0.00	0.00	10.92
B	Social Infrastructure Facilities								
1	Slum Improvement								
	Total Project Cost	-	135.50	61.50	-	-	-	-	197.00
	Add : Price Inflation @ 7%	0.00	19.63	13.84	0.00	0.00	0.00	0.00	33.47
	Total	0.00	155.13	75.34	0.00	0.00	0.00	0.00	230.47
	Means of Finance								
	Grant	0.00	139.62	67.81	0.00	0.00	0.00	0.00	207.43
	Municipality Own Funds	0.00	15.51	7.53	0.00	0.00	0.00	0.00	23.05
	Total	0.00	155.13	75.34	0.00	0.00	0.00	0.00	230.47
2	Education								
	Total Project Cost	49.25	-	-	-	-	-	-	49.25
	Add : Price Inflation @ 7%	3.45	0.00	0.00	0.00	0.00	0.00	0.00	3.45
	Total	52.70	0.00	0.00	0.00	0.00	0.00	0.00	52.70
	Means of Finance								
	Municipality Own Funds	52.70	0.00	0.00	0.00	0.00	0.00	0.00	52.70
	Total	52.70	0.00	0.00	0.00	0.00	0.00	0.00	52.70
3A	Parks - Improvement to Gandhi Park								
	Total Project Cost	-	11.00	-	-	-	-	-	11.00
	Add : Price Inflation @ 7%	0.00	1.59	0.00	0.00	0.00	0.00	0.00	1.59
	Total	0.00	12.59	0.00	0.00	0.00	0.00	0.00	12.59
	Means of Finance								
	Grant	0.00	6.30	0.00	0.00	0.00	0.00	0.00	6.30
	Municipality Own Funds	0.00	6.30	0.00	0.00	0.00	0.00	0.00	6.30

	Total	0.00	12.59	0.00	0.00	0.00	0.00	0.00	12.59
3B	Parks - Improvement to 6 Layout Park								
	Total Project Cost	-	8.00	8.00	8.00	-	-	-	24.00
	Add : Price Inflation @ 7%	0.00	1.16	1.80	2.49	0.00	0.00	0.00	5.45
	Total	0.00	9.16	9.80	10.49	0.00	0.00	0.00	29.45
	Means of Finance								
	Grant	0.00	6.41	6.86	7.34	0.00	0.00	0.00	20.61
	Municipality Own Funds	0.00	2.75	2.94	3.15	0.00	0.00	0.00	8.83
	Total	0.00	9.16	9.80	10.49	0.00	0.00	0.00	29.45
4A	Burial Ground with Gasifier								
	Total Project Cost	-	-	-	64.00	-	-	-	64.00
	Add : Price Inflation @ 7%	0.00	0.00	0.00	19.89	0.00	0.00	0.00	19.89
	Total	0.00	0.00	0.00	83.89	0.00	0.00	0.00	83.89
	Means of Finance								
	Grant	0.00	0.00	0.00	41.95	0.00	0.00	0.00	41.95
	Municipality Own Funds	0.00	0.00	0.00	41.95	0.00	0.00	0.00	41.95
	Total	0.00	0.00	0.00	83.89	0.00	0.00	0.00	83.89
4B	Burial Ground Improvements								
	Total Project Cost	10.00	-	-	-	-	-	-	10.00
	Add : Price Inflation @ 7%	0.70	0.00	0.00	0.00	0.00	0.00	0.00	0.70
	Total	10.70	0.00	0.00	0.00	0.00	0.00	0.00	10.70
	Means of Finance								
	Grant	10.70	0.00	0.00	0.00	0.00	0.00	0.00	10.70
	Total	10.70	0.00	0.00	0.00	0.00	0.00	0.00	10.70
5A	Market - Vegetable Market Renovation								
	Total Project Cost	29.50	-	-	-	-	-	-	29.50
	Add : Price Inflation @ 7%	2.07	0.00	0.00	0.00	0.00	0.00	0.00	2.07
	Total	31.57	0.00	0.00	0.00	0.00	0.00	0.00	31.57
	Means of Finance								
	Municipality Own Funds	31.57	0.00	0.00	0.00	0.00	0.00	0.00	31.57
	Total	31.57	0.00	0.00	0.00	0.00	0.00	0.00	31.57
5B	Flower Market & Addl Buildings								
	Total Project Cost	20.00	-	-	-	-	-	-	20.00
	Add : Price Inflation @ 7%	1.40	0.00	0.00	0.00	0.00	0.00	0.00	1.40
	Total	21.40	0.00	0.00	0.00	0.00	0.00	0.00	21.40
	Means of Finance								
	Municipality Own Funds	21.40	0.00	0.00	0.00	0.00	0.00	0.00	21.40
	Total	21.40	0.00	0.00	0.00	0.00	0.00	0.00	21.40

6	Slaughter House								
	Total project cost	-	20.00	-	-	-	-	-	20.00
	Add : Price inflation @ 7%	0.00	2.90	0.00	0.00	0.00	0.00	0.00	2.90
	Total	0.00	22.90	0.00	0.00	0.00	0.00	0.00	22.90
	Means of Finance								
	Grants	0.00	11.45	0.00	0.00	0.00	0.00	0.00	11.45
	Municipality Own Funds	0.00	11.45	0.00	0.00	0.00	0.00	0.00	11.45
	Total	0.00	22.90	0.00	0.00	0.00	0.00	0.00	22.90
7	Maternity Centre								
	Total Project Cost	18.30	-	-	-	-	-	-	18.30
	Add : Price Inflation @ 7%	1.28	0.00	0.00	0.00	0.00	0.00	0.00	1.28
	Total	19.58	0.00	0.00	0.00	0.00	0.00	0.00	19.58
	Means of Finance								
	Grants	9.79	0.00	0.00	0.00	0.00	0.00	0.00	9.79
	Municipality Own Funds	9.79	0.00	0.00	0.00	0.00	0.00	0.00	9.79
	Total	19.58	0.00	0.00	0.00	0.00	0.00	0.00	19.58
8	Sanitary Workers Quarters								
	Total Project Cost	-	54.00	50.00	100.00	-	-	-	204.00
	Add : Price Inflation @ 7%	0.00	7.82	11.25	31.08	0.00	0.00	0.00	50.16
	Total	0.00	61.82	61.25	131.08	0.00	0.00	0.00	254.16
	Means of Finance								
	Grants	0.00	43.28	42.88	91.76	0.00	0.00	0.00	177.91
	Municipality Own Funds	0.00	18.55	18.38	39.32	0.00	0.00	0.00	76.25
	Total	0.00	61.82	61.25	131.08	0.00	0.00	0.00	254.16
9	Public Convenience								
	Total Project Cost	14.00	13.00	-	-	-	-	-	27.00
	Add : Price Inflation @ 7%	0.98	1.88	0.00	0.00	0.00	0.00	0.00	2.86
	Total	14.98	14.88	0.00	0.00	0.00	0.00	0.00	29.86
	Means of Finance								
	Grants	7.49	7.44	0.00	0.00	0.00	0.00	0.00	14.93
	Municipality Own Funds	7.49	7.44	0.00	0.00	0.00	0.00	0.00	14.93
	Total	14.98	14.88	0.00	0.00	0.00	0.00	0.00	29.86
C	Other Projects								
1A	E Governance								
	Total Project Cost	-	17.00	-	-	-	-	-	17.00
	Add : Price Inflation @ 7%	0.00	2.46	0.00	0.00	0.00	0.00	0.00	2.46
	Total	0.00	19.46	0.00	0.00	0.00	0.00	0.00	19.46
	Means of Finance								
	Grant	0.00	19.46	0.00	0.00	0.00	0.00	0.00	19.46
	Total	0.00	19.46	0.00	0.00	0.00	0.00	0.00	19.46
1B	GIS Mapping								

	Total Project Cost	6.00	-	-	-	10.00	-	-	16.00
	Add : Price Inflation @ 7%	0.42	0.00	0.00	0.00	4.03	0.00	0.00	4.45
	Total	6.42	0.00	0.00	0.00	14.03	0.00	0.00	20.45
	Means of Finance								
	Grants	5.78	0.00	0.00	0.00	12.62	0.00	0.00	18.40
	Municipality Own Funds	0.64	0.00	0.00	0.00	1.40	0.00	0.00	2.04
	Total	6.42	0.00	0.00	0.00	14.03	0.00	0.00	20.45
2	Mobile Tax Collection Van								
	Total Project Cost	10.00	0.00	0.00	0.00	0.00	0.00	0.00	10.00
	Add : Price Inflation @ 7%	0.70	0.00	0.00	0.00	0.00	0.00	0.00	0.70
	Total	10.70	0.00	0.00	0.00	0.00	0.00	0.00	10.70
	Means of Finance								
	Municipality Own Funds	10.70	0.00	0.00	0.00	0.00	0.00	0.00	10.70
	Total	10.70	0.00	0.00	0.00	0.00	0.00	0.00	10.70

The consolidated 'Means of Finance' for all the projects put-together is summarized below :

Table 14-5: Consolidated Means of Finance

S.No.	Particulars	Multi Year Investment Plan							Total
		2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	
I	Project Cost								
	Total Project Cost	519.47	2083.10	2408.78	622.00	170.00	623.50	623.50	7050.35
	Add : Price Inflation @ 7%	36.36	301.84	542.08	193.32	68.43	312.21	377.70	1831.94
	Total	555.83	2384.94	2950.86	815.32	238.43	935.71	1001.20	8882.29
II	Means of Finance								
	Municipality Own Funds	243.95	273.30	315.13	143.40	23.84	0.00	0.00	999.62
	(including Deposits from Public)								
	Grant	190.81	916.30	1106.60	318.00	79.95	935.71	1001.20	4548.56
	TNUIFSL Loan	113.58	1191.91	1529.13	353.91	134.64	0.00	0.00	3323.19
	BOOT / Private Sector	7.49	3.43	0.00	0.00	0.00	0.00	0.00	10.92
	Total	555.83	2384.94	2950.86	815.32	238.43	935.71	1001.20	8882.29

14.4 FINANCIAL SUSTAINABILITY

The sustainability analysis assumes that the Municipality will carry out reforms indicated as assumptions for financial projections. A Financial and Operating Plan (FOP) prepared which evaluates the Municipality Fund status for the Full Project scenario.

The FOP is a cash flow stream of the ULB based on the regular Municipality revenues, expenditures and applicability of surplus funds to support project

sustainability. The FOP horizon is determined to assess the impact of full debt servicing liability resulting from the borrowings to meet the identified interventions. The proposed capital investments are phased over 5 years investment from FY 2009-10 to FY 2013-14.

The full project investment scenario is based on all the proposed investments identified for Wallajapet Municipality and the requirement for upgrading the town's infrastructure is estimated and phased based on the construction activity. Implications of this investment in terms of external borrowings required, resultant debt service commitment and additional operation and maintenance expenditure are worked out to ascertain sub-project cash flows. Revenue surpluses of the existing operations are applied to the sub-project cash flows emerging from full project investments – the Municipality fund net surpluses indicates the ULB's ability to sustain full investments.

FY 2009-10 is taken as the base year and FY 2028-29 is assumed as the reference year (20 years) to determine the net surpluses and whether the Municipality maintains a debt / revenue surplus ratio as an indication of the ULB's ability to sustain investments.

14.5 BASIC ASSUMPTIONS FOR PROJECTIONS :

The FOP is based on a whole range of assumptions related to income and expenditure. These are critical to ascertain the investment sustenance and would also provide a tool to test certain specific policy decisions regarding revenue and expenditure drivers on the overall Municipality fiscal situation. This section elucidated the key assumptions adopted for the FOP scenario.

The growth rates for the various heads of income and expenditure have been arrived based on the past growth rates and the future estimated population growth. Improvements to the existing current and arrears collection percentages have been assumed for the various revenues directly collected by the Municipality, which implies that the Municipality would have to improve its collection mechanism to sustain full investments.

Given below are the various assumptions forming part of the FOP workings :

14.5.1 Property Tax

The population of Wallajapet Municipality is estimated to grow at around 3.75% p.a. Based on the same Property Tax Revenue are assumed to increase @ 2% per annum. The last revision of Property Tax was carried out on 1-10-98 and it is assumed that the next revision will be carried out in the current year. It is assumed that there will be an increase of 25% due to revision in 2008-09 & that revision would be done @ 15% every 5 years.

It has also been established as per the Survey in 2002 that around 27% of the properties are unassessed and further 20-25% of the properties are unassessed.

Considering the above, it is assumed that the same shall be set right and together these shall contribute to increase in property tax revenue by 15% from next year viz. 2009-10 on account of GIS mapping.

The Property Tax income is divided between Revenue, Water Supply and Education Fund in the following ratio:

Table 14-6: Ratio of Property tax

	Per Annum	
General	6.000%) Revenue & Capital Fund
Scavenging	2.750%	
Lighting	1.000%	
Water Tax	2.750%	} Water Supply & Drainage Fund
Drainage	-	
Education	2.500%] Education Fund
Total	15.000%	

14.5.2 Profession tax

Income from Profession Tax is assumed to increase @ 2.5% per annum. The Profession Tax was last revised on 1.10.2003 and the next revision is due in 2008-09. It is assumed that every revision would contribute to 15% increase

Besides, the profession tax base would be increased by carrying out survey in 2010-11. It is assumed that the survey would result in increase of profession tax base by 20% in 2010-11.

14.5.3 Assigned revenue

Assigned Revenue comprises Entertainment Tax and Surcharge on Stamp Duty. It is assumed the same shall increase as under :

Duty on Transfer of Property : 5%

Entertainment Tax : 1%

14.5.4 Devolution Fund

Devolution Fund is also assumed to increase by 7.5% per annum

14.5.5 Service charges and fees

Service Charges and Fees are assumed to increase @ 5% per annum

14.5.6 Grant and Contribution

No Grant has been assumed in the financial projections.

14.5.7 Sales and Hire charges

Nil income assumed from Sales & Hire Charges.

14.5.8 Other Income

Other Income comprising basically fees and other rental income are assumed to increase @ 5% per annum.

14.5.9 Water Supply Charges

The present connection charges/deposit and tariff for water are as below :

Table 14-7: Water supply Charges – Existing

Type of service connections	Connection	Tariff	
Residential	Rs. 3000	Rs.50.00	Per month
Commercial	Rs. 6000	Rs.120.00	per month
Industrial	Rs. 10000	Rs.150.00	per month

It is assumed that after completion of water supply improvements work, the house service connections will be equal to 80% of property tax assessments.

The water charges shall be revised as below :

Residential - Rs.75.00 p.m

Commercial - Rs.150.00 p.m

Industrial - Rs. 200.00 p.m.

It is also assumed that the water connection charges shall be revised as under :

Residential - Rs.4000

Commercial - Rs.8000

Industrial - Rs.15000

It is assumed that water charges shall be increased as below every 5 years :

Residential - Rs.15.00 p.m

Commercial & industrial – Rs.25.00 p.m

It is assumed that water connection charges shall increase every 5 years as below :

Residential - Rs.1000

Commercial & industrial – Rs.2000

The house service connection as % of property tax assessments is as below:

The O&M charges shall be Rs. 70.00 lakhs per annum and the same shall increase @ 5% per annum.

14.5.11 Solid waste Management

It has been estimated that solid waste generation per day shall be around 34 MTs. 1/3rd out of the same shall comprise Bio-degradable waste and the manure generation would be 1/3rd of the same. Thus the estimated saleable manure generation per day would be 4 MTs. The same shall increase @ 5% per annum.

The revenue from solid waste disposal shall be Rs.1000.00 per MT. The same shall increase by Rs.100.00 every 5 years. The number of assets covered by solid waste management scheme shall be equal to 70% of property tax assessments. The conservancy fees collected shall be as below :

Domestic	- Rs.10.00 per month after 5 years
Commercial	- Rs.20.00 per month
Industrial/Government	- Rs.30.00 per month

The same shall increase as below every 5 years ;

Domestic	- Rs.5.00/-
Commercial/ Industrial/Government	- Rs.10.00/-

The cost of the scheme is Rs. 503.90 lakhs and the O&M cost shall be equal to around Rs. 25.20 lacs per annum. The same shall increase @ 5% per annum.

14.5.12 Bus Stand

Improvements to Bus Stand shall be undertaken for Rs. 93 lacs. It is estimated that the new bus stand shall increase the revenue from Bus Stand to the Municipality by 25% and the same shall increase @ 5% per annum.

Besides, 10 new shops shall be constructed and the same shall fetch rent of Rs. 2000/- per month. The rent shall increase @ 15% every 3 years.

The income from the new bus stand shall be Rs. 10 lacs per annum and the same shall increase @ 15% every 3 years.

Besides, 40 new shops shall be constructed and the same shall fetch rent of Rs. 2000/- per month. The rent shall increase @ 15% every 3 years.

The O&M charges on Old Bus Stand shall be equal to Rs. 3 lacs per annum. The same shall increase @ 5% per annum.

The O&M charges on New Bus Stand shall be equal to Rs. 9.39 lacs per annum. The same shall increase @ 5% per annum.

14.5.13 Markets

Renovation of Vegetable market shall be carried out at a cost of Rs. 29.50 lacs. New shops of about 10 Nos, shall be constructed and rent from the same shall be Rs. 1200/- per month. The rent shall increase @ 15% every 3 years.

Improvements to Flower market by construction of 16 additional shops shall be undertaken for Rs. 20 lacs. The shops shall fetch rent of Rs. 1200/- per month and the same shall increase @ 15% every 3 years.

The additional O&M charges on market shall be Rs. 1.49 lacs and the same shall increase @ 5% per annum.

14.5.14 Slaughter House & Gasifier Crematorium

The income from Goat Slaughter House shall be Rs. 1 lac per annum. The expenses of Goat Slaughter House shall be Rs. 0.50 lacs per annum. Both shall increase @ 5% per annum.

The income from Goat Slaughter House shall be Rs. 1 lac per annum. The expenses of Goat Slaughter House shall be Rs. 0.50 lacs per annum. Both shall increase @ 5% per annum.

The income from Burial Ground shall be Rs. 2.00 lacs per annum. The expenses of Burial Ground shall be Rs. 2.22 lacs per annum. Both shall increase @ 5% per annum.

14.5.15 Advertisements

Bill Boards would be put at 20 places through out the Municipality. Rent shall be earned @ Rs.500.00 per Bill board per month. The rent shall increase @ Rs. 100/- every 3 years.

14.5.16 Parking Fees

Parking Lots would be developed and income from parking is estimated at Rs.0.50 lakhs per annum. The same would increase @ 3% per annum.

14.5.17 Expenditure

a) Increase in Expenditure

The expenses are assumed to increase as under :

Table 14-10: Assumptions - Increase in Expenditure

Personnel Cost – Salaries	5.00%
Personnel Cost – Others	10.00%
Terminal & Retirement Benefits	5.00%
Operative Expenses	7.50%
Repairs & Maintenance	10.00%
Program Expenses	2.50%
Administrative Expenses	10.00%

b) Operation and Maintenance

The additional operation & maintenance expenses to be incurred are as below:

Table 14-11: Assumptions – O&M

Ongoing Projects	Rs. in lakhs
Roads	1.92
Metal Fittings	0.10
Slaughter House	0.50
Drains	0.08
High Mass Lamp	0.40
Bus Stand – Toilets	0.24
New Projects (other than Sewerage & Water supply)	Rs. in lakhs
Strom Water Drains	13.00
Solid Waste Management	25.20
Roads	32.50
Bus Stand	12.39
Street Lights	0.51
Parks	1.05
Education – School	1.48
Maternity Center	0.55
Burial Ground / Crematorium	2.22
E – Governance	0.99
Slum Development	5.91
Slaughter House	0.50
Public convenience	0.81
Market	1.49
Sanitary Workers Quarters	6.12
Mobile Tax Collection Vehicle	0.50
Total	108.46

The same shall increase @ 5% per annum.

c) Power charges

There will be a savings of around 40% in power charges due to installation of energy saving lights. As the same will be installed by private players, the savings in power charges have been factored in the financial projections after 15 years. It is assumed that the savings in power charges would be utilised towards returns of the private player towards capital cost and interest.

d) Interest

Interest on loan have been provided based on the sanction rate for each loan. Repayment of loans are based on the repayment schedule of each loan.

Sewerage & Water Supply Loan

It is assumed that all new loan shall carry interest rate of 9.5% per annum.

The loan from TNUFSL shall be repaid over a period of 20 years with 5 years moratorium.

Other Projects Loan

It is assumed that all new loan shall carry interest rate of 9.5% per annum.

The loan from TNUIFSLS shall be repaid over a period of 10 years with 2 years moratorium.

e) Depreciation

Depreciation is provided based on the rates adopted by the Municipality for previous years.

f) Provision of doubtful debts

Doubtful debts have been provided as under :

Table 14-12: Assumptions – Provision of doubtful debts

Provision for Doubtful Debts is assumed @	2%	on total revenue for Revenue Fund
Provision for Doubtful Debts is assumed @	1%	on total revenue for Water Fund
Provision for Doubtful Debts is assumed @	0%	on total revenue for Education Fund

14.5.18 Collections

a) Property tax

Table 14-13: Assumptions – Property tax collection

The current property tax collection is over the next 5 years.	67%	The same shall improve to	95%
The arrears property tax collection is over the next 5 years.	36%	The same shall improve to	60%

b) Profession tax

Table 14-14: Assumptions – Profession tax

The current profession tax collection is over the next 5 years.	85%	The same shall improve to	95%
The arrears profession tax collection is over the next 5 years.	28%	The same shall improve to	60%

c) Other Non Tax Income

Table 14-15: Assumptions – Other Non Tax Income

The current rental / lease collection is over the next 5 years.	70%	The same shall be	95%
The arrears collection % of rent / lease is over the next 5 years.	29%	The same shall improve to	60%

d) Water Charges

Table 14-16: Assumptions – Water Charges

The current water charges collection is over the next 5 years.	66%	The same shall improve to	90%
The arrears water charges collection is over the next 5 years.	51%	The same shall improve to	70%

e) Drainage Charges**Table 14-17: Assumptions – Drainage Charges**

The current drainage collection is over the next 5 years.	Nil	The same shall be	80%
The arrears drainage collection is over the next 5 years.	Nil	The same shall be	60%

f) Other income

The collection % of all other income is taken at 100%

g) Others

The collection % of all other items of income is taken at 100%

14.5.19 Annuity Factor

The Annuity Factor for the new loans works out as under :

Table 14-18: Terms of Loan Funding for Proposed Investments

Tenor	20 years	10 years
Interest Rate	9.50%	9.50
Repayment Period	15 years	8 years
Moratorium	5 years	2 years
Repayment Factor	0.13	0.18
Conversion Factor Calculation		
a. Rate of Interest	9.5%	9.5%
b. Repayment Period	15	8
c. Loan Amount	26.00	12.00
Conversion Factor	3.32	2.21
Total Conversion Factor	5.53	

Note : Sewerage Loan works out to Nil% of total project cost identified. Other Loans works out to Nil% of total project cost identified.

14.6 PROJECT CASH FLOWS AND FOP RESULTS

Detailed cash flows are worked out for each of the sub projects based on the assumptions with regards investment phasing, financing pattern, additional operation and maintenance expenditure and additional income out to proposed capital investments for the full project scenario. The net project cash flows are then loaded on the existing revenues to test their impact on the overall Municipality fiscal situation.

a) Income and Expenditure projections

Table 14.19 captures the Income and Expenditure projections for the next 20 years with potential improvements and borrowings :

Table 14-19: Consolidated Income & Expenditure for next 20 years (up to FY 2028-29)

S.No	Particulars	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
I	Income											
a)	Property Tax	46.89	58.61	67.40	68.75	70.13	71.53	82.26	83.90	85.58	87.29	89.04
b)	Other Taxes	0.22	0.25	0.25	0.30	0.31	0.32	0.37	0.38	0.39	0.40	0.41
c)	Assigned Revenue	8.93	9.36	9.82	10.30	10.80	11.33	11.89	12.47	13.08	13.73	14.40
d)	Devolution Fund	56.17	60.38	64.91	69.78	75.01	80.64	86.69	93.19	100.18	107.69	115.77
e)	Service Charges & Fees	40.36	41.53	42.75	50.15	115.62	183.47	188.99	198.76	202.57	222.29	245.47
f)	Grants & Contribution	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
g)	Sale & Hire Charges	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
h)	Other Income	28.76	30.20	33.51	38.90	40.74	58.12	63.32	66.20	69.28	73.09	86.82
	Total Income	181.32	200.34	218.65	238.19	312.61	405.41	433.52	454.89	471.07	504.49	551.90
II	Expenditure											
a)	Personnel Salaries Cost	72.98	76.62	80.45	84.48	88.70	89.23	93.70	98.38	103.30	108.46	113.89
b)	Personnel Cost - Others	1.49	1.58	1.69	1.81	1.94	2.09	2.25	2.42	2.62	2.83	3.06
b)	Terminal & Ret Benefits	16.02	16.82	17.67	18.55	19.48	20.45	21.47	22.55	23.67	24.86	26.10
c)	Operating Expenses	31.15	33.40	68.40	106.98	157.23	236.02	248.82	262.34	276.62	334.69	352.76
d)	Repairs & Maintenance	6.09	4.38	6.78	4.90	7.55	5.49	8.41	6.17	9.39	6.93	10.50
e)	Program Expenses	1.45	1.48	1.52	1.56	1.60	1.64	1.68	1.72	1.76	1.80	1.85
f)	Administration Expenses	21.89	24.08	26.49	29.13	32.05	35.25	38.78	42.66	46.92	51.61	56.77
g)	Finance Expenses	14.82	13.11	22.96	135.39	280.59	312.39	319.60	310.26	294.78	271.75	245.36
h)	Depreciation	67.49	65.43	81.26	132.21	270.35	435.75	473.18	413.24	367.41	328.52	289.87
	Total Expenditure	233.37	236.91	307.22	515.01	859.48	1138.31	1207.88	1159.74	1126.47	1131.47	1100.17
	Surplus / (Deficit)	(52.05)	(36.58)	(88.57)	(276.82)	(546.87)	(732.90)	(774.36)	(704.84)	(655.40)	(626.98)	(548.27)
	Profit before Depreciation	15.44	28.85	-7.31	-144.61	-276.52	-297.15	-301.19	-291.60	-287.99	-298.46	-258.40

S.No	Particulars	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
I	Income											
a)	Property Tax	102.40	104.44	106.53	108.66	110.84	127.46	130.01	132.61	135.26	137.97	158.66
b)	Other Taxes	0.47	0.48	0.49	0.50	0.52	0.59	0.61	0.62	0.64	0.65	0.75
c)	Assigned Revenue	15.11	15.85	16.63	17.45	18.31	19.22	20.17	21.16	22.21	23.30	24.46
d)	Devolution Fund	124.45	133.78	143.82	154.60	166.20	178.66	192.06	206.47	221.95	238.60	256.49
e)	Service Charges & Fees	250.19	255.52	266.38	288.49	309.81	322.62	328.84	335.86	368.95	392.82	401.19
f)	Grants & Contribution	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
g)	Sale & Hire Charges	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
h)	Other Income	90.63	95.31	99.43	103.81	116.69	121.66	126.92	133.36	139.08	153.80	161.47
	Total Income	583.24	605.38	633.28	673.53	722.36	770.21	798.61	830.08	888.09	947.14	1003.02
II	Expenditure											
a)	Personnel Salaries Cost	119.58	125.56	131.84	138.43	145.35	152.62	160.25	168.26	176.68	185.51	194.79
b)	Personnel Cost - Others	3.32	3.60	3.91	4.25	4.63	5.04	5.50	6.00	6.55	7.16	7.82
b)	Terminal & Ret Benefits	27.40	28.78	30.21	31.72	33.31	34.98	36.73	38.56	40.49	42.51	44.64
c)	Operating Expenses	371.84	391.98	413.24	435.69	456.26	481.05	507.24	534.90	564.11	594.97	627.57
d)	Repairs & Maintenance	7.81	11.75	8.81	13.16	9.96	14.77	11.27	16.60	12.79	18.69	14.54
e)	Program Expenses	1.90	1.94	1.99	2.04	2.09	2.15	2.20	2.25	2.31	2.37	2.43
f)	Administration Expenses	62.45	68.70	75.57	83.12	91.44	100.58	110.64	121.70	133.87	147.26	161.98
g)	Finance Expenses	219.22	192.95	168.64	147.54	130.05	115.50	101.45	87.45	73.80	60.19	46.58
h)	Depreciation	260.27	237.02	218.34	202.99	190.11	179.11	169.55	161.12	153.58	146.76	140.54
	Total Expenditure	1073.79	1062.28	1052.55	1058.95	1063.19	1085.80	1104.82	1136.85	1164.18	1205.41	1240.88
	Surplus / (Deficit)	(490.55)	(456.89)	(419.27)	(385.43)	(340.83)	(315.59)	(306.21)	(306.77)	(276.08)	(258.27)	(237.86)
	Profit before Depreciation	-230.28	-219.87	-200.93	-182.44	-150.72	-136.49	-136.67	-145.65	-122.51	-111.51	-97.32

It may be observed from the above table that the Municipality has surplus prior to depreciation in all the next 20 years but the same is very nominal.

b) Balance Sheet

Table 14-20: Consolidated Balance Sheet for next 20 years (up to FY 2028 – 29)

S.No	Particulars	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
a)	Liabilities											
	Loans	79.28	67.75	171.66	1353.89	2873.36	3178.99	3240.16	3114.87	2913.90	2625.69	2344.75
	Cont from Municipal Fund	40.80	58.30	302.25	575.55	890.68	1034.08	1057.92	1057.92	1057.92	1057.92	1057.92
	Cont from Government	82.85	82.85	82.85	82.85	82.85	82.85	82.85	82.85	82.85	82.85	82.85
	Cont by Private Parties	0.16	0.16	0.16	0.16	0.16	0.16	0.16	0.16	0.16	0.16	0.16
	Grant from Government	178.11	284.93	475.74	1392.04	2498.64	2816.63	2896.58	3832.29	4833.49	4833.49	4833.49
	Accumulated Depreciation	417.91	483.34	564.60	696.81	967.16	1402.91	1876.08	2289.32	2656.73	2985.25	3275.13
b)	Current Liabilities											
	Prov for Doubtfull colln	98.58	101.98	105.69	109.78	114.98	121.35	128.19	135.40	142.90	150.87	159.61
	Tender Deposits	36.25	36.25	36.25	36.25	36.25	36.25	36.25	36.25	36.25	36.25	36.25
	Deposit- others	36.30	36.30	36.30	36.30	36.30	36.30	36.30	36.30	36.30	36.30	36.30
	Security & Deposit Others	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00
	Deposit on Water Conn	2.74	5.53	39.05	51.35	71.52	84.52	97.93	111.74	118.52	127.17	135.98
	Deposit on Sewerage	0.00	0.00	0.00	47.94	7.89	14.87	22.00	29.27	36.68	44.24	53.50
	Library Cess Payable	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00
	Interest Payable Account	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
	IT & ST Deduction – Cont	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50
	WS & Drainage Tax Pay	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00
	Education Tax Payble	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00
	Recoveries – Staff	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00
	Others	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
	Management contribution	3.06	3.06	3.06	3.06	3.06	3.06	3.06	3.06	3.06	3.06	3.06
	Accounts Payable	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
	Inter Funds Transfer	40.57	40.57	40.57	40.57	40.57	40.57	40.57	40.57	40.57	40.57	40.57
c)	Accumulated Surplus	133.75	90.71	-4.97	-289.60	-845.07	-1587.43	-2372.21	-3088.49	-3756.49	-4397.31	-4960.82
	Total	1389.85	1531.22	2092.72	4376.46	7017.83	7504.62	7385.34	7921.01	8442.35	7866.00	7338.24

S.No	Particulars	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
I	Liabilities											
a)	Liabilities											
	Loans	2063.81	1782.87	1540.57	1325.83	1155.33	1001.67	848.00	694.33	540.67	387.00	233.34
	Cont from Municipal Fund	1057.92	1057.92	1057.92	1057.92	1057.92	1057.92	1057.92	1057.92	1057.92	1057.92	1057.92
	Cont from Government	82.85	82.85	82.85	82.85	82.85	82.85	82.85	82.85	82.85	82.85	82.85
	Cont by Private Parties	0.16	0.16	0.16	0.16	0.16	0.16	0.16	0.16	0.16	0.16	0.16
	Grant from Government	4833.49	4833.49	4833.49	4833.49	4833.49	4833.49	4833.49	4833.49	4833.49	4833.49	4833.49
	Accumulated Depreciation	3535.39	3772.42	3990.75	4193.74	4383.85	4562.96	4732.51	4893.62	5047.20	5193.96	5334.50
b)	Current Liabilities											
	Prov for Doubtfull colln	168.87	178.52	188.68	199.42	210.94	223.27	236.12	249.52	263.84	279.10	295.30
	Tender Deposits	36.25	36.25	36.25	36.25	36.25	36.25	36.25	36.25	36.25	36.25	36.25
	Deposit- others	36.30	36.30	36.30	36.30	36.30	36.30	36.30	36.30	36.30	36.30	36.30
	Security & Deposit Others	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00
	Deposit on Water Conn	144.97	154.15	163.50	174.95	186.63	198.54	210.69	223.08	237.83	252.87	268.22
	Deposit on Sewerage	62.93	72.56	82.38	92.40	104.32	116.48	128.88	141.53	154.44	169.48	184.82
	Library Cess Payable	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00
	Interest Payable Account	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
	Audit fees – payable	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50
	IT & ST Deduction	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50
	WS & Drainage Tax Pay	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00
	Education Tax Payble	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00
	Recoveries – Staff	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00
	Management contribution	3.06	3.06	3.06	3.06	3.06	3.06	3.06	3.06	3.06	3.06	3.06
	Accounts Payable	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
	Other Recoveries	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50
	Inter Funds Transfer	40.57	40.57	40.57	40.57	40.57	40.57	40.57	40.57	40.57	40.57	40.57
c)	Accumulated Surplus	-5468.13	-5943.46	-6383.01	-6790.74	-7156.11	-7498.69	-7834.60	-8174.02	-8486.03	-8783.82	-9065.15
	Total	6837.95	6347.15	5912.98	5525.71	5215.07	4934.33	4651.71	4358.18	4088.05	3828.70	3581.13

S.No	Particulars	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
II	Assets											
a)	Fixed Assets	953.78	1078.10	1633.93	4018.88	6969.73	7785.05	8023.48	8959.19	9960.39	9960.39	9960.39
b)	Current Assets											
	Stock	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50
	Property Tax - Current	14.07	14.65	13.48	10.31	7.01	3.58	4.11	4.20	4.28	4.36	4.45
	Property Tax - Arrears	38.25	35.10	32.21	27.97	21.50	15.61	9.82	8.04	7.41	7.24	7.26
	Profession Tax - Current	0.03	0.02	0.01	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02
	Profession Tax - Arrears	4.11	2.50	1.27	0.52	0.22	0.11	0.06	0.04	0.04	0.03	0.03
	Water Charges - Current	8.40	7.14	5.82	4.46	6.72	7.01	7.31	7.62	7.78	9.47	9.66
	Water Charges - Arrears	12.65	13.46	11.17	9.18	7.21	8.88	9.68	10.21	10.69	10.98	12.77
	Sewerage Chgs - Current	0.00	0.00	0.00	0.00	0.00	12.82	13.08	13.34	13.61	13.88	16.91
	Sewerage Chgs - Arrears	0.00	0.00	0.00	0.00	0.00	0.00	12.82	18.21	20.62	21.86	22.62
	Licence Fees - Arrears	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25
	Lease Amount -Arrears	6.06	5.09	4.01	3.18	1.66	1.73	1.84	1.92	2.00	2.13	2.22
	Lease Amount -Current	25.45	21.33	15.75	10.31	7.30	4.58	3.56	3.26	3.23	3.29	3.44
	Staff Advance Rec	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
	Employee Advance-Rec	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
	Other Advance - Rec	51.00	52.00	53.00	54.00	55.00	56.00	57.00	58.00	59.00	60.00	61.00
	Inter Funds Transfer	23.17	23.17	23.17	23.17	23.17	23.17	23.17	23.17	23.17	23.17	23.17
	Others	12.50	12.50	12.50	12.50	12.50	12.50	12.50	12.50	12.50	12.50	12.50
c)	Cash & Bank Balances	230.14	255.92	276.14	191.72	-104.46	-436.69	-803.36	-1208.97	-1692.63	-2273.58	-2808.46
	Total	1389.85	1531.22	2092.72	4376.46	7017.83	7504.62	7385.34	7921.01	8442.35	7866.00	7338.24

S.No	Particulars	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
II	Assets											
a)	Fixed Assets	9960.39	9960.39	9960.39	9960.39	9960.39	9960.39	9960.39	9960.39	9960.39	9960.39	9960.39
b)	Current Assets											
	Stock	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50
	Property Tax - Current	5.12	5.22	5.33	5.43	5.54	6.37	6.50	6.63	6.76	6.90	7.93
	Property Tax - Arrears	7.36	8.06	8.45	8.71	8.92	9.11	10.02	10.51	10.83	11.10	11.34
	Profession Tax - Current	0.02	0.02	0.02	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.04
	Profession Tax - Arrears	0.03	0.04	0.04	0.04	0.04	0.04	0.05	0.05	0.05	0.05	0.05
	Water Charges - Current	9.85	10.05	10.25	12.16	12.40	12.65	12.90	13.16	15.30	15.60	15.92
	Water Charges - Arrears	13.49	13.90	14.22	14.52	16.51	17.35	17.85	18.26	18.64	20.89	21.87
	Sewerage Chgs - Current	17.24	17.59	17.94	18.30	21.70	22.13	22.58	23.03	23.49	27.31	27.85
	Sewerage Chgs - Arrears	25.95	27.63	28.64	29.40	30.06	33.72	35.62	36.83	37.76	38.59	42.74
	Licence Fees - Arrears	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25
	Lease Amount - Arrears	2.32	2.46	2.57	2.68	2.85	2.97	3.10	3.29	3.44	3.59	3.81
	Lease Amount -Current	3.60	3.76	3.96	4.15	4.34	4.58	4.80	5.03	5.30	5.56	5.81
	Staff Advance Rec	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
	Employee Advance-Rec	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
	Other Advance - Rec	62.00	63.00	64.00	65.00	66.00	67.00	68.00	69.00	70.00	71.00	72.00
	Inter Funds Transfer	23.17	23.17	23.17	23.17	23.17	23.17	23.17	23.17	23.17	23.17	23.17
	Others	12.50	12.50	12.50	12.50	12.50	12.50	12.50	12.50	12.50	12.50	12.50
c)	Cash & Bank Balances	-3315.36	-3810.89	-4248.75	-4641.02	-4959.63	-5247.94	-5536.06	-5833.94	-6109.86	-6378.24	-6634.55
	Total	6837.95	6347.15	5912.98	5525.71	5215.07	4934.33	4651.71	4358.18	4088.05	3828.70	3581.13

The full projects investment scenario indicates that Wallajapet Municipality would end up with a cumulative cash deficit of Rs. 6635 lacs by the end of FY 2028-29 (after 20 years).

14.7 IMPACT OF POTENTIAL IMPROVEMENTS

Wallajapet's ability to improve on its financial performance hinges primarily on its ability to improve its own income and grants income over the next few years as the present levels of income is very low.

Specific interventions with respect to revenue realization and cost management are detailed in chapter 12 of the report. On 'Full Project Investment Scenario' basis, Wallajapet's own revenues (comprising taxes, user charges and other income) could grow from Rs. 116 lacs in FY 2006-07 to Rs. 655 lacs by FY 2028-29, implying an absolute growth of 23%. Wallajapet has vast potential for increasing its own income given the growth achieved in the last few years. Areas for revenue enhancement in own revenue include:

- Property Tax – through an enhanced revision in ARV, widening assessee base and closer scrutiny. Besides periodic increase (every 5 years) in property tax rates.
- Professional Tax – sustaining a higher assessment growth.
- User Charges – periodic increases in user charges for water connections and sewerage connections. The Municipality could generate additional Rs. 300 lacs of income per annum by FY 2028-29 by providing water connections to 80% of property tax assessments and sewerage connections to 70% of property tax assessments.

Wallajapet also needs to explore scope for private sector participation for development of remunerative projects and city beautification projects that have been identified by Wallajapet.

While there is potential for expenditure control in certain areas (as in the case of energy costs and leakage in water supply), the focus of cost management should be to shift expenditure from administration to better asset management and service levels. We have not factored in any cost reduction in the FOP and have assumed that any savings generated from cost reduction would go into augmenting service levels and better asset management.

A comprehensive energy audit is required, given that 60% of its operations and maintenance expenditure is spent on electricity charges. Plugging leakage in the water supply network and installation of timers and energy savers on the street light network are important interventions needed in the context of Wallajapet's high power costs.

14.8 SCENARIO I - ESTIMATION OF INVESTMENT CAPACITY ON AS IS WHERE BASIS

We carried out the exercise of arriving at the Investment and Borrowing Capacity on as is where basis without any financial reforms being carried out and no new

projects taken in to consideration. The borrowing capacity has been arrived by taking the NPV over the next 20 years on the minimum of the following :

- 30% of revenue projections
- Primary Operating Surplus (Surplus before Interest & Depreciation)

The investment capacity has been arrived @ of 4 times the borrowing capacity assuming that loans constitute 25% of total investment requirement.

In such a scenario, the Investment and Borrowing Capacity works out as below :

Table 14-21: Summary of Borrowing and Investment Capacity

Borrowing Capacity	Rs. 381.72 lacs
Investment Capacity (BC x 4 times)	Rs. 1526.87 lacs

14.9 SCENARIO II - ESTIMATION OF BORROWING AND INVESTMENT CAPACITY WITH METUR CWSS

In Scenario II, the financial projections have been worked out for the next 30 years, by taking all projects in to consideration including Metur CWSS. It has been assumed that Metur CWSS would be funded by way of 100% Grant and executed in VI & VII years. The operation & maintenance of Metur CWSS would be fully borne by the Municipality. The financial projections for the next 20 years have been taken to arrive at the Borrowing and Investment capacity. We have arrived at the borrowing capacity of Wallajapet Municipality on the minimum of the following :

- 30% of revenue projections
- 50% of Primary Operating Surplus less Debt Service

The overall financing mix has been arrived to include 38% Loans, 51% Grants and 11% own funds. The repayment period of loans has been taken at 5+15 years for Sewerage and Water Supply Loans and 2+8 years for other project loans. The above factors have been taken in to account for arriving at the Annuity Factor, which has been applied on the lowest of the above to arrive at the overall borrowing capacity and investment capacity.

Table 14-22: Summary of Borrowing and Investment Capacity

Borrowing Capacity	-
Investment Capacity (BC/0.38)	-
Investment Requirement	Rs.7050.35 lacs
Sustainable Investment Capacity % - IC / IR	-ve

At an aggregate level, assuming loans to be equivalent to 38% of investment, sustainable investment capacity works out to Nil.

14.10 SCENARIO III - ESTIMATION OF BORROWING AND INVESTMENT CAPACITY CAPACITY WITHOUT METUR CWSS

In Scenario III, we carried out the exercise of arriving at the Investment and Borrowing Capacity of Walajapet Municipality without Metur CWSS project. In this scenario it is assumed that the entire capital cost and O&M of Metur CWSS would be supported by the Government. Thus both the capital cost and O&M cost would be received as 100% Grant by the Municipality.

In such a scenario, the Investment and Borrowing Capacity works out as below :

Table 14-23: Summary of Borrowing and Investment Capacity

Borrowing Capacity	-
Investment Capacity (BC/0.38)	-
Investment Requirement	Rs. 7050.35 lacs
Sustainable Investment Capacity % - IC / IR	-ve

It may be observed that the investment capacity continues to be Nil even if the entire O&M cost of Metur CWSS is fully supported by the Government. Thus it can be inferred that the Municipality is not in a position to bear the operation & maintenance expenses and interest cost of water supply improvements and underground sewerage resulting in negative investment capacity.

14.11 KEY INDICATORS OF SCENARIO II (FULL PROJECT SCENARIO WITH METUR CWSS)

The key Indicators of the Municipality based on the financial projections works out as below :

	Minimum	Maximum	Average
Existing (2001-02 to 2006-07)			
Operating Ratio	0.70	1.00	0.87
Debt Service Ratio	0%	23%	13%
Category			1
Short Term (2009-10 to 2013-14)			
Operating Ratio	1.03	1.88	1.59
Debt Service Ratio	13%	91%	68%
Category			3
Long Term (2009-10 to 2028-29)			
Operating Ratio	1.03	1.88	1.38
Debt Service Ratio	13%	109%	60%
Category			3

Note : 1 – Financially Sound; 2 – Financially Fragile; 3 – Financially Insolvent

It may be observed that the Municipality is financially very fragile both in the short term and long term. The Municipality is unable to bear the high operation & maintenance expenses and interest cost on borrowings resulting in operating ratio > 1% and Debt Service Ratio > 30%.

14.12 INFERENCE

- The investment capacity of Wallajapet Municipality on 'As is Where Basis' works out to Rs. 1527 lacs.
- The investment capacity of Wallajapet Municipality works to Nil in case of Scenario II (With Metur CWSS project) and Nil in case of Scenario III (Without Metur CWSS project).
- Thus it can be inferred that Wallajapet Municipality's financial position is weak and is not in a position to undertake major projects like water supply improvements and underground by way of borrowings on account of high operation & maintenance expenses and interest cost.
- Based on the above, it can be concluded that the Municipality based on its financial position can undertake only smaller projects identified in the CCP as given below :

S.No.	Particulars	Total	Priority	Funding By
A	Physical Infrastructure Facilities			L : G : M
I	Water Supply			
a)	Improvements to Water Supply	385.40	A	60:30:10
VI	Bus Stand			
a)	Old Bus Stand improvement	93.00	A	0:50:50
b)	Construction of 10 shops in Bus Stand	20.00	A	100% ULB
VII	Street Lights			
a)	Proposed new lights	7.00	A	0:50:50
b)	Retrofitting existing lights & energy saving devices	10.00	A	ESCO
B	Social Infrastructure Facilities			
I	Slum Improvement			
a)	Improvements to Slums	197.00	B	0:90:10
II	Education			
a)	Improvements to Schools	49.25	A	100% ULB
III	Parks & Playgrounds			
a)	Improvement to Gandhi Park	11.00	B	0:50:50
b)	Improvement to 6 Layout Parks	24.00	B	0:70:30

IV	Burial Ground / Crematorium			
a)	Burial Ground with Gasifier and internal arrangements	64.00	B	0:50:50
b)	Burial Ground improvements	10.00	A	100% Grant
V	Market			
a)	Renovation of Vegetable Market	29.50	A	100% ULB
b)	Flower Market in I Floor and additional buildings	20.00	A	100% ULB
VI	Slaughter House			
a)	Construction of Slaughter House with Treatment Plant	20.00	C	0:50:50
VII	Maternity Centre	18.30	A	0:50:50
IX	Public Convenience			
a)	New Toilets	27.00	B	0:50:50
C	Other Projects			
I	E-Governance			
a)	Updation of Database on GIS platform	17.00	C	100% Grant
b)	GIS Mapping for Comprehensive Data Base	16.00	A	0:90:10
II	Vehicle			
a)	Mobile Tax Collection Vehicle	10.00	A	100% ULB
	Total	1028.45		

- As regards major projects like Underground Sewerage Scheme, storm water drains, solid waste managements, roads and staff quarters the Municipality can undertake these projects with minimum or Nil borrowings and more support from the Government towards capital cost.
- Metur CWSS project can be taken up by the Municipality only if both capital cost and operation & maintenance expenses is supported by the Government.

Annexure

Annexure I-a : First Minutes of Meeting: Stakeholders' Workshop - Walajapet

Date of Workshop : January 27, 2008
 Time (Opening) : 11:30 AM
 Time (Closing) : 01:30 PM

SI.NO	PERSON NAME	DESIGNATION	CONTACT NO
01	Thiru.V. Nithyanandam	Chairman	9443309511
02	Tmt. M.Valliammal	Vice Chairman	04172-230188
03	Thiru. Shaik Thameezuddeen	Manager & Commissioner Incharge	04172—232837
04	Thiru. Palani	Municipal Engineer	
04	Thiru . R.Thirumurugan	Town Planning Inspector	
05	Thiru.E.Ramesh	Councilor	9994395844
06	Thiru.E.Ramesh	Councilor	9843669692
07	Thiru.M.Duraivelu	Councilor	9443332971
08	Tmt. D.Jayalakshmi	Councilor	04172-325833
09	Tmt. K.Sumathi	Councilor	9443625626
10	Tmt. S.Deepa	Councilor	9443331431
11	Tmt. T.Varalakshmi	Councilor	9894423948
12	Tmt. M.Prema Mani	Councilor	9894626419
13	Thiru.S.Gajendiran	Councilor	9345948338
14	Thiru.M.Arumugam	Councilor	9345175684
15	Thiru.M.Kuppusamy	Councilor	9994617205
16	Thiru.J.R.Jagadesan	Councilor	9994617205
17	Tmt. S.Rajarajeswari	Councilor	9443006257
18	Thiru.D.R.Ravi,	Councilor	9442743199
19	Thiru.B.Saravanan	Councilor	9994995345
20	Tmt. S.Gunaselvi Sivanthi	Councilor	9944223723
21	Thiru.N.Sathesh Kumar	Councilor	9361727488
22	Thiru.S.Karpagamsrinivasan	Councilor	9894177581
23	Thiru.D.Mothilal Nehru	Councilor	9894050659
24	Thiru.T.S.Abibullah	Councilor	9944209420
25	Thiru.Y.Akbar Sherif	Councilor	9443230801
26	Thiru.A.Sadiqbasha	Councilor	9443390017
	Thiru.Arjunan.K.	Revenue Assistant	

The stakeholders' workshop started at 11:30 AM on Saturday, January 27, 2008 in the Conference Hall of the Municipality. The workshop was chaired by Chairman – Thiru.V. Nithyanandam. In His opening speech, Mr. Nithyanandam briefed the stakeholders about the objectives of the project and the workshop. The Acting Manager & Commissioner Incharge of The Municipality Thiru Shaik Thameezuddeen presented his view on the City Corporate cum Business Plan. Vice – Chairman Tmt.

M.Valliammal presented the Works under taken by the municipality in the recent year. After that Municipal Engineer Mr. Palani presented the status of the projects and the proposed project by the municipality. Mr. R.Sreepathy (Asst.Manager, Voyants Solutions Private Limited) briefed about the work completed by the consultant for the City Corporate cum Business Plan. After that Mr. S. Sreepathy presented the brief status, problem and issues relating to urban basic services an infrastructure in Walajapet. And after this presentation, the stakeholders were asked to give their suggestions/ comments in three parts. In first part, the consultants invited comments on the contents of the presentation. In the second part stakeholders were invited to present the problems of the city which are hindrances to the development. In the last section of the workshop, stakeholders were asked to suggest the projects required for the integrated development of Walajapet.

The Suggestions:

The suggestions given by the various stakeholders are presented below:

Thiru.V. Nithyanandam, Chairman

- There is need to merge all municipality and make the Walajapet municipality as Corporation
- There is a need to delimit the boundaries of the walajpet as it reached to its maximum saturation.
- Grant from Government is very low so they can not initiate the development of basic infrastructure.
- There is a need to merge the service delivery of all the 3 nearby municipalities.
- Town roads are encroached by the people so they should be fined and need widening for congestion free traffic.
- There are no parks available in the city and the existing parks needs improvements.
- There is need to upgrade the basic infrastructure of the municipality in terms of water supply, sewerage and drainage.

Tmt. M.Valliammal, Vice Chairman

- Town need delimitation of boundaries and mergethe nearby villages in the town.
- There is need to merge all municipality and make the Walajapet municipality as Corporation
- Threere is a need to develop infrastructure in the town as the existing infrastructure is old enough to lay new infrastructure then to repair the existing
- There is a need to merge the service delivery of all the 3 nearby municipalities.

Thiru. Paulin George Commisioner

- City needs delimitation of boundaries and need to merge the existing villages and there is a need to prepare a master plan for the upcoming notified areas after that to regularize the development
- There is a need to merge the boundaries of all the three municipalities and the nearby area to develop it as a municipal corporation
- There is a need to shift the bus stand and to remove the encroachment on the roads
- There is a need to replace the old infrastructure of the town.

Thiru. Palani, Municipal Engineer

- Walajapet should be declared as the Municipal corporation after the merging of the boundaries of the 3 municipalities
- Town need delimitation as there is no scope of development in the existing municipal limits
- Source of water supply are sufficient and there is only need to replace the old pipel ines
- There is a sharing of infrastructure facilities for proposed SWM and UGD with Ranipet and Arcot, so there is a need to manage the collection.
- Town roads are encroached by the people so they should be fined and need widening for congestion free traffic.
- There is a need to shift the bus stand from the existing location.
- New parks and play grounds need to be developed.
- Drainage services need to improve to make good use of Rain Water Harvesting.

E. Ramesh, Councillor, Ward No - 1

- There is a problem in drainage as always it used to get blocked due to which Water stagnation is there.
- Roads are in very poor condition and need resurfaced
- Noon meal center is in fully damaged condition due to rain.
- No community hall and always there is a problem in organizing social function
- At present 3" water supply pipes are provided in this area, so improvement in water supply is needed

Tmt. D. Jayalakshmi Councillor, Ward No - 4

- Poor quality of water for drinking purposes
- Need re-laying of water supply lines in Thirumalai street
- Fully damaged condition of Noon meal centre.
- Bus stand toilets are in poor condition

Thiru. V. Nithiyandam Chairman and Councillor for Ward No - 5

- Poor road facilities need to be restrengthening
- Required underground sewerage system
- Required 4 infiltration well and Over head storage tank
- Tannery effluent got mixed with palar river
- Desilting of storm drains
- Heavy traffic in MBT road

Tmt. K.Sumathi Councillor, Ward No - 6

- All Roads are in Poor condition

Tmt. M.Prema Mani Councillor, Ward No - 9

- Underground drainage is required
- Extension of bus stand

Thiru. S.Gajendiran Councillor, Ward No - 10

- New water supply lines for Rajiv Gandhi & Maasila mani nagar
- Required road in rajiv Gandhi and maasila mani nagar.
- Noon meal centre renovation

Thiru. M.Arumugam, Councillor, Ward No - 11

- Renovation of school and institutions

Tmt. M.Valliammal, Vice Chairman and Councillor, Ward No - 12

- Improvement of bituminous road
- Relocation of bus stand to accommodate more people
- Hospital facilities required
- Blood bank is required

Thiru. D.R.Ravi Councillor, Ward No - 16

- M B T road required to change as 100 ft road.
- Extension of bus stand

Thiru. B.Saravanan Councillor, Ward No - 17

- In Thiru. V. K street drains on the both side are fully damaged.
- Road, drainage and street light are required in Indira nagar
- Gandhi park renovation
- No drainage for 120 m long in Subramani layout
- In Phinchari street, drainage on both side fully damaged
- Community hall is required near Arundhadhiyar bridge

Tmt. S.Gunaselvi Sivanthi Councillor, Ward No - 18

- In Kamarajar street, Nehru street, cross street, Perumal street etc required drainage system.
- Kamarajar street required cement concrete road.
- All the streets in this street required 2 street lights each.

Thiru. T.S.Abibullah Councillor, Ward No – 22

- Suwarna street, Paanakara street, required drainage, road renovation, street lights with poles.

Thiru. Y.Akbar Sherif Councillor, Ward No - 23

- All streets required cement concrete roads
- Srinivasan street, lala street required storm water drainage

Thiru. A.Sadiqbasha Councillor, Ward No - 24

- In Balli Venkatachalapathy street culvert, drainage and road is required.

These are some of the suggestions provided by the key person of the municipality, the major focus was to develop infrastructure in the town and it should be done in a systematic way. The basic infrastructure should be provided to every people and the nominal charges should be applied on the available so that the people can pay it. After the discussion Chairman and municipal engineer thanked all the councilors and key people who attended the discussion. The consultant distributed the formats to each of the person present in the meeting to take individuals view and priority of infrastructure development and to note down the suggestion and briefed the survey format and after the stakeholders finished the filling of survey formats Mr. R.Sreepathy thanked all the people attended the Stakeholders' Workshop.

Annexure I-b : Second Minutes of Meeting: Stakeholders' Meeting –Walajapet

Date of Meeting : November .11 , 2008

SI.NO	PERSON NAME	DESIGNATION
01	Mr.Palani	Municipal Engineer Cum commisionor I/C
02	Mr.V.Nithyanandham	Chairman
03	Mrs.M.Valliamal	Vice-Charman
04	Mr.E.Ramesh	Councilor
05	Mr. Kannan	A.E. PWD
06	Mr.A.Sadhique Basha	Councilor
07	Mr.Murali	A.E.E PWD Irrigation
08	Highways Department	AEE NH
09	Deputy Director of Horticulture	Horticulture Dept
10	Mr. Mugunthan (9442313897)	J.E EB
11	Mr.Devaragan (9444010868)	A.E.E. TWAD
12	Konda A.R.Mani	Silk Traders Association
13	B.RamaMoorthy	Rotary club president

Mr.Palani Municipal Engineer cum Commissioner ic

- Bus stand to be face lifted.
- Encroachment along the MBT road to be cleared for free traffic.
- Rehabilitation of existing pumping mains and distribution mains.
- Wind energy to be tapped via wind mills to meet the current power requirements.
- Organic waste management in taken up as pilot project.
- Based on the effective success of the organic waste to manure it will be implemented for all municipal solid waste.

Mr. V.Nithyanandham Chairman

- Proper water source to be identified without pollution.
- Digital survey format is required.
- New Roads to be laid in newly developed areas and layouts.
- Storm water drains to be de silted regularly.
- New appointment required for desilting purposes.
- Boundary stone to be placed properly.

Mrs.M.Valliamal, Vice Chairman.

- Maternity hospital to be maintained well.
- Self Helping Groups should be involved in many works.
- Water supply leaks to be attended immediately.
- Alternate source required from apart from the palar source.
- Since, palar is polluting daily heavily.
- Under Ground Drainage scheme is to be implemented immedietly.
- Bus stand to be maintained properly.
- Demartcated Parkling to be provided for the auto rickshaws.

Thiru E.Ramesh , Councilor

- Effluents to be treated and then discharged out
- There is a need to increase the incentive/salary of the councilor so that they can perform their duty in an effective way.
- MBT road to be expanded and all the encroachments to be removed.
- The roads are encroached in town and there is a heavy congestion near the Bus- Stand so need to regularize the development.

Mr.Gunalan RI

- Enough Light fittings are required for immediate rectification.
- More bill collectors to be appointed.
- Mobile receipt machine to be provided.

- Water supply connection to be cut if tax has not paid.

Mr. Kannan A.E. PWD

- All PWD structure is going to be renovated.
- Better to clear the encroachment along the roads.
- Existing bus stand can be utilized.
- Construction of Outpatient block, Maternity block, Repairs and renovation of existing building in Government District Head Quarters Hospital campus is under tender stage.

Mr.Murali A.E. PWD Irrigation

- Vannimetu canal to be cleared.
- Pinji Eri to be renovated.
- IMWARM- Poiney subbasin rehabilitation
- IMWARM- Kosuthalaiyar subbasin rehabilitation

Highways Department

- Majorly, the heavy vehicle traffics should be avoided.
- Levy a tax on heavy vehicles which are using interal roads more like sand transport.
- Due to the overload abrasion of roads is taking places.
- Frequent strenthing of roads is taking place.
- Major District Roads with in the municipality limit to be maintained.
- Sholingar Road can be strengthened.
- Road Provision for vellore to SIPCOT.
- Strengthening of 22 km stretch for Rs.11 crore from walajapet bus stand to Sholingur (end of north limit)
- From vellore to Ranipet SIPCOT new route for 10 km under feasibility study.

Mr.Mugunthan J.E EB

- Energy saving can be done in street lighting by providing time switches.
- Time switches can be installed in Transformers and can be controlled series of street light from it.
- For a long term package, solar lighting can be adopted.
- Proper maintenance and replacement of heavy electrical equipments leads to energy saving.
- For maintencance, private participation can be encouraged.
- One 110 KV sub station is in under process.

Mr.Devarajan AEE, TWAD

- Apart from UGD scheme there is no scheme under TWAD.

- Implementation of UGD can be possible if land located for sewage treatment plant.

Deputy Director of Horticulture

- Avenue Trees can be planted under NHM scheme
- Under IAMWARM scheme barren lands can be converted to useful land.
- Initiative can take up for Road side lawn and greens.

Silk Traders Association

- One trading hub to be created in walajapet.
- Next to arani and kancheepuram more number of weavers were living.

Mr. Ramamoorthy .B Rotary Club President

- Noon meal center is in fully damaged condition due to rain.
- Roads are in very poor condition and need resurfaced
- Conjustion of roads to be avoided by expansion of roads.
- Sand quarrying in palar to be controlled by iron hands.

Annexure I – c : Draft Memorandum Of Agreement

This Agreement is made on this _____ day of _____ (Month), 2009 (year) between Tamil Nadu Urban Infrastructure Financial Services Limited (referred to as TNUIFSL) and the Walajapet Municipality (referred to as ULB)

1. This agreement follows the completion of the City Corporate Plan cum Business Plan (CCP-BP) prepared for the ULB with assistance from Grant Fund managed by TNUIFSL. A Vision Plan exercise was conducted by the ULB to identify specific projects required to be developed, and certain projects were identified in the Vision Plan have been taken through the next steps in terms of preparation of detailed project reports and implementation, there was a felt need among stakeholders to draw a comprehensive CCP-BP, taking into account a holistic perspective of the city/town's current status and gaps. It was to address this need that the CCP-BP exercise was conducted. The objectives of the CCP-BP exercise were to:

- Define the growth directions and service up-gradations in relation to the activity mix / growth
- Assess demand for projects specified by the ULBs and gap in services
- Outline the infrastructure needs;
- Define specific rehabilitation and capital improvement needs with regard to priority city infrastructure in slums and other areas
- Identify measures for revenue enhancement and cost reduction required to sustain the proposed investments
- Identify reforms required in local administration and service delivery and policy interventions
- List out changes required at the local level to improve O&M and better asset management

2. The study will be completed in June 2009 and the municipal council passed a resolution adopting the report for implementation on----- (Date).

3. This agreement is being entered into between TNUIFSL and the ULB for TNUIFSL's assistance in:

(a) Developing and financing projects identified as part of the Capital Investment Program (CIP) of the CCP and

b) Monitoring the implementation of a reform agenda required to improve municipal management and to carryout implementation of projects identified in a sustainable manner.

4. The guide lines of this MOA are listed below:

i. The Walajapet municipal council agrees to implement the reform agenda as per the targets recommended in the CCP-BP report. A summary of the reform agenda in terms of existing status and norms/targets is enclosed in Annexure III. The reform agenda outlined focuses on those reforms are to be carried out at the ULB level.

ii. The Walajapet municipal council will provide a half-yearly update report to TNUIFSL on the status of the implementation of the reform agenda. TNUIFSL shall provide a standardised format for reporting this information.

iii. In case there is any delay in the implementation of the reforms agenda by ULB due to circumstances beyond its control, the decision on the matter of extension of time for the achievement of targets shall be fixed based on consultations between TNUIFSL and the ULB

iv. TNUIFSL shall also assist the ULB in preparing DPRs for a set of projects jointly identified by TNUIFSL and the ULB, based on the Capital Investment Plan (CIP), prepared as part of the CCP-BP report.

vi. TNUIFSL would subsequently assist in structuring and financing projects identified earlier through combination of Loan and Grants along with ULB own funds. The sanction and disbursement of loans and grants from TNUIFSL shall be in conformance with the lending policies and guidelines of Loan and Grant Funds under its management and due appraisal of the ULB and the projects by TNUIFSL

5. The council agrees to the following points:

i. Issues presented in the project report and to agree to follow all directions of CMA/GOTN/TNUIFSL towards execution of the project.

ii. Draw the loan part for the execution of the works and repay the loan with the applicable interest

iii. Open a joint account with the Concerned Authority and agree to deposit the ULB's share every quarter (-- % of the cost of the tendered works), failing which to abide by action of CMA/GOTN/ TNUIFSL

iv. Conform to the subsequent change, if any, in the loan-grant composition made by GoTN

6. Undertake the following reforms during the financial year 2009-10 and to improve during the loan period to achieve the target set for every year:

i. Listing of assets of the ULB and maximizing efficient use of the same, revenue generation from municipal properties through improved collection of land revenue /lease to at least of 90 per cent of demand.

ii. Listing of all trade activities and improving collection of trade license fee to at least 90 per cent of demand.

iii. Revising water tariff as per the G.O-----, identification/ regularization of unauthorized water connections, improved collection of at least 80 per cent of water tariff.

iv. Imposing solid waste management cess /fees

v. Increasing coverage with respect to property tax collection i.e. bringing at least 90 per cent properties into the tax net, increasing collection efficiency and ensuring arrear collection of at least 90 per cent of current demand for property tax.

vi. Computerizing municipal systems and procedures

vii. Undertake public awareness through ward-level consultation meetings, with NGO involvement, improving the image of the ULB and generating confidence among citizens regarding the ability of the ULB to deliver quality services

ix. Acquire land, free from all encumbrances / encroachments, required for all identified projects before project loan effectiveness

x. Solve all problems (like agitation) during construction activity and to ensure timely completion of the work as per schedule

xi. Offer necessary co-operation/coordination with consultants, NGOs and various other agencies involved in implementation of the project

ii. Undertake full responsibility, in respect of civil works, for quality assurance and joint measurement of completed works and to assure full co-operation and coordination and to agree to all pre-qualification requirements and bidding procedures of World Bank and to impose penalty, if any, from the first bill itself;

xiii. Undertake that no variation order without citing reasons for variation as well as working out the time and financial implications, will be issued subsequent to tendering without prior approval of TNUIFSL

xiv. Carryout the all the directions of CMA/GoTN/TNUIFSL.

Finally, the Council agrees to bind itself to these terms, which would form part of future agreement with GoTN/TNUIFSL, and further resolve to authorize the Commissioner/Chief Executive Officer to take necessary action to get the above

mentioned infrastructure facilities to this town. The Council further agrees to authorize the Commissioner and Chairman to sign the loan agreement with TNUIFSL.

SIGNATORIES:

Place:

Date:

Managing Director and CEO, TNUIFSL

Chairman, ULB Council

Commissioner, ULB

Annexure I – d : Minutes of Meeting

Minutes of Meeting on Revised Draft Final Report submitted by M/s Voyants Solution Pvt. Ltd. for City Corporate Plan cum Business Plan study for Cluster V covering Arcot, Gudiyatham, Ranipet, Tirupattur, Vaniyambadi and Walajapet, Municipalities held on 23.6.2009 and for Ambur, Arakonam Arani, Thiruvathipuram and Madhavaram Municipalities held on 24.06.2009 at the office of TNUIFSL.

Members Present – List enclosed

The consultants were requested to address the following:

1. To correct the grade of the ULBs as revised by the Government.
2. To highlight the requirement of capital / revenue grant to implement and operate all the new schemes.
3. To indicate following in the executive summary of the report
 - c) List of projects under the sustainable scenario along with the year wise phasing of the projects identified.
 - d) The assumption made on the means of finance.

Town specific comments**Ranipet**

The consultants were requested to

- Address the requirement of staff quarters and indicate the same as a project in CIP in consultation with the ULB.
- Update the details on the Bus Stand project at Muthukadai adjoining Pinji Lake in consultation with the ULB.
- Highlight the impact on discharge of polluted water in to Palar river.

Thiruvathipuram

The consultants were requested to

- Update the details on the assets in consultation with the ULB.
- Revise the Bus Stand improvement project in consultation with the ULB

Madhavaram

- The consultants were requested to revise the assumptions on means of finance in accordance with JNNURM norms and revise the FOP accordingly.

The consultants were requested to address the above points and include in final report. The revised draft final reports for CCCBP are approved.

Annexure IX-a: Revenue and Capital Fund – Income (Rs. in lacs)

S.No.	Particulars	Audited					Unaudited
		2001-02	2002-03	2003-04	2004-05	2005-06	2006-07
I	Income						
a)	Property Tax						
	Property Tax for General Purpose	28.50	28.09	28.60	28.96	29.40	29.88
b)	Other Taxes (Profession Tax)	3.72	3.70	4.28	4.93	5.18	0.21
c)	Assigned Revenue						
	Duty on Transfer of Property	5.96	22.70	9.96	8.23	13.36	8.25
	Entertainment Tax	0.79	0.86	0.92	0.72	0.26	0.13
	Compensation for toll	-	0.10	0.14	0.01	0.07	-
d)	Devolution Fund	31.75	49.33	69.65	52.25	82.57	39.60
e)	Service Charges & Fees						
	Trade Licence Fees	0.19	0.24	0.34	0.19	0.50	0.35
	Licence fee under FPA act	0.19	0.02	0.03	0.03	0.25	0.02
	Building Licence Fees	1.95	1.45	1.04	1.75	2.25	1.50
	Fee for Bays & Others	0.85	4.03	3.86	3.65	5.00	5.77
	Survey Fees	0.09	0.08	0.06	0.13	0.25	0.34
	Fees for Free & Pay Toilets	1.21	-	1.57	1.38	1.90	3.14
	Other Fees	3.53	1.34	-	-	-	8.76
	Copy application fees	0.14	0.19	0.17	0.25	0.30	0.18
f)	Grants & Contribution						
	Grants for Schemes Implementation	0.23	-	-	0.01	6.75	1.61
g)	Sale & Hire Charges	-	-	-	-	-	0.13
h)	Other Income						
	Market Fees - Daily Market	5.87	8.52	10.04	7.50	9.38	9.62
	Fees for Slaughter House	0.23	0.46	0.30	0.31	0.51	0.70
	Cart Land / Lorry Stand Fees	-	0.61	0.39	0.41	0.60	0.91
	Development Charge	0.45	0.60	0.41	0.56	2.54	0.17
	Rent on Lease of land	1.55	0.48	0.89	0.89	0.85	0.87
	Rent on Shopping complex	8.47	10.52	10.75	10.74	10.73	10.74
	Rent on Community hall	1.56	1.56	0.93	1.01	1.01	1.01
	Road cut Restoration charges	0.07	0.04	4.02	0.10	0.71	0.55
	Other Income	2.00	3.09	1.36	1.19	1.09	0.81
	Interest from Investment	0.15	0.16	0.21	0.30	0.80	0.24
	Rent on Bunk Stall	1.32	1.09	0.82	0.86	0.83	0.83
	Project Overhead Appr - Expenses	7.43	4.46	6.44	2.78	5.25	3.95
	Others	0.05	0.14	0.05	0.09	2.20	0.07
	Miscellaneous Recoveries	0.18	0.01	-	0.26	-	-
	Total Income	108.43	143.87	157.23	129.49	182.29	130.34

Annexure IX-b: Revenue and Capital Fund – Expenditure (Rs. in lacs)

S.No.	Particulars	Audited					Unaudited
		2001-02	2002-03	2003-04	2004-05	2005-06	2006-07
II	Expenditure						
a)	Personnel Cost - Salaries						
	Salary & Allowances	59.10	39.69	39.26	39.09	39.71	58.48
	Dearness Allowance	-	17.35	18.65	21.71	21.45	10.51
	House Rent Allowance	-	1.22	1.19	1.26	3.31	2.74
	Conveyance Allowance	-	0.12	0.13	0.12	0.24	0.12
	Medical Allowance	-	0.50	0.47	0.44	0.37	0.39
	Others	-	0.43	0.35	0.41	0.38	2.25
b)	Personnel Cost - Others						
	Travel Allowance & Conveyance	0.21	0.19	0.13	0.38	0.70	0.87
	Supply of Uniform	0.56	0.25	0.86	0.30	0.90	0.45
c)	Terminal & Retirement Benefits						
	Pension	9.93	7.80	8.73	4.69	12.15	-
	DCR Gratuity	5.65	3.09	2.89	0.65	-	-
	SPF	0.20	0.10	-	0.05	-	0.05
	GIS	-	0.64	0.65	0.62	-	-
	Pensionary Contribution & Comm of Pension	-	5.34	0.55	-	-	-
d)	Operating Expenses						
	Power Charges - Street Lights, Sewerage	8.83	6.14	23.97	3.03	4.24	0.20
	Maintenance - Street Lights	0.93	1.06	2.47	3.25	1.84	-
	Paper Charge	0.02	0.02	-	0.03	0.04	2.06
	Bull Expenses	0.08	0.04	0.15	1.77	0.26	-
	Scavenging Materials	0.83	0.71	0.03	0.61	2.83	0.18
	Others	0.83	0.67	1.43	0.40	0.02	0.34
e)	Repairs & Maintenance						
	Light Vehicle Maintenance	0.39	1.65	1.23	1.50	1.60	5.25
	Heavy Vehicle Maintenance	1.09	0.63	0.97	0.70	1.25	0.29
	Repairs & Maintenance - Buildings	3.22	0.09	0.23	0.02	-	-
	Repairs - Others	0.91	-	0.13	-	2.86	2.49
f)	Programme Expenses						
	Election Expenses & Others	0.68	0.13	2.62	-	2.97	1.41
g)	Administration Expenses						
	Telephone Charges	1.02	0.78	1.00	1.10	0.93	1.06
	Stationery & Printing	0.45	0.50	1.04	1.52	0.86	1.23
	Postage & Telegram Charges	0.08	0.11	0.13	0.16	0.14	0.11
	Legal Expenses	0.14	0.20		1.90		0.02
	Advertisement Charges	0.13	0.38	1.31	0.30	0.59	0.57
	Computer Operating Expenses	0.13	0.25	0.04	1.21	0.56	1.31
	Electricity - Office Building	0.17	-	0.49	0.94	0.47	0.24
	Contribution	0.04	0.05	-	0.26	0.53	0.05
	Contributions to other funds	-	8.85	-	9.07	3.12	9.82
	Sitting Fees for Councillors	0.82	0.90	0.90	0.81	0.94	0.80

	Others	2.32	2.69	5.16	0.03	-	3.17
h)	Finance Expenses						
	Provision for doubtful collection of rev items	17.63	8.80	9.50	12.57	25.53	-
	Interest on Loans / Ways Means Adv / OD	16.95	-	32.20	25.43	-	-
	Others	0.38	0.31	0.28	0.31	-	0.85
l)	Depreciation	53.93	53.20	50.31	43.36	38.42	-
	Total Expenses	187.65	164.88	209.45	180.00	169.21	107.31
	Surplus / (Deficit) for the year	(79.22)	(21.01)	(52.22)	(50.51)	13.08	23.03

Annexure IX-c: Water Supply and Drainage Fund (Rs. in lacs)

S.No	Particulars	Audited					Unaudit ed
		2001-02	2002-03	2003-04	2004-05	2005-06	2006-07
I	Income						
a)	Property Tax						
	Water Supply & Drainage Tax	8.03	7.92	8.06	8.16	8.27	8.43
b)	Service Charges & Fees						
	Initial amount for new water connection	0.40	2.92	0.39	0.24	-	15.06
	Metered / Tap Rate charges	14.68	15.23	15.33	15.35	15.41	20.35
	Charges for water supply	0.15	1.53	0.23	0.10	-	3.26
	Charges for water supply through Lorries	0.02	0.05	0.09	0.12	0.13	0.17
	Other Fees	0.01	-	-	-	0.13	13.65
c)	Other Income						
	Other Income	0.02	0.06	0.08	0.54	-	-
	Project Overhead Appr - Expenses	0.15	0.26	0.07	0.11	0.53	-
	Interest Income	0.07	-	0.04	-	-	0.20
	Total Income	23.53	27.97	24.29	24.62	24.47	61.12
II	Expenditure						
a)	Personnel Salaries Cost						
	Salary / Exgratia / Bonus	3.80	2.24	2.34	2.41	2.98	2.10
	Dearness Allowance	-	1.05	1.20	1.39	-	0.61
	House Rent Allowance	-	0.11	0.11	0.07	-	0.09
	Conveyance Allowance	-	0.02	0.02	0.02	0.10	0.01
	Medical Allowance	-	0.03	0.03	0.03	-	0.02
	Others	-	0.01	0.01	0.01	-	0.01
b)	Personnel Cost - Others	-	-	-	-	-	0.03
c)	Terminal & Retirement Benefits						
	Pension	1.26	1.40	1.42	0.40	4.41	-
	DCR Gratuity	0.72	0.78	-	-	0.80	-
	GIS, Management Contribution	0.05	-	-	-	-	-
d)	Operating Expenses						
	Power Charges	6.70	14.30	10.23	9.69	16.19	18.63

e)	Repairs & Maintenance						
	Light Vehicle Maintenance	-	0.30	0.11	0.16	0.60	0.18
	Heavy Vehicle Maintenance	-	-	0.28	0.02	-	-
	Maint.exps for Water Supply Works/Drainage	0.42	2.84	3.08	1.22	3.90	1.23
	Others	0.21	-	0.16	0.02	0.40	1.87
f)	Administration Expenses						
	Municipal contribution to other funds	-	-	0.66	1.07	4.87	-
	Other Expenses	0.88	0.82	0.01	0.05	0.61	-
g)	Finance Expenses						
	Provision for doubtful coll. of revenue items	12.90	8.57	8.00	8.16	8.09	-
h)	Depreciation	9.59	5.57	5.59	5.40	6.11	-
	Total Expenses	36.53	38.04	33.25	30.12	49.06	24.78
	Surplus / (Deficit) for the year	(13.00)	(10.07)	(8.96)	(5.50)	-24.59	36.34

Annexure IX-d: Education Fund (Rs. in lacs)

S.No.	Particulars	Audited					Unaudited
		2001-02	2002-03	2003-04	2004-05	2005-06	2006-07
I	Income						
a)	Property Tax						
	Education Tax	7.30	7.20	7.33	7.42	7.52	7.66
b)	Other Income						
	Interest from Bank	0.08	0.04	0.18	0.31	0.49	0.30
	Project Overhead Appr - Expenses	0.28	0.71	0.09	-	0.09	0.81
	Total Income	7.66	7.95	7.60	7.73	8.10	8.77
II	Expenditure						
a)	Terminal & Retirement Benefits						
	Pension	1.26	-	-	-	-	-
b)	Repairs & Maintenance						
	Repairs - Building	-	-	-	-	0.78	-
	Other Expenses	1.18	-	2.00	-	0.15	-
c)	Program Expenses	-	0.10	-	-	-	-
d)	Administration Expenses	0.02	-	0.97	0.11	-	7.56
e)	Finance Expenses						
	Irrecoverable items write off	2.75	0.33	0.29	0.36	0.64	0.65
f)	Depreciation	0.60	0.78	0.99	0.95	0.99	1.26
	Total Expenses	5.81	1.21	4.25	1.42	2.56	9.47
	Surplus / (Deficit) for the year	1.85	6.74	3.35	6.31	5.54	(0.70)

Annexure IX-e: Summary of Income and Expenditure Accounts

S.No	Particulars	Audited																				Unaudited			
		2001-02				2002-03				2003-04				2004-05				2005-06				2006-07			
		Rev & Capital	Water Supply	Elem'tary Education	Total	Rev & Capital	Water Supply	Elem'tary Education	Total	Rev & Capital	Water Supply	Elem'tary Education	Total	Rev & Capital	Water Supply	Elem'tary Education	Total	Rev & Capital	Water Supply	Elem'tary Education	Total	Rev & Capital	Water Supply	Elem'tary Education	Total
I	Income																								
a)	Property Tax	28.50	8.03	7.30	43.83	28.09	7.92	7.20	43.21	28.60	8.06	7.33	43.99	28.96	8.16	7.42	44.54	29.40	8.27	7.52	45.19	29.88	8.43	7.66	45.97
b)	Other Taxes	3.72	-	-	3.72	3.70	-	-	3.70	4.28	-	-	4.28	4.93	-	-	4.93	5.18	-	-	5.18	0.21	-	-	0.21
c)	Assigned Revenue	6.75	-	-	6.75	23.66	-	-	23.66	11.02	-	-	11.02	8.96	-	-	8.96	13.69	-	-	13.69	8.38	-	-	8.38
d)	Devolution Fund	31.75	-	-	31.75	49.33	-	-	49.33	69.65	-	-	69.65	52.25	-	-	52.25	82.57	-	-	82.57	39.60	-	-	39.60
e)	Service Charges & Fees	8.15	15.26	-	23.41	7.35	19.73	-	27.08	7.07	16.04	-	23.11	7.38	15.81	-	23.19	8.20	15.67	-	23.87	20.06	52.49	-	72.55
f)	Grants & Contribution	0.23	-	-	0.23	0.00	-	-	0.00	0.00	-	-	0.00	0.01	-	-	0.01	6.75	-	-	6.75	1.61	-	-	1.61
g)	Sale & Hire Charges	0.00	-	-	0.00	0.00	-	-	0.00	0.00	-	-	0.00	0.00	-	-	0.00	0.00	-	-	0.00	0.13	-	-	0.13
h)	Other Income	29.33	0.24	0.36	29.93	31.74	0.32	0.75	32.81	36.61	0.19	0.27	37.07	27.00	0.65	0.31	27.96	36.50	0.53	0.58	37.61	30.47	0.20	1.11	31.78
	Total Income	108.43	23.53	7.66	139.62	143.87	27.97	7.95	179.79	157.23	24.29	7.60	189.12	129.49	24.62	7.73	161.84	182.29	24.47	8.10	214.86	130.34	61.12	8.77	200.23
II	Expenditure																								
a)	Personnel Cost - Salaries	59.10	3.80	-	62.90	59.31	3.46	-	62.77	60.05	3.71	-	63.76	63.03	3.93	-	66.96	65.46	3.08	-	68.54	74.49	2.84	-	77.33
b)	Personnel Cost - Others	0.77	0.00	-	0.77	0.44	0.00	-	0.44	0.99	0.00	-	0.99	0.68	0.00	-	0.68	1.60	0.00	-	1.60	1.32	0.03	-	1.35
c)	Terminal & Retirement Benefits	15.78	2.03	1.26	19.07	16.97	2.18	0.00	19.15	12.82	1.42	0.00	14.24	6.01	0.40	0.00	6.41	12.15	5.21	0.00	17.36	0.05	0.00	0.00	0.05
d)	Operative Expenses	11.52	6.70	-	18.22	8.64	14.30	-	22.94	28.05	10.23	-	38.28	9.09	9.69	-	18.78	9.23	16.19	-	25.42	2.78	18.63	-	21.41
e)	Repairs & Maintenance	5.61	0.63	1.18	7.42	2.37	3.14	0.00	5.51	2.56	3.63	2.00	8.19	2.22	1.42	0.00	3.64	5.71	4.90	0.93	11.54	8.03	3.28	0.00	11.31
f)	Programme Expenses	0.68	-	0.00	0.68	0.13	-	0.10	0.23	2.62	-	0.00	2.62	0.00	-	0.00	0.00	2.97	-	0.00	2.97	1.41	-	0.00	1.41
g)	Administrative Expenses	5.30	0.88	0.02	6.20	14.71	0.82	0.00	15.53	10.07	0.67	0.97	11.71	17.30	1.12	0.11	18.53	8.14	5.48	0.00	13.62	18.38	0.00	7.56	25.94
h)	Finance Expenses	34.96	12.90	2.75	50.61	9.11	8.57	0.33	18.01	41.98	8.00	0.29	50.27	38.31	8.16	0.36	46.83	25.53	8.09	0.64	34.26	0.85	0.00	0.65	1.50
D)	Depreciation	53.93	9.59	0.60	64.12	53.20	5.57	0.78	59.55	50.31	5.59	0.99	56.89	43.36	5.40	0.95	49.71	38.42	6.11	0.99	45.52	0.00	0.00	1.26	1.26
	Total Expenditure	187.65	36.53	5.81	229.99	164.88	38.04	1.21	204.13	209.45	33.25	4.25	246.95	180.00	30.12	1.42	211.54	169.21	49.06	2.56	220.83	107.31	24.78	9.47	141.56
	Surplus / (Deficit)	(79.22)	(13.00)	1.85	(90.37)	(21.01)	(10.07)	6.74	(24.34)	(52.22)	(8.96)	3.35	(57.83)	(50.51)	(5.50)	6.31	(49.70)	13.08	(24.59)	5.54	(5.97)	23.03	36.34	(0.70)	58.67

Annexure IX-f: Summary of Income and Expenditure Accounts in Percentage

S.No	Particulars	Audited																				Unaudited			
		2001-02				2002-03				2003-04				2004-05				2005-06				2006-07			
		Rev & Capital	Water Supply	Elem'tary Education	Total	Rev & Capital	Water Supply	Elem'tary Education	Total	Rev & Capital	Water Supply	Elem'tary Education	Total	Rev & Capital	Water Supply	Elem'tary Education	Total	Rev & Capital	Water Supply	Elem'tary Education	Total	Rev & Capital	Water Supply	Elem'tary Education	Total
I	Income (% of Total Income)																								
a)	Property Tax	26%	34%	95%	31%	20%	28%	91%	24%	18%	33%	96%	23%	22%	33%	96%	28%	16%	34%	93%	21%	23%	14%	87%	23%
b)	Other Taxes	3%	-	-	3%	3%	-	-	2%	3%	-	-	2%	4%	-	-	3%	3%	-	-	2%	0%	-	-	0%
c)	Assigned Revenue	6%	-	-	5%	16%	-	-	13%	7%	-	-	6%	7%	-	-	6%	8%	-	-	6%	6%	-	-	4%
d)	Devolution Fund	29%	-	-	23%	34%	-	-	27%	44%	-	-	37%	40%	-	-	32%	45%	-	-	38%	30%	-	-	20%
e)	Service Charges & Fees	8%	65%	-	17%	5%	71%	-	15%	4%	66%	-	12%	6%	64%	-	14%	4%	64%	-	11%	15%	86%	-	36%
f)	Grants & Contribution	0%	-	-	0%	0%	-	-	0%	0%	-	-	0%	0%	-	-	0%	4%	-	-	3%	1%	-	-	1%
g)	Sale & Hire Charges	0%	-	-	0%	0%	-	-	0%	0%	-	-	0%	0%	-	-	0%	0%	-	-	0%	0%	-	-	0%
h)	Other Income	27%	1%	5%	21%	22%	1%	9%	18%	23%	1%	4%	20%	21%	3%	4%	17%	20%	2%	7%	18%	23%	0%	13%	16%
	Total Income	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
II	Expenditure (% of Total Expt)																								
a)	Personnel Cost - Salaries	31%	10%	-	27%	36%	9%	-	31%	29%	11%	-	26%	35%	13%	-	32%	39%	6%	-	31%	69%	11%	-	55%
b)	Personnel Cost - Others	0%	0%	-	0%	0%	0%	-	0%	0%	0%	-	0%	0%	0%	-	0%	1%	0%	-	1%	1%	0%	-	1%
b)	Terminal & Retirement Benefits	8%	6%	22%	8%	10%	6%	0%	9%	6%	4%	0%	6%	3%	1%	0%	3%	7%	11%	0%	8%	0%	0%	0%	0%
c)	Operative Expenses	6%	18%	-	8%	5%	38%	-	11%	13%	31%	-	16%	5%	32%	-	9%	5%	33%	-	12%	3%	75%	-	15%
d)	Repairs & Maintenance	3%	2%	20%	3%	1%	8%	0%	3%	1%	11%	47%	3%	1%	5%	0%	2%	3%	10%	36%	5%	7%	13%	0%	8%
e)	Programme Expenses	0%	-	0%	0%	0%	-	8%	0%	1%	-	0%	1%	0%	-	0%	0%	2%	-	0%	1%	1%	-	0%	1%
f)	Administrative Expenses	3%	2%	0%	3%	9%	2%	0%	8%	5%	2%	23%	5%	10%	4%	8%	9%	5%	11%	0%	6%	17%	0%	80%	18%
g)	Finance Expenses	19%	35%	47%	22%	6%	23%	27%	9%	20%	24%	7%	20%	21%	27%	25%	22%	15%	16%	25%	16%	1%	0%	7%	1%
h)	Depreciation	29%	26%	10%	28%	32%	15%	64%	29%	24%	17%	23%	23%	24%	18%	67%	23%	23%	12%	39%	21%	0%	0%	13%	1%
	Total Expenditure	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
	Surplus / (Deficit) (% of Total Income)	-73%	-55%	24%	-65%	-15%	-36%	85%	-14%	-33%	-37%	44%	-31%	-39%	-22%	82%	-31%	7%	-100%	68%	-3%	18%	59%	-8%	29%

Annexure IX-g: Growth in Revenue and Cost for Last 5 Years

S.No	Particulars	2002-03	2003-04	2004-05	2005-06	2006-07	Simple Average	Comp. Average
I	Income							
a)	Property Tax	-1.41%	1.81%	1.25%	1.46%	1.73%	0.97%	0.98%
b)	Other Taxes	-0.54%	15.68%	15.19%	5.07%	-95.95%	-12.11%	-18.87%
c)	Assigned Revenue							
	- Duty on Transfer of Property	280.87%	-56.12%	-17.37%	62.33%	-38.25%	46.29%	7.68%
	- Entertainment Tax	16.46%	6.98%	-21.74%	-63.89%	-50.00%	-22.44%	-16.71%
d)	Devolution Fund	55.37%	41.19%	-24.98%	58.03%	-52.04%	15.51%	4.94%
e)	Service Charges & Fees							
	- Water Charges	3.75%	0.66%	0.13%	0.39%	32.06%	7.40%	7.72%
	- Water Connection Charges	630.00%	-86.64%	-38.46%	-	-	100.98%	733.00%
	- Others	-9.82%	-3.81%	4.38%	11.11%	144.63%	29.30%	29.23%
f)	Grants & Contribution	100.00%	-	-	67400.00%	-76.15%	13444.77%	120.00%
g)	Sale & Hire Charges	-	-	-	-	-	0.00%	-
h)	Other Income	9.62%	12.98%	-24.58%	34.51%	-15.50%	3.41%	1.24%
II	Expenditure							
a)	Personnel Cost - Salaries	-0.21%	1.58%	5.02%	2.36%	12.82%	4.31%	4.59%
b)	Personnel Cost - Others	-42.86%	125.00%	-31.31%	135.29%	-15.63%	34.10%	15.06%
c)	Terminal & Retirement Benefits	0.42%	-25.64%	-54.99%	170.83%	-99.71%	-1.82%	-19.95%
d)	Operative Expenses	25.91%	66.87%	0.00%	35.36%	-15.77%	22.47%	3.50%
e)	Repairs & Maintenance	-25.74%	48.64%	-55.56%	217.03%	-1.99%	36.48%	10.49%
f)	Program Expenses	-66.18%	1039.13%	100.00%	-	-52.53%	164.09%	21.47%
g)	Administrative Expenses	150.48%	-24.60%	58.24%	-26.50%	90.46%	49.62%	63.68%
h)	Finance Expenses	-64.41%	179.12%	-6.84%	-26.84%	-95.62%	-2.92%	-19.41%
i)	Depreciation	-7.13%	-4.47%	-12.62%	-8.43%	-97.23%	-25.98%	-19.61%

Annexure IX-h: Revenue and Capital Fund Balance Sheet (Rs. in lacs)

Particulars	Audited					Unaudited
	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07
Liabilities						
Liabilities						
Loans from Government	34.59	16.33	78.77	76.39	74.00	74.00
Loan from TUFIDCO	-	-	72.77	72.72	72.72	72.72
Loans from IUDP	-	-	21.15	15.00	5.54	5.54
Loan from TNUDF	72.72	72.72	18.44	16.03	-	-
Contribution from Municipal Fund	-	-	3.50	13.38	11.43	16.33
Contribution from Private Parties	-	-	-	-	-	0.16
Grant from Capital fund	-	108.39	138.03	150.83	195.44	195.44
Grant from Government	86.26	8.49	13.10	15.40	-28.45	-17.33
Accumulated Depreciation	115.23	168.31	218.62	261.99	300.79	300.04
Current Liabilities						
Provision for Doubtfull colln of Rev item	39.59	41.87	49.97	60.92	63.10	63.14
Tender Deposits - Contractors & Suppliers	17.84	17.24	15.16	16.39	19.67	26.88
Deposit- others	51.13	51.15	29.86	30.52	31.20	31.75
Security & Deposit Others	8.02	5.73	25.00	25.88	30.90	40.94
Library Cess Payable	3.27	14.75	14.25	14.62	12.70	-
Interest Payable Account	36.49	23.90	99.53	101.90	85.45	-
Audit fees - payable	-	1.25	1.52	1.83	2.41	-
IT & ST Deduction - Contractors	0.58	0.35	1.67	1.14	2.53	-
Water Supply & Drainage Tax Payable	5.19	8.57	9.50	6.84	12.47	-
Education Tax Payble	4.71	7.78	9.55	11.13	21.17	-
Recoveries - Staff	0.77	0.75	17.44	17.48	17.59	62.49
Outstandings	-	-	-	-	-	101.12
Other Payables	18.71	14.50	0.62	1.32	1.93	-
Accounts Payable - Personal Claims	0.88	0.88	0.88	0.88	-	-
Management contribution	0.55	1.82	2.46	3.04	3.06	-
Accounts Payable - Suppliers	3.16	3.16	3.16	4.03	3.15	-
Other Recoveries	5.09	0.67	1.92	3.08	-	0.04
Municipal Contribution to Other Schemes	3.89	-	-	-	9.67	-
Inter Funds Transfer	12.68	2.99	2.98	-11.86	23.30	36.25
Accumulated Surplus	192.29	164.64	-37.33	-86.75	-23.53	-
Total	713.64	736.24	812.52	824.13	948.24	1009.51

Annexure IX-i: Revenue and Capital Fund Balance Sheet (Rs. in lacs)

Particulars	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07
Assets						
Fixed Assets						
Land	75.10	75.10	75.10	75.10	75.10	75.10

Buildings	99.49	107.26	134.13	142.65	167.81	167.81
Drains & Culverts	98.46	110.71	120.51	127.97	139.63	139.63
Heavy & Light Vehicles	3.08	3.08	3.08	3.08	3.08	3.08
Furniture & Fixtures	1.28	1.28	3.60	3.60	3.60	3.60
Electrical Inst.	10.74	10.73	10.73	10.73	10.74	10.73
Plant & Machinery	8.88	0.89	0.89	0.89	0.89	0.89
Roads & Pavements	170.76	176.10	192.87	197.42	195.89	195.89
Roads & Pavements Black Topped	43.75	63.60	71.00	76.52	87.38	85.97
Strom Water Drainage & swaerage	3.59	3.59	3.85	3.83	3.85	3.85
Borewell & Hand Pumps	4.98	0.00	3.97	6.02	11.38	12.77
Projects in Progress - Govt. Grants	15.58	13.88	4.53	2.78	8.25	-28.25
Projects in Progress	5.31	0.97	1.88	5.32	5.29	91.73
Current Assets						
Stock	5.85	5.67	5.66	5.66	5.66	5.66
Property Tax Recoverable - Current	13.44	11.42	10.68	11.64	11.52	8.31
Property Tax Recoverable - Arrears	32.71	23.95	25.40	29.01	33.79	32.80
Profession Tax Recoverable - Current	0.58	0.37	0.44	0.50	0.87	-3.20
Profession Tax Recoverable - Arrears	7.72	8.24	8.94	9.34	9.80	9.07
Licence Fees & Other Fees Recoverble - Arrears	0.50	0.26	0.26	0.26	0.27	0.25
Lease Amount Recoverable -Arrears	18.58	9.44	9.20	23.96	9.52	13.42
Lease Amount Recoverable-Current	10.16	22.59	26.13	8.24	27.17	22.94
Staff Advance Recoverable	0.65	1.41	1.31	1.80	1.70	0.02
Employee Advance-Recoverable	0.10	0.13	0.51	0.51	0.56	0.56
Other Advance - Recoverable	56.97	53.87	44.62	46.00	46.00	46.59
Others	-0.02	0.10	0.08	1.65	0.03	9.56
Cash & Bank Balances						
Cash on Hand	2.07	1.07	1.13	0.78	2.80	0.60
Banks Accounts	20.14	27.34	48.83	25.68	82.47	96.94
Fixed deposit	3.19	3.19	3.19	3.19	3.19	3.19
Total	713.64	736.24	812.52	824.13	948.24	1009.51

Annexure IX-j: Water Supply and Drainage Fund Balance Sheet (Rs. in lacs)

S.No	Particulars	Audited					Unaudited
		2001-02	2002-03	2003-04	2004-05	2005-06	2006-07
I	Liabilities						
a)	Liabilities						
	Contribution from Municipal Fund	-	2.39	3.05	4.13	9.00	9.01
	Contribution from Government	-	4.98	4.98	4.98	8.85	8.85
	Accumulated Depreciation	21.82	27.43	29.36	38.52	45.57	44.61
b)	Current Liabilities						
	Provision for doubtful collections	19.1	21.47	23.60	23.65	23.74	23.74
	Tender Deposit	0.07	0.08	0.08	0.05	-	0.07
	Other Deposits	0.01	0.70	0.80	0.85	0.01	0.84
	IT & ST Deduction - Contractors	-	0.08	-	-	0.08	0.09
	Other Recoveries / Payables	-	0.30	3.75	-	-	(0.55)

	Inter Division Transfer	2.35	4.32	4.32	4.32	4.32	4.32
c)	Accumulated Surplus	139.11	134.55	131.45	134.06	112.74	149.08
	Total	182.46	196.30	201.39	210.56	204.31	240.06
II	Assets						
a)	Fixed Assets						
	Land	4.4	4.40	4.40	4.40	4.40	4.40
	Heavy Vehicles	5.22	5.22	5.22	5.22	5.22	5.22
	Light Vehicles	3.38	3.38	3.38	2.89	2.89	2.89
	Plant & Machinery	6.23	6.23	6.23	6.23	6.23	6.23
	Public Fountains	0.24	0.24	0.24	0.24	0.24	0.24
	OHT & WS Main	106.25	106.25	106.25	108.18	110.16	110.16
	Deep borrowell	1.5	9.26	9.26	9.26	9.26	9.26
	India Mark II Pump	6.06	6.06	6.06	6.06	9.49	9.49
	Reservoir	9.38	9.38	9.38	9.38	9.38	9.38
b)	Current Assets						
	WSD Tax Receivable - Current	5.05	4.87	3.01	3.28	3.24	2.52
	WSD Tax Receivable - Arrears	13.15	13.67	7.17	8.18	9.53	9.43
	Water Charges Recoverable - Current	7.32	8.21	7.68	7.76	7.35	7.70
	Water Charges Recoverable - Arrears	11.49	16.92	19.65	19.28	19.15	17.59
	Recoverable - Staff Advances	-	0.10	0.10	-0.01	-	0.01
	Recoverable - Advances Others	0.48	0.38	0.38	0.38	-	0.38
	Inter Funds transfer	-	0.10	9.48	9.37	6.68	7.76
	Others	0.02	1.41	0.66	0.04	0.44	0.01
c)	Cash & Bank Balances						
	Cash Balance	0.46	0.20	0.33	0.47	0.42	0.04
	Bank Accounts	1.83	0.02	2.51	9.95	0.23	37.35
	Total	182.46	196.30	201.39	210.56	204.31	240.06

Annexure IX-k: Education Fund Balance sheet (Rs. in lacs)

S.No	Particulars	Audited					Unaudited
		2001-02	2002-03	2003-04	2004-05	2005-06	2006-07
I	Liabilities						
a)	Liabilities						
	Contribution by Municipality	-	6.47	7.27	7.30	8.06	15.46
	Accumulated Depreciation	1.13	1.91	2.90	3.80	4.85	6.12
b)	Current Liabilities						
	Provision for Doubtful Collection	8.4	7.23	7.18	7.49	8.05	8.61
	Tender Deposits - Contractors & Suppliers	0.04	0.04	0.04	0.01	0.06	0.09
	Deposit - Others	-	0.02	0.05	0.44	0.69	0.18
	Education Tax Payable	-	-	2.00	7.42	7.52	-
	IT & ST Deduction - Contractors	-	-	-	0.02	0.05	-
c)	Accumulated Surplus	27.98	33.14	34.84	36.84	43.20	42.59
	Total	37.55	48.81	54.28	63.32	72.48	73.05
II	Assets						
a)	Fixed Assets						
	Land	4.14	4.14	4.14	4.14	4.14	4.14

	Buildings	13.76	20.96	21.84	21.84	22.71	30.92
b)	Current Assets						
	Education Tax Rec - Current	4.59	4.43	2.73	2.98	2.95	2.23
	Education Tax Rec - Arrears	11.96	12.43	6.51	7.44	10.61	8.46
	Inter Fund Transfer	-	3.03	12.58	14.17	15.03	15.41
	Others	0.8	-	0.03	1.44	0.65	1.78
c)	Cash & Bank Balances						
	Cash on Hand	0.20	0.03	0.10	0.14	0.14	-
	Bank A/c	2.1	3.79	6.35	11.17	16.25	10.11
	Total	37.55	48.81	54.28	63.32	72.48	73.05

Annexure IX-I: Summary of Balance sheet

S.No	Particulars	Audited																				Unaudited			
		2001-02				2002-03				2003-04				2004-05				2005-06				2006-07			
		Rev & Capital	Water Supply	Elem'tary Education	Total	Rev & Capital	Water Supply	Elem'tary Education	Total	Rev & Capital	Water Supply	Elem'tary Education	Total	Rev & Capital	Water Supply	Elem'tary Education	Total	Rev & Capital	Water Supply	Elem'tary Education	Total	Rev & Capital	Water Supply	Elem'tary Education	Total
I	Liabilities																								
a)	Grants / Contribution Accumulated	193.57	0.00	0.00	193.57	205.93	7.37	6.47	219.77	345.76	8.03	7.27	361.06	359.75	9.11	7.30	376.16	330.68	17.85	8.06	356.59	346.86	17.86	15.46	380.18
b)	Depreciation Current	115.23	21.82	1.13	138.18	168.31	27.43	1.91	197.65	218.62	29.36	2.90	250.88	261.99	38.52	3.80	304.31	300.79	45.57	4.85	351.21	300.04	44.61	6.12	350.77
c)	Liabilities	212.55	21.53	8.44	242.52	197.36	26.95	7.29	231.60	285.47	32.55	9.27	327.29	289.14	28.87	15.38	333.39	340.30	28.15	16.37	384.82	362.61	28.51	8.88	400.00
d)	Net Surplus	192.29	139.11	27.98	359.38	164.64	134.55	33.14	332.33	(37.33)	131.45	34.84	128.96	(86.75)	134.06	36.84	84.15	(23.53)	112.74	43.20	132.41	0.00	149.08	42.59	191.67
	Total Liabilities	713.64	182.46	37.55	933.65	736.24	196.30	48.81	981.35	812.52	201.39	54.28	1068.19	824.13	210.56	63.32	1098.01	948.24	204.31	72.48	1225.03	1009.51	240.06	73.05	1322.62
II	Assets																								
a)	Fixed Assets	541.00	142.66	17.90	701.56	567.19	150.42	25.10	742.71	626.14	150.42	25.98	802.54	655.91	151.86	25.98	833.75	712.89	157.27	26.85	897.01	762.80	157.27	35.06	955.13
b)	Current Assets	147.24	37.51	17.35	202.10	137.45	45.66	19.89	203.00	133.23	48.13	21.85	203.21	138.57	48.28	26.03	212.88	146.89	46.39	29.24	222.52	145.98	45.40	27.88	219.26
c)	Cash & Bank Balances	25.40	2.29	2.30	29.99	31.60	0.22	3.82	35.64	53.15	2.84	6.45	62.44	29.65	10.42	11.31	51.38	88.46	0.65	16.39	105.50	100.73	37.39	10.11	148.23
	Total Assets	713.64	182.46	37.55	933.65	736.24	196.30	48.81	981.35	812.52	201.39	54.28	1068.19	824.13	210.56	63.32	1098.01	948.24	204.31	72.48	1225.03	1009.51	240.06	73.05	1322.62

Annexure IX-m: Demand Collection Balance Statement (Rs. in lacs)

S.No	Particulars	Demand			Collection			Collection %		
		Arrears	Current	Total	Arrears	Current	Total	Arrears	Current	Total
A	2006-07									
I	Tax Income									
a)	Property Tax	75.70	48.27	123.97	11.45	29.70	41.15	15%	62%	33%
b)	Profession Tax	10.19	4.69	14.88	0.05	4.30	4.35	0%	92%	29%
	Total Tax Income	85.89	52.96	138.85	11.50	34.00	45.50	13%	64%	33%
II	Non Tax Income									
a)	Water Charges	26.51	15.41	41.92	7.88	8.06	15.94	30%	52%	38%
b)	Other Fees	36.96	0.00	36.96	0.00	0.00	0.00	0%	-	0%
	Total Non Tax Income	63.47	15.41	78.88	7.88	8.06	15.94	12%	52%	20%
	Total Tax & Non Tax Income	149.36	68.37	217.73	19.38	42.06	61.44	13%	62%	28%
S.No.	Particulars	Demand			Collection			Collection %		
		Arrears	Current	Total	Arrears	Current	Total	Arrears	Current	Total
B	2005-06									
I	Tax Income									
a)	Property Tax	67.75	48.91	116.66	11.62	29.33	40.95	17%	60%	35%
b)	Profession Tax	9.85	4.69	14.54	0.05	4.30	4.35	1%	92%	30%
	Total Tax Income	77.60	53.60	131.20	11.67	33.63	45.30	15%	63%	35%
II	Non Tax Income									
a)	Water Charges	27.04	15.41	42.45	7.88	8.06	15.94	29%	52%	38%
b)	Other Fees	32.47	34.35	66.82	5.03	24.83	29.86	15%	72%	45%
	Total Non Tax Income	59.51	49.76	109.27	12.91	32.89	45.80	22%	66%	42%
	Total Tax & Non Tax Income	137.11	103.36	240.47	24.58	66.52	91.10	18%	64%	38%
S.No.	Particulars	Demand			Collection			Collection %		
		Arrears	Current	Total	Arrears	Current	Total	Arrears	Current	Total
C	2004-05									
I	Tax Income									
a)	Property Tax	33.07	49.80	82.87	23.15	44.82	67.97	70%	90%	82%
b)	Profession Tax	2.90	4.21	7.11	2.61	3.79	6.40	90%	90%	90%
	Total Tax Income	35.97	54.01	89.98	25.76	48.61	74.37	72%	90%	83%
II	Non Tax Income									
a)	Water Charges	5.59	15.66	21.25	5.03	14.09	19.12	90%	90%	90%
b)	Other Fees	35.62	26.16	61.78	26.71	20.93	47.64	75%	80%	77%
	Total Non Tax Income	41.21	41.82	83.03	31.74	35.02	66.76	77%	84%	80%
	Total Tax & Non Tax Income	77.18	95.83	173.01	57.50	83.63	141.13	75%	87%	82%
S.No.	Particulars	Demand			Collection			Collection %		
		Arrears	Current	Total	Arrears	Current	Total	Arrears	Current	Total
D	2003-04									
I	Tax Income									
a)	Property Tax	58.96	47.43	106.39	35.38	37.94	73.32	60%	80%	69%

b)	Profession Tax	7.76	3.83	11.59	5.82	2.87	8.69	75%	75%	75%
	Total Tax Income	66.72	51.26	117.98	41.20	40.81	82.01	62%	80%	70%
II	Non Tax Income									
a)	Water Charges	7.06	15.31	22.37	5.30	11.48	16.78	75%	75%	75%
b)	Other Fees	30.11	25.68	55.79	2.65	17.51	20.16	9%	68%	36%
	Total Non Tax Income	37.17	40.99	78.16	7.95	28.99	36.94	21%	71%	47%
III	Total Tax & Non Tax Income	103.89	92.25	196.14	49.15	69.80	118.95	47%	76%	61%
S.No.	Particulars	Demand			Collection			Collection %		
		Arrears	Current	Total	Arrears	Current	Total	Arrears	Current	Total
E	2002-03									
I	Tax Income									
a)	Property Tax	56.98	46.82	103.80	17.06	27.78	44.84	30%	59%	43%
b)	Profession Tax	7.05	4.29	11.34	0.25	3.33	3.58	4%	78%	32%
	Total Tax Income	64.03	51.11	115.14	17.31	31.11	48.42	27%	61%	42%
II	Non Tax Income									
a)	Water Charges	9.43	9.22	18.65	4.59	7.00	11.59	49%	76%	62%
b)	Other Fees	27.41	26.72	54.13	4.42	19.59	24.01	16%	73%	44%
	Total Non Tax Income	36.84	35.94	72.78	9.01	26.59	35.60	24%	74%	49%
III	Total Tax & Non Tax Income	100.87	87.05	187.92	26.32	57.70	84.02	26%	66%	45%
S.No.	Particulars	Demand			Collection			Collection %		
		Arrears	Current	Total	Arrears	Current	Total	Arrears	Current	Total
F	2001-02									
I	Tax Income									
a)	Property Tax	72.72	47.5	120.22	18.19	25.1	43.29	25%	53%	36%
b)	Profession Tax	7.74	3.73	11.47	0.02	3.14	3.16	0%	84%	28%
	Total Tax Income	80.46	51.23	131.69	18.21	28.24	46.45	23%	55%	35%
II	Non Tax Income									
a)	Water Charges	16.67	14.68	31.35	5.18	7.36	12.54	31%	50%	40%
b)	Other Fees	23.73	24.97	48.70	7.02	14.28	21.30	30%	57%	44%
	Total Non Tax Income	40.40	39.65	80.05	12.20	21.64	33.84	30%	55%	42%
III	Total Tax & Non Tax Income	120.86	90.88	211.74	30.41	49.88	80.29	25%	55%	38%

Annexure IX-n: Key Financial Indicators

		Indicators	Value	Unit
A	Resource Mobilization			
1	Per Capita Income		660	Rs. p.a
2	Sources of Funds			
a)		Share of Own Sources in Total Revenue Income (RI)	52.06	%
b)		Share of Property Tax in Total Revenue Income	21.03	%
c)		Share of Revenue Grants & Subsidies in Total RI	47.94	%

3	Growth in Revenue Income		13.47	% p.a.
4	Growth in Own Sources of Revenue Income		2.72	%
5	Per Capita Own Income		344	Rs. p.a
B Fund Application				
1	Per Capita Expenditure		679	Rs. p.a
2	Uses of Funds			
	a)	Share of Establishment Expenditure in Total RE	39.62	%
	b)	Share of O&M Expenditure in Total Revenue Expenditure	16.74	%
	c)	Share of Establishment Expenditure to Total RI	40.72	%
3	Growth in Establishment Expenditure		1.43	%
4	Growth in O&M Expenditure		11.04	%
5	Growth in Total Revenue Expenditure		-1.00	% p.a.
C Liability Management				
1	Per Capita Liability			
	a)	Outstanding debt per Capita	468	Rs.
	b)	Outstanding Non-Debt Liability per Capita	-	Rs.
	c)	Total Outstanding Liability Per Capita	468	Rs.
2	As a Proportion of Property Tax Current Demand			
	a)	Outstanding Debt as % of P.T Demand	337	%
	b)	Outstanding Non-Debt Liability as % of P.T Demand	-	
	c)	Total Outstanding Liability as % of P.T Demand	337	%
3	As a Proportion of Property Tax Own Revenue Income			
	a)	Outstanding Debt as % of Own Revenue Sources	136	%
	b)	O/s Non-Debt Liability as % of Own Revenue Sources	-	
	c)	Total Outstanding Liability as % Own Revenue Sources	136	%
4	Non-Debt Liability as % of Total Liability		-	
5	Debt Servicing Ratio (D/S Revenue Income)		60	%
D Performance Indicators				
1	Operating Ratio		82	%
2	Growth in Per Capita Own Income		0.11	%
3	Growth in Per Capita Grant		35.24	%
4	Growth in Per Capita Total Revenue Income		9.85	%
5	Growth in Per Capita Establishment Expenditure		-1.05	%
6	Growth in Per Capita O&M Expenditure		7.65	%
7	Growth in Per Capita Revenue Expenditure		-3.25	%

E	Efficiency Indicators			
1	Tax Collection Performance (Current)			
	a)	Property Tax	60	%
	b)	Water Charges	90	%
	c)	Profession Tax	50	%
	d)	Non Tax Income	70	%
2	No of P.T Assessment per Tax Collection Staff		2439	Nos.
3	Property Tax Demand per Assessment		618	Rs. p.a.
4	No. of Municipal Staff per 1000 Population		3.29	Nos.
5	Annual Revenue (Own Source) per Municipal Staff		1.05	Rs.lakh p.a.
6	Population per Residential P.T Assessment		4.72	persons

Annexure IX-o: Loan Statement as on 31.7.08

S.No	Particulars	Loan Amount	Purpose	Date of Credit	O/s as on 31.3.2007
1	MUDF Loan	48.20	Various Purposes	1993-95	5.55
2	TNUDP	72.72	Spl Road Works	-	72.72
3	Government Loan	80.12	Consolidated Loan	01.04.1998	-
4	TNUDP	14.40	Road Works	17.04.2007	14.40
5	TUFIDCO	29.70	LCS	1992-94	23.41
6	TUFIDCO	24.58	NRY Shelter	1991-95	8.64
	Total	269.72			124.72

Annexure XII-a: Institutes in Tamil Nadu Providing Training Programs

The list of local training institutes (Other than the in-house institutes) is as follows;

S.N	Name of Institute	Contact Details	Courses offered
1	Dr. Ambedkar Institute of Productivity (Training Institute of National Productivity Council)	6, SIDCO Industrial Estate, Ambattur, Chennai – 600 098 Ph: 044-2625 3144 Fax:044-2625 3122 Email: npc-chennai@eth.net	<ul style="list-style-type: none"> • Human Resource related (e.g Problem Solving Techniques, Leadership & Team Building, Human Resource Management, etc) • Engineering Courses (e.g. Total Productive maintenance, Municipal Solid Waste Management etc) • Environmental related courses (e.g. Environmental impact assessment, Air Pollution Management, etc) • Other courses e.g. Managing Information Resources, ISO courses, etc. • Hazardous waste characterization and disposal
2	Environmental Training Institute	76, Anna Salai, Guindy Chennai – 600 032 Ph : 044-2235 3134/3159 Email: tnpceti@gias.md01.vsnl.net.in	<ul style="list-style-type: none"> • Natural Disaster Management • Environmental Management, Hazard Prevention methods • Avoidance of Pollution and maintenance of good environment
3	Institution of Road Transport	100 feet road, Taramani Chennai – 600 113 Ph:044-22541730/1761 Fax:044-2254 1761 Email : irt.taramani@vsnl.net Web: www.tn.nic.in/transport	<ul style="list-style-type: none"> • Traffic Congestion Control • Traffic Control and Best Practices
4	Institution of Labor Studies	3, Kamarajar Salai, Chennai – 600 005 Ph: 044 -2844 0102/5778 Fax: 044-28440966	<ul style="list-style-type: none"> • Labor Laws • Various national and state acts • Personnel and Industrial Acts • Personnel and Industrial Management
5	Institute of Water Studies	Taramani, Chennai – 600 113 Ph: 044-22541580 Fax:044-2254 2360	<ul style="list-style-type: none"> • Water Supply maintenance and management • Computerized design of water supply • Water and Waste Water treatment
6	Institute of Public Health	Poonamallee, Chennai – 600 056 Ph: 044 2627 2062 Fax: 044-24335075	<ul style="list-style-type: none"> • Public Health Reforms • Preventive measures to maintain Public Health • Reproductive and Child Health • Induction Training to medical Practitioners • Municipal Health Administration • Public Health Act • Malaria Control, Mosquito control • Prevention of Epidemics and Endemics

Annexure XIII-a: Details of Depreciation Statement for Assets as on 31.03.2007 – Revenue**(Rs. in lacs)**

I	Revenue Fund			
S.No.	Item	Gross Block	Depreciation	Net Block
1	Land	75.11	-	75.11
2	Buildings	167.81	29.51	138.30
3	Tools & Plant	0.00	-	0.00
4	Bridges & Flyovers	0.00	-	0.00
5	Drains & Culverts	139.63	36.65	102.98
6	Heavy Vehicles	3.08	2.53	0.55
7	Light Vehicles	0.00	-	0.00
8	Other Vehicles	0.00	-	0.00
9	Furniture, Fixtures & Office Equipments	3.60	2.18	1.42
10	Electrical Installation Lamps	5.19	4.45	0.74
11	Electrical Installation Others	5.55	2.73	2.82
12	Plant & machinery	0.89	0.64	0.25
13	CC Roads & Payments	195.89	149.50	46.39
14	BT Roads	85.98	69.73	16.25
15	Other Roads	0.00	-	0.00
16	Project in Progress	91.73	-	91.73
17	Project in Progress - Grants	-28.25	-	-28.25
18	Ground water & Bore well	11.38	1.26	10.12
19	Water Supply Head works, OHT etc	1.40	-	1.40
20	Drainage & Sewerage Pipes	3.85	0.53	3.32
	Total	762.84	299.71	463.13

Annexure XIII-b: Details of Depreciation Statement for Assets as on 31.03.2007 – Water supply**(Rs. in lacs)**

S.No.	Item	Gross Block	Depreciation	Net Block
1	Land	4.41	-	4.41
2	Buildings	0.00	-	0.00
3	Heavy Vehicles	5.22	4.39	0.83
4	Light Vehicles	2.89	3.21	-0.32
5	Tools & Plant	0.00	-	0.00
6	Plant & Machinery	6.23	4.22	2.01
7	Water Supply Head works, OHT etc.	110.16	19.36	43.90
8	Deep Bore Wells / Ground Water Well	9.26	1.80	7.46
9	Hand pumps	9.49	9.61	-0.12
10	Reservoirs	9.38	1.97	7.41
11	Public fountains	0.24	0.05	
12	Project in Progress	0.00	-	0.00
13	Projects in Progress - Govt. Grants	0.00	-	0.00
	Total	157.28	44.61	65.58

Annexure XIII-c: Details of Depreciation Statement for Assets as on 31.03.2007 – Eucation fund

(Rs. in Lacs)

S.No	Item	Gross Block	Depreciation	Net Block
1	Land	4.14	-	4.14
2	Buildings	30.93	6.12	24.81
3	Furnitures, Fixtures & Office Equipments	0.00	-	0.00
4	Project in Progress	0.00	-	0.00
5	Project in Progress - Govt.grant	0.00	-	0.00
	Total	35.07	6.12	28.95