

# THENI MUNICIPALITY

## CITY CORPORATE CUM BUSINESS PLAN

**Final Report  
(Revised)  
July 2008**

*Sponsored by*  
**Tamil Nadu Urban Infrastructure  
Financial Services Limited  
(TNUIFSL)**  
Government of Tamil Nadu

*Consultants*  
**Speck Systems Limited  
Hyderabad**



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**CONTENTS**

<b>I</b>	<b>ABBREVIATIONS AND ACRONYMS</b>	
<b>II</b>	<b>EXECUTIVE SUMMARY</b>	
<b>1</b>	<b>CONTEXT, CONCEPT AND CONTENTS OF CCCBP</b>	<b>1</b>
	1.1 Context of the Study	1
	1.2 Objectives	1
	1.3 Scope of Work	1
	1.4 Taks Involved	3
	1.5 Data Inputs from the Client	4
	1.6 Deliverables	4
	1.7 Composition of Review Committee	5
<b>2</b>	<b>TOWN PROFILE, PHYSICAL PLANNING AND GROWTH MANAGEMENT</b>	<b>6</b>
	2.1 Town Profile	6
	2.1.1 Regional setting	6
	2.1.2 Physical Features	6
	2.1.3 Climate and Rainfall	6
	2.1.4 Administrative Status	6
	2.2 Demographic Profile	6
	2.3 Occupational Structure	10
	2.4 Growth Trend - An Overview	11
	2.4.1 Physical Growth	11
	2.5 Review of Physical Planning	11
	2.5.1 Land use Composition	11
	2.5.2 Review of Sectoral Planning	13
	2.6 Growth Management Issues and Solution Initiatives	14
	2.6.1 Growth Potentials of the Town	14
<b>3</b>	<b>VISION AND STRATEGIC PLANNING</b>	<b>17</b>
	3.1 Vision Statement	17
	3.2 SWOT Analysis	17
	3.3 Vision for Theni - Allinagaram	18
	3.4 Strategies for Economic Development	18
	3.5 Performanace and Demand Assessment	23
	3.6 Strategies for Poverty Reduction and Slum Upgradation	24
<b>4</b>	<b>ORGANIZATIONAL STRUCTURE</b>	<b>25</b>
	4.1 Elected Body	25
	4.2 Executive Body	25
	4.2.1 General Administration	25
	4.2.2 Engineering Department	26
	4.2.3 Accounts Department	26
	4.2.4 Public Health Department	26
	4.2.5 Town Planning Department	26
	4.3 Staff Strength Position and Vacancy Position	26
	4.4 Issues in Human Resource	29
	4.5 Organization Management	29

<b>5</b>	<b>PHYSICAL AND SOCIAL INFRASTRUCTURE</b>	<b>31</b>
5.1	Physical Infrastructure -Status, Issues and Improvement Needs	31
5.1.1	Water Supply	31
5.1.2	Sewerage	34
5.1.3	Storm Water Drains	36
5.1.4	Solid Waste Management	37
5.1.5	Roads	39
5.1.6	Bus Stand	41
5.1.7	Bus Shelter	41
5.1.8	Street Lights	42
5.1.9	Parks and Play Fields	43
5.1.10	Amarar Parks	43
5.1.11	Public Convenience	44
5.2	Social Infrastructure	45
5.2.1	Education	45
5.2.2	Medicare	45
5.2.3	Slum Improvement	46
5.2.4	Market	47
5.3	Other Projects	48
5.3.1	E - Governance	48
5.3.2	Greening of the Town	48
5.3.3	Slaughter House	49
5.3.4	Construction of New Office Building	49
5.3.5	Construction of a Stadium	50
5.3.6	Recreational Facilities in Water Bodies	50
5.3.7	Pedestrian Platform	50
5.3.8	Bridges	51
5.3.9	Updation of Database on GIS Platform	51
5.3.10	Non -Conventional Energy Generation	51
<b>6</b>	<b>MUNICIPAL FINANCE</b>	<b>53</b>
6.1	Revenue Account	53
6.1.1	Receipts	53
6.1.2	Expenditure	53
6.2	Capital Account	54
6.2.1	Capital Grants	54
6.2.2	Capital Expenditure	55
6.3	Financial Operating Plan	55
6.4	Collection Efficiency	55
6.4.1	Property Tax	55
6.4.2	Profession Tax	56
6.4.3	Non Tax	56
<b>7</b>	<b>REFORM AGENDA AND ACTION PLAN</b>	<b>57</b>
7.1	Current Scenario in Tamil Nadu	57
7.2	Agenda	57
7.2.1	State level reforms	57

City Corporate cum Business Plan for Theni-Allinagaram.....	Final Report	iv
7.2.2	Municipal level reforms	58
7.2.3	Reforms in Resource Mobilisation	58
7.2.4	Reforms in privatization initiatives	60
7.2.5	Reforms in Audit and Accounting	60
7.2.6	Reforms in Municipal service delivery	61
7.3	Action Plan	63
7.3.1	Water Supply	63
7.3.2	Under Ground Sewerage	64
7.3.3	Solid Waste Management	65
7.3.4	Roads	65
7.4	Policy Intervention and Technical Assistance	66
	National level and State	
7.4.1	level	66
7.4.2	Regional level	66
7.4.3	Municipality level	66
<b>8</b>	<b>FINANCE OPERATING PLAN</b>	<b>67</b>
8.1	Scenario 1	67
8.2	Scenario 2	67
8.3	Capital Investment Plan	69
8.4	Key Assumption for Sustainable Projects Scenario	71
8.4.1	Water Supply	71
8.4.2	Under Ground Sewerage	71
8.4.3	Solid Waste Management	73
8.4.4	Assumptions for O&M Expenditure	72
8.5	Finance Operating Plan – Scenario 2	73
<b>9</b>	<b>ASSETS MANAGEMENT</b>	<b>75</b>
9.1	Land and Buildings	75
9.1.1	Water Supply	75
9.1.2	Storm Water Drains	75
9.1.3	Solid Waste Management	75
9.1.4	Roads	75
9.1.5	Bus Stand	75
9.1.6	Bus Shelter	75
9.1.7	Street Lights	76
9.1.8	Parks and Play Fields	76
9.1.9	Burial Grounds	76
9.1.10	Public Convenience	76
9.1.11	Education	76
9.1.12	Market	76
9.1.13	Slaughter House	76
9.2	Comments on the Assets Managemnt in the Local Body	76
9.3	Management Options for Local Bodies	78
<b>10</b>	<b>PUBLIC CONSULTATION MEETING</b>	<b>81</b>

**TABLES**

2.1	Population Growth and the Decennial Growth Rate since 1951	9
2.2	Ward-wise Population Distribution - 2001	9
2.3	Occupational Structure of Theni - 2001	10
2.4	Existing Land Use - 1998	12
3.1	SWOT Analysis	18
3.2	Industrial Units Data	19
3.3	Performance Indicators for key Municipal Services	23
4.1	Staff Strength position	26
4.2	Vacancy Position	28
4.3	Additional Staff Required	29
5.1	Over Head Reservoirs & Capacity	32
5.2	Water Demand- Projected	32
5.3	Water Supply Projects identified in Theni-Allinagaram	33
5.4	Existing and proposed tariff and deposits for water supply	33
5.5	General Abstract of Theni UGSS	35
5.6	O & M Estimate - Theni UGSS	36
5.7	Road Proposals	40
5.8	New Scheme Road Proposals	40
5.9	Investment Schedule	40
5.10	Bus Stand Improvement Proposals	41
5.11	Street Lighting - Proposals	42
5.12	Investment Schedule	44
5.13	Medicare Proposals	46
5.14	Slum Details	46
5.15	Market Proposals	48
5.16	Pedestrian Platform Proposals	50
5.17	Bridge Proposals	51
6.1	Revenue Income & Expenditure 2003-07	53
6.2	Growth rate and Break up of Revenue Income & Expenditure 2003-07	54
6.3	Capital Grants	54
6.4	Capital Expenditure	55
6.5	Finance Operating Plan	55
6.6	DCB of Profession Tax 2003-2006	56
6.7	DCB of Profession Tax 2003-2006	56
6.8	DCB of Non-Tax Revenue 2003-2006	56
7.1	Agenda for Mandatory Reforms-Theni-Allinagaram Municipality	62
7.2	Water Supply-Risks and Mitigation measures	63
7.3	UGSS-Risks and Mitigation measures	64
7.4	Solid Waste Management-Risks and Mitigation measures	65
7.5	Roads Management-Risks and Mitigation measures	66
8.1	Finance Operating Plan- Scenario 1	68
8.2	Project wise Funding Pattern	69
8.3	Capital Investment Programme – Abstract	70
8.4	Multi Year Investment phasing	70
8.5	Proposed Graded tariff for UGSS	71
8.6	SWM Conservancy fees	72
8.7	Assumed O & M expenditure	72

City Corporate cum Business Plan for Theni-Allinagaram.....	Final Report	vi
FOP projections for Sustainable Projects Scenario- Theni-Allinagaram		
8.8	Municipality	73
9.1	Priority Assets - Existing and Proposed Uses	77
9.2	New Assets for the year - 2008-09 to 2013-2014	80
10.1	Highlights of Stake holder suggestions-8.2.2007	82

### **FIGURES**

2.1	Theni –Allinagaram Municipality –Location	7
2.2	Theni –Allinagaram – Town Map	8
2.3	Population growth of Theni-Allinagaram Municipality	9
2.4	Land use distribution as a percentage to developed area	12
2.5	Land use distribution as a percentage to total area of the town	12
4.1	Status of Municipal Staff Strength	27
4.2	Organizational structure of Theni Municipality	27
8.1	Theni - Income and Expenditure Projections	74
8.2	A comparison between scenario 1&2	74

### **ANNEXURE**

1	Minute of Meeting
2	Memorandum of Agreement
3	Population Projection- Theni- Allinagaram Municipality
4	Assets Depreciation Statement
5	Cash Flow Statement
6	Consolidated Statement
7	Public Consultation Meeting

## Abbreviation and Acronyms

ANM	:	Auxiliary Nurse Midwife
BOT	:	Build, Operate and Transfer
BOOT	:	Build, Own, Operate and Transfer
BPL	:	Below Poverty Line
BSUP	:	Basic Services for Urban Poor
CAA	:	Constitution Amendment Act
CAGR	:	Compounded Annual Growth Rate
CC	:	Cement Concrete
CCP	:	City Corporate Plan
CBED	:	Community Based Energy Development
CDP	:	City Development Plan
CFC	:	Central Finance Commission
CIP	:	Capital Investment Plan
CPHEEO	:	Central Public Health Environmental Engineering Organization
CPM	:	Consultative Process Meeting
DFR	:	Draft Final Report
DPR	:	Detailed Project Report
EAR	:	Environmental Assessment Report
ECR	:	East Coast Road
ESF	:	Environmental and Social Framework
ETRP	:	Emergency Tsunami Reconstruction Project
FY	:	Financial Year
FOP	:	Financial Operating Plan
GLR	:	Ground Level Reservoir
Gm	:	Grams
GoTN	:	Government of Tamil Nadu
Ha	:	Hectares
HP	:	Horse Power
HSC	:	House Service Connection
IHSDP	:	Integrated Housing & Slum Development Programme
IPT	:	Intermediate Public Transport
ISP	:	Integrated Sanitation program
IUDP	:	Integrated Urban Development Project
JNNURM	:	Jawaharlal Nehru National Urban Renewal Mission
Kg	:	Kilogram
Km	:	Kilometre
LAP	:	Local Assistance Programme
LCS	:	Low Cost Sanitation
LI	:	Lakh Litres

LPA	:	Local Planning Area
Lpcd	:	Liters per Capital per day
M	:	Metres
MA&WSD	:	Municipal Administration and Water Supply Department
MIAM	:	Municipal Infrastructure Asset Management
ML	:	Million Litres
MLD	:	Million Litres per day
MPS	:	Main Pumping Station
MSW	:	Municipal Solid Waste
NGO	:	Non Governmental Organisation
NH	:	National Highway
Nos	:	Numbers
OHT	:	Over Head Tank
O&M	:	Operation and Maintenance
PAP	:	Project Affected Persons
PHC	:	Primary Health Center
PPP	:	Public-Private Partnership
RCC	:	Reinforced Cement Concrete
SFC	:	State Finance Commission
SH	:	State Highway
SHG	:	Self Help Group
Sq.km	:	Square Kilometers
SST	:	Summer Storage Tank
STP	:	Sewage Treatment Plant
SWM	:	Solid Waste Management
TEAP	:	Tsunami Emergency Assistance Project
TNEB	:	Tamil Nadu Electricity Board
TNRDC	:	Tamil Nadu Road Development Corporation
TNSCB	:	Tamil Nadu Slum Clearance Board
TNUDP	:	Tamil Nadu Urban Development Project
TNUIFSL	:	Tamil Nadu Urban Infrastructure Financial Service Limited
TEU	:	Twenty Foot Equivalent Unit
TPD	:	Tonnes per Day
TUFIDCO	:	Tamil Nadu Urban Finance and Infrastructure Development Corporation
TWAD	:	Tamil Nadu Water Supply and Drainage Board
UGSS	:	Under Ground Sewage system
UIDSSMT	:	Urban Infrastructure Development Scheme for Small & Medium Towns
ULB	:	Urban Local Body
VAMBAY	:	Valmiki Ambedkar Awas Yojana
WBM	:	Water Bound Macadam
WSP	:	Waste Stabilization Pond
WTP	:	Water Treatment Plant

**EXECUTIVE SUMMARY****1. Town Profile**

Theni - Allinagaram, is an agricultural marketing centre in Tamil Nadu, situated 75 km west of Madurai city. It is situated on the bank of river Theni amidst the Western Ghats, which separates Theni District from Kerala state. The town population is 85,498 as per the 2001 Census. The town extends over 22.52 sq.km and administered by a Grade I Municipality. The town is demarcated into 33 electoral wards.

Theni-Allinagaram is a District headquarter town and is traversed by the National Highway- 49 connecting Rameswaram - Cochin. The Madurai - Bodinayakanur meter gauge railway line, runs parallel to the Madurai - Theni road NH 49 (Extension), bifurcate the developed area of the town.

The Theni river, an irrigation channel, Meerusamudram tank and Valkaradu (a small hillock) are the important physical features of the town. The Theni River forms the southern boundary of the town. The two tanks namely Meerusamudram tank and Sinnakulam are situated on the western side of Periyakulam road.

The economic base of the town revolves mainly around the trade and commerce activities generated from the agricultural produce like cotton, groundnut, sugarcane and paddy. Many agro based industries such as oil mills, ginning factories and modern rice mills are flourishing in the town. Thirty seven per cent of the population constitutes the work force of the town, of which more than eighty percent of the workers are involved in the tertiary sector activities.

**2. City Corporate Cum Business Plan**

The traditional Master Plan with a long – term perspective has proved largely ineffective due to plan and methodology and system deficiencies. Though a long term strategy plan tailor made to achieve the future “VISION” for the town, a City Corporate Cum Business Plan (CCCBP) as a short term tool is needed. The CCCBP aims at preparing a sound base for planned development through filling the gaps especially in essential services totally through a community participatory mechanism to effectively meet the peoples’ judicious requirements over a five year period. The vision for the town was framed as *‘a major regional trading centre for agricultural produce, amidst its vast hinterland, functioning as a district administrative town and a tourist service centre’*. The CCCBP focuses on the implementable urban infrastructure and other projects to meet the important present and future demands.

The projects have been proposed considering the obligatory and discretionary service requirements, facilities and amenities in addition to certain economic establishments, commensurate with the projected population over the plan perspective period entirely in consultation with the town Council, Municipality officials and other prominent stakeholders. Implementation of the proposed projects will ensure enhancing the sustainability of projects, quality of living environment and economic status of the town.

**3. Basic Socio-Economic Infrastructure Facilities**

Provision, Operation and maintenance of basic services namely water supply, drainage ,sewerage, street lighting, public conveniences, markets, slaughter houses and solid waste management, constitute the obligatory functions of the local body.

### 3.1 Water Supply

The water supply system for Theni-Allinagaram towns with Suriliyar and River Vaigai from radial galleries and infiltration wells on the riverbed and deep bore wells sunk on the riverbank. The Municipality supplies 107 lpcd during normal period and 45 lpcd during drought period. The total quantity of water supplied everyday is 9.45 MLD.

The estimated demand for supply of water for the years 2007, 2022 and 2037 are 11.52 MLD, 14.26MLD and 17.00 MLD respectively. To meet the demand the following proposals are envisaged:

1. Additional water supply scheme from Vaigai dam
2. Improvements to the distribution system
3. Improvements at head works
4. Provision of new house service connections

The total estimated cost for the above proposals is estimated as Rs.357.00 lakhs.

### 3.2 Drainage and Sanitation

There is no separate system of sewerage and drainage in Theni-Allinagaram towns. The drains in the northern part of this town discharge the untreated sewage into Sinnakulam and Meerusamuthiram tank and drains in the southern part of the town discharge the untreated sewage into Kothankudi River. In order to overcome these issues, the Municipality has proposed provision of UGSS at a cost of Rs.3475.00 lakhs.

As regards storm water drainage and rain water harvesting, upgradation of the existing drains and additional new drains are proposed by the Municipality at a cost of Rs.375.00 lakhs.

In respect of sanitation aspect, the Municipality proposes to construct 9 new sanitary complexes to serve the people who do not have sanitation facilities and the floating population. The approximate cost proposed for the improvement needs is Rs.36.00 lakhs.

### 3.3 Solid Waste Management

It is estimated that 40 MT of garbage is generated everyday, of which 36 MT is cleared by the Municipality every day. The garbage is then dumped at the compost yard at Upparpatti village of area 19 acres at a distance of 13 km from the town.

Inefficient secondary collection system, outmoded vehicles and inadequate infrastructure facilities at the compost yard are the major issues related to Solid Waste Management. To overcome the issues, the Municipality proposes purchase of collection vehicles and improvement to the new compost yard at an approximate cost of Rs.70.50 lakhs.

### 3.4 Urban Transportation

The town is bifurcated by the NH-49 Rameswaram – Cochin Road along the east - west axis. Apart from the National Highway the Periyakulam road bisect the town in north - south axis. About 70% of the total length of the Municipal roads is bituminized or concretized.

The major issue in road sector is poor surface quality. The Municipality proposes renewal of the existing BT roads and laying of roads identified under DDP for a total stretch of about 29 km at an approximate cost of Rs.777.38 lakhs. Other major capital improvement programme includes improvement proposals to existing bus stand and construction of new Class-A bus stand at an estimate cost of Rs.640.00 lakhs. The improvement works are proposed to be completed in the year 2008-09.

On the aspect of bus shelters, the Municipality has proposed 5 new bus shelters and improvement to the existing 4 number of bus shelters at proposed cost of Rs.35.00 lakhs.

### **3.5 Street Lighting**

The Municipality has provided 2175 streetlights in the town. Of this, 1931 are fluorescent lights, 140 are sodium vapour lights and 102 are mercury vapour lights. On average, there is one streetlight for every 27m, nearly satisfying the norm of one at every 30m.

However, the Municipality proposes sodium vapour lamps along the major road network, streetlights at newly developed areas and solar lights at an estimated cost of Rs.66.80 lakhs.

### **3.6 Education and Health**

There are 19 schools in the town, of which the Municipality maintains only two elementary schools. Deficiencies in the schools broadly relate to inadequate amenities, lack of furniture and sports materials, lack of computers, and non-maintenance of the environment.

The Municipality proposes Rs.30.00 lakhs as Capital investment under the Education funds during the years 2008-09 itself.

Even though, there are a number of private medical practitioners in the town, only the reproductive and child health center is owned and maintained by the Municipality. The Capital investment required under health sector is Rs.5.00 lakhs.

### **3.7 Other Community Facilities**

The park and play fields in the town are limited. The Municipality has two park areas under its control. Inadequate maintenance of these recreational spaces is felt by the public and to meet their requirements, it is proposed to improve the existing parks at a cost of Rs.70.00 lakhs.

### **3.8 Other Facilities**

The other facilities required by the stakeholders proposed as part of the CCCBP include among others;

- Improvement to slums, burial grounds, markets, municipal office building and;
- Construction of slaughter house, recreational facilities at Meerusamuthiram tank and a truck terminal;

### **3.9 Municipal Finance**

Under own source of income, the collection percentage under property tax is good at the rate of 80%. Further, the revenue expenditure is more than own source of income and hence the dependency of the Municipality on the receipts from Government by way of devolution of fund, entertainment tax and duty on transfer of property plays vital role in meeting its revenue expenditure. More or less 50 percent of the revenue expenditure is incurred for establishment expenses

The repayment of loan is meager when compared to the huge outstanding loan liability. The closing balance is on positive note after its commitment to revenue and capital expenditure.

### **3.10 Summary of Capital Investments**

The capital investment proposals for different sectors aggregate to Rs.8243.71 lakhs in the five years starting from 2009-10.

**Multi Year Investment phasing**

	Project Items	Amount	2009-10	2010-11	2011-12	2012-13	2013-14
1	Water Supply	357.00	357.00				
2	Sewerage System	2755.00	550.00	965.00	1240.00		
	Private Sector	720.00	500.00	220.00			
3	Storm Water Drains	375.00		150.00	112.50	112.50	
4	Solid Waste Management	70.50	70.50				
5	Bus Shelters - Private sector	35.00	17.50	17.50			
6	Roads	777.38		233.00	195.00	195.00	154.38
7	Old Bus Stand	40.00	40.00				
	New Bus Stand - Private sector	600.00	400.00	200.00			
8	Street Lights - Private sector	66.80	66.80				
9	Parks and Playgrounds	70.00	50.00	20.00			
10	Amarar Parks	54.88	14.88				
11	Public Convenience	36.00	12.00	12.00	12.00		
12	Education	30.00	15.00	15.00			
13	Medicare	5.00	5.00				
14	Slum improvement	1191.15	250.00	250.00	250.00	250.00	191.15
15	Market	98.00	98.00				
	Marriage hall, godown and commercial complex	140.00	140.00				
16	E-Governance	3.00	3.00				
17	Greening the town	10.00	7.00	3.00			
18	Slaughter House	34.00	34.00				
19	New Office Building	60.00	60.00				
20	Construction of Stadium	50.00				50.00	
21	Recreational Facilities in Water	500.00	250.00	250.00			
22	Pedestrian Platform	60.00	20.00	40.00			
23	Bridges and Retaining Wall	90.00	70.00	20.00			
24	Updation of database on GIS	45.00	45.00				
25	Wind mill (Land cost)	10.00		10.00			
	<b>Grand Total</b>	<b>8243.71</b>	<b>3075.68</b>	<b>2405.50</b>	<b>1809.50</b>	<b>607.50</b>	<b>345.53</b>

Source: Analysis, computation and Discussion with ULB officials

**3.11 Financial Operating Plan**

The FOP indicates that there will be surplus funds from year 2008-09 to 2028-29. It is expected that the ULB will be in a position to undertake the proposed projects recommended in the CCCBP on their own, if the proposed reforms are implemented.

**The projected FOP for Theni Municipality**

Account Head	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2019-20	2024-25	2028-29
Total Receipts	531.27	577.87	864.54	939.42	1012.20	1306.90	1436.61	2152.03	3555.78	5026.12
Total Expenditure	522.22	551.61	612.39	688.77	780.16	1075.31	1142.76	1495.13	1961.78	2350.17
Surplus / Deficit	9.05	26.26	252.15	250.65	232.05	231.58	293.85	656.90	1594.00	2675.96
Annuities / Debt Servicing	55.80	126.71	74.62	76.22	99.79	234.35	238.10	286.48	270.61	224.08
TE/TR	0.98	0.95	0.71	0.73	0.77	0.82	0.80	0.69	0.55	0.47
DS/TR	0.11	0.22	0.09	0.08	0.10	0.18	0.17	0.13	0.08	0.04
Closing Balance	511.46	537.72	825.79	712.92	1097.77	1412.83	1594.47	4512.35	12242.79	21805.15

Source: Analysis &amp; Computation

Speck Systems Limited, Hyderabad.....TNUIFSL

## CONTEXT, CONCEPT AND CONTENTS OF CCCBP

### 1.1 CONTEXT OF THE STUDY

The Government of India has received a loan equivalent to US \$300 million from the World Bank towards the cost of Third Tamil Nadu Urban Development Project (TNUDP III) which comprises, in turn a number of components including preparation of City Corporate cum Business Plans for eligible urban centres in Tamil Nadu. The Tamil Nadu Urban Infrastructure Financial Services Limited (TNUIFSL) of Tamil Nadu Urban Development Fund (TNUDF) is a financial intermediary which, inter alia intends to assist select urban centres in strengthening and improving their resource positions for effective Capital Investment Management and delivery of urban services. TNUIFSL has identified urban local bodies which have good potential for implementation of such financial reforms immediately, and for such towns, TNUIFSL considered it essential to formulate City Corporate cum Business Plans (CCCBP). Incidentally, such urban local bodies had recently prepared the Vision Plans which encompass projects that were felt necessary, and it is broadly required now to assess the need and feasibility of these projects and while updating them, prepare Capital Investment Plan on a sustainable mode.

### 1.2 OBJECTIVES

The objectives of the study include:

- Defining the directions of growth and upgradation of services relevant to economic activities and development.
- Examination of the need for the projects identified by the Urban Local Bodies, and assessment of the demand in terms of gaps either as deficiency or as excess.
- Studying the status of essential urban infrastructural services and outlining broadly the needs.
- Defining specific rehabilitation and capital improvement needs of infrastructural facilities and services in all parts of the urban areas including slums.
- Analysis of improvement techniques and methods to enhance the local bodies' resource positions and improve the management system that would sustain the proposed rehabilitation programmes.
- Identification of reforms required in administration and service delivery system of the urban local body.
- Studying improvements / changes required in the ULB setup to improve the O&M of assets.
- Identifying measures to address overall growth measures including service needs in a sustainable mode.

### 1.3 SCOPE OF WORK

The scope of works covers the following:

- 1) Assessment of the demand for the projects listed out by the Municipalities.

- 2) Financial assessment of the ULBs- an assessment of local finances in terms of sources and uses of funds, base and basis of levy, revision history and impacts, State assignments and transfers- base and basis of transfer and its predictability; uses of funds outstanding liabilities (loans, power dues, pension etc) and, a review of revenue and service management arrangements; levels of service, coverage 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 realization, quality of existing assets in relation to service levels and coverage, and institutional constraints. Development of quick indicators of performance, based on:
  - a) Current coverage and additional population in the medium term (10 years) and unit cost and indicate city level investment requirement for upgradation of city wide infrastructure.
  - b) Improvement of service coverage and asset quality;
  - c) Preparation of a comprehensive Asset Management Plan and use of fiscal notes and policy analysis to assist in making informed investment choices to achieve sector/ city goals
  - d) Defining priority assets and indicative costs of rehabilitation
  - e) Conducting fiscal impact analysis of investments: life- cycle, O&M costs, revenues from project, and costs/ impacts on finances
  - f) Exploring funding options for rehabilitation of facilities
- 4) Preparation of a Finance Operating Plan (FOP). The FOP is a medium term framework of the ULBs. The commentary for the FOP will largely cover:
  - A. Costs**
    - Energy cost on UGD, Water Supply etc.
    - Salary for all the departments including staff and payments to private operators.
    - The benchmark cost i.e. at ideal condition, the cost of the identified investments for the next 5 years with identified sources of finance.
  - B. Areas of reduction in expenditure**
    - Energy audit resulting in savings in energy.
    - Leak detection either in connections or in the tariff, maintaining the same supply and achieving a reduction in energy cost.
    - Privatizing the Municipal Solid Waste collection and identifying a BOT operator for efficient and cost effective operation.
    - Laying of cement concrete road / fly ash and savings on maintenance cost resulting in increasing operating surplus.
    - Water recycling / reuse
    - Rejuvenation of tanks and Ooranies, and reduction of cost in water supply schemes

- Privatization and option for revenue rising.

**C. Options for increasing the revenues through non-traditional methods**

- Land development for raising revenue.
- Improving tax collection performance
- Up-dating property assessment
- Computing tax payment through scientific formula
- Community participation in implementation and maintenance of projects
- Adopting technology interventions in areas of waste water treatment, solid waste management, water cycling, rain water harvesting, road surfacing, tapping un-conventional energy sources, street lighting etc.
- Computerization of administration and management of ULB activities
- Up-dating database and working on GIS format including property mapping and records, utility networking, assets management
- Exploring possibilities of issue of bonds for projects
- Privatizing certain projects on BOT, BOOT etc. basis

**D. Action to Ensure Implementation of projects**

- Preparation of a draft Memorandum of Association between ULB and TNUIFSL.
- Consultations with council and local stakeholders on the priorities; and work with the Council to resolve on adoption of the City's FOP and CCP actions.
- 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 TASKS INVOLVED**

- 1) To assist and encourage full participation and consensus within the city to arrive at an adequate, appropriate and agreed development plan priorities.
- 2) To inform, consult and assist the ULBs in assessment and in consultations, and to support establishment and activities of a representative and effective Operational Working Group (OWG) to manage, drive and guide the process.
- 3) To help the OWG define and manage an appropriate process for the CCP.
- 4) To assist the ULBs in reviewing the works and plans of other Government, Quasi-Government and Voluntary Organizations operating within the study area.
- 5) To review all studies, plans and previous experience in the town, government, quasi- or non-government, academic or private sector. This will include economic

development, urban and financial management, environmental protection, municipal service delivery, slum improvement, social development and any other relevant initiatives or studies.

- 6) To analyze findings and draw out useful lessons in order to frame the City Action Plan. The process shall primarily focus upon the areas of:
  - a) Urban Economic Development
  - b) Social Assessment/ Poverty Reduction
  - c) Land Use Planning and Urban Management
  - d) Urban Infrastructure
  - e) Human Resource and Institutional Issues
  - f) Financial Management, and
  - g) Environmental Management and adverse social impacts (loss of habitat and sources of income)
  
- 7) At the request of the Operational Working Group, to provide technical and professional support in the analysis of problems and constraints facing the city, identification of necessary outline investments, determining priorities, identifying interventions that have the greatest potential impact and identifying immediate actions, which could be implemented.  
At all stages, institutionalization of the planning methodologies and processes in the town will be kept in view.

### **1.5 DATA INPUTS FROM THE CLIENT**

The ULBs will lead the study and liaison and, coordinate with relevant Central, State and Quasi-Governmental agencies. The ULBs shall make available for consultation purposes their senior officials, identify and furnish the relevant data and documentation for the consultant's information and review.

The Consultants shall report to the Municipal Commissioner of the ULB. While the ULBs will have the overall responsibility of design, a committee comprising officials from TNUIFSL and CMA will oversee preparation process.

List of projects identified by the Municipality at different points of time during the last five years shall be given to the consultants.

### **1.6 DELIVERABLES**

#### **i) Demand assessment of identified projects**

The ULBs have identified certain projects, the demand for which would be assessed by the consultant

#### **ii) Rapid Urban Assessment (RUA)**

Review of town's economic development, physical planning and growth management issues, physical infrastructure status, social infrastructure status, and municipal fiscal status.

The O&M requirements, capacity assessments to operate and maintain systems needs infrastructure and financial improvement needs of the town and identify Capital Investment needs for consultation with local stakeholders.

**iii) Strategy Plan**

Identifying areas of development and physical requirements focused on local economic development and poverty reduction.

**iv) Capital Investment Needs**

Performance assessment, demand assessment, and project identification and costing; the CPI broadly comprise water supply system, sewerage and sanitation, solid waste management, storm water drainage, roads, slum infrastructure, and traffic and transport planning.

**v) Priority Asset Management Plan**

O&M plan for services and for lands vested with the ULBs shall be prepared for the first five (5) years.

**vi) Project Risk, Environmental and Social Assessment (ESA)**

Project structuring options and associated risks, environmental and social impacts are to be included.

**vii) Finance Operating Plan**

Outlining the revenue enhancement measures required to sustain proposed investments after accounting for O&M and debt servicing. Suggests suitable actions for project sizing and/or project implementation, and action plans to sustain investments based on capital investment needs. Indicates the credit worthiness of the ULB in terms of its borrowing capacity, repayment of debts and growth oriented development.

**viii) Draft MoA****ix) Policy Interventions**

Institutional and policy reforms– institutional changes and policy reforms required for effective governance and financial management.

**x) Technical Assistance**

Outline of the technical assistance requirements for effective implementation of the CIP.

**xi) Final Report****1.7 COMPOSITION OF REVIEW COMMITTEE**

The review committee includes,

1. Chairman of concerned ULBs
2. CEO, TNUIFSL / representatives from TNUIFSL
3. CMA / representative from CMA
4. Commissioners of concerned ULBs

## TOWN PROFILE, PHYSICAL PLANNING AND GROWTH MANAGEMENT

### 2.1 TOWN PROFILE

#### 2.1.1 Regional setting

Theni town, the head quarters of Theni District lies 18 km south west of Periyakulam town and 75 km west of Madurai city on the Rameswaram - Cochin NH-49 at 10° 37' north latitude and 77° 20' on east longitude. It is situated on the bank of river Theni adjacent to the Western Ghats, which separates Theni District from Kerala State. Theni-Allinagaram is a First Grade Municipality with an area of 22.52 sq.km. Map 2.1 and 2.2 show the regional setting and town map respectively.

#### 2.1.2 Physical Features

The Theni river, an irrigation channel, Meerusamudram tank and Valkaradu (a small hillock) are the important physical features of the town. The Theni River forms the southern boundary of the town. The two tanks namely Meerusamudram tank and Sinnakulam are situated on the western side of Periyakulam road. The Madurai - Bodinayakkanur meter gauge railway line runs parallel to the Madurai - Theni road NH 49 (Extension), bifurcate the developed area of the town. The physical growth of the town is restrained by the wet land located between the railway line and Theni River, in the southern direction, Meerusamudram tank and Sinnakulam along western side, the Valkaradu hillock along the north and eastern sides.

#### 2.1.3 Climate and Rainfall

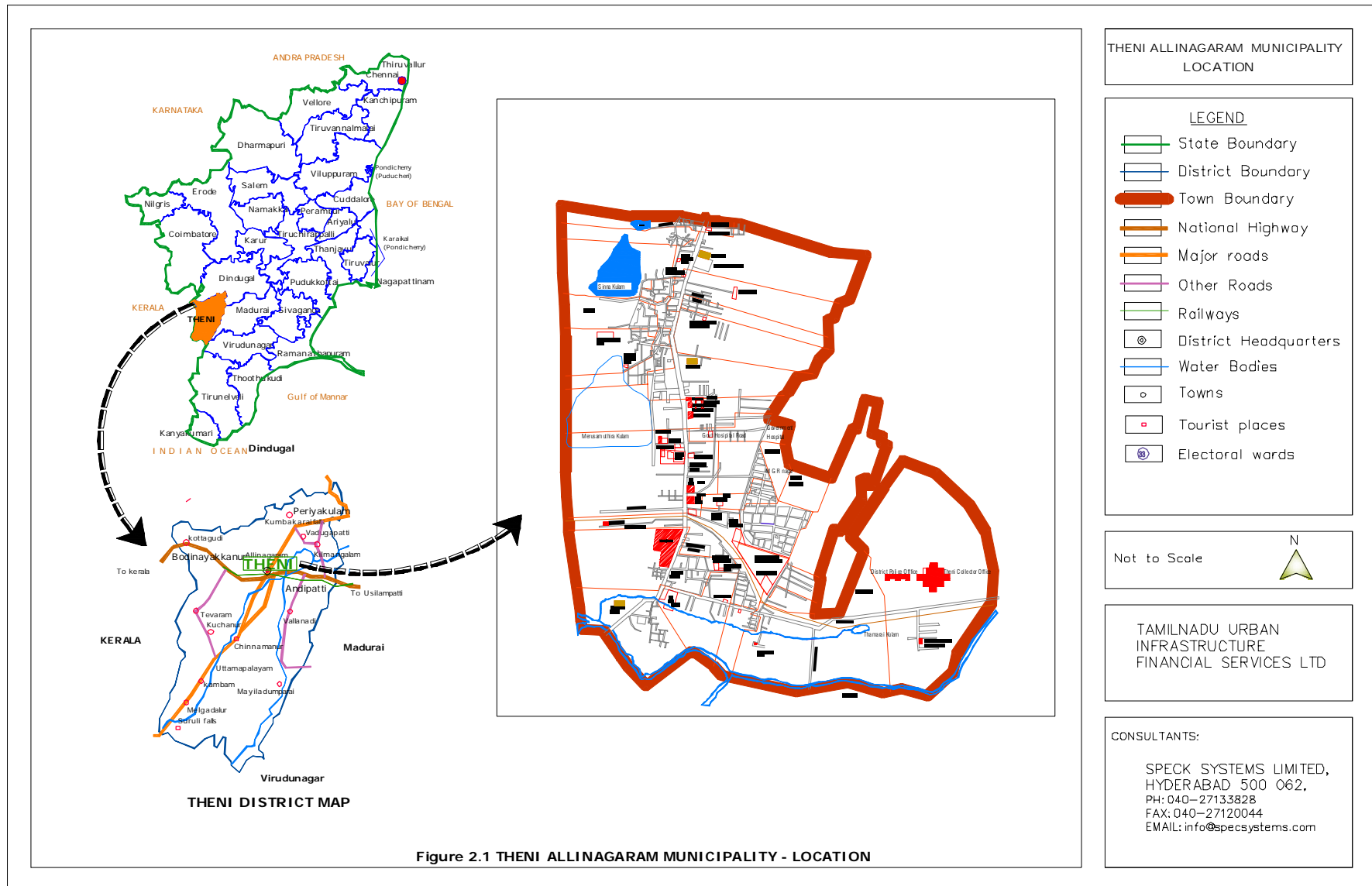
The maximum temperature during summer is 39°C and the minimum during winter is 24°C. The mean humidity is 70% which varies from 62% to 79%. The seasonal climate conditions are moderate and the weather is uniformly salubrious. The town gets maximum rainfall during the south west monsoon period. The average annual rainfall received in the town is 770 mm.

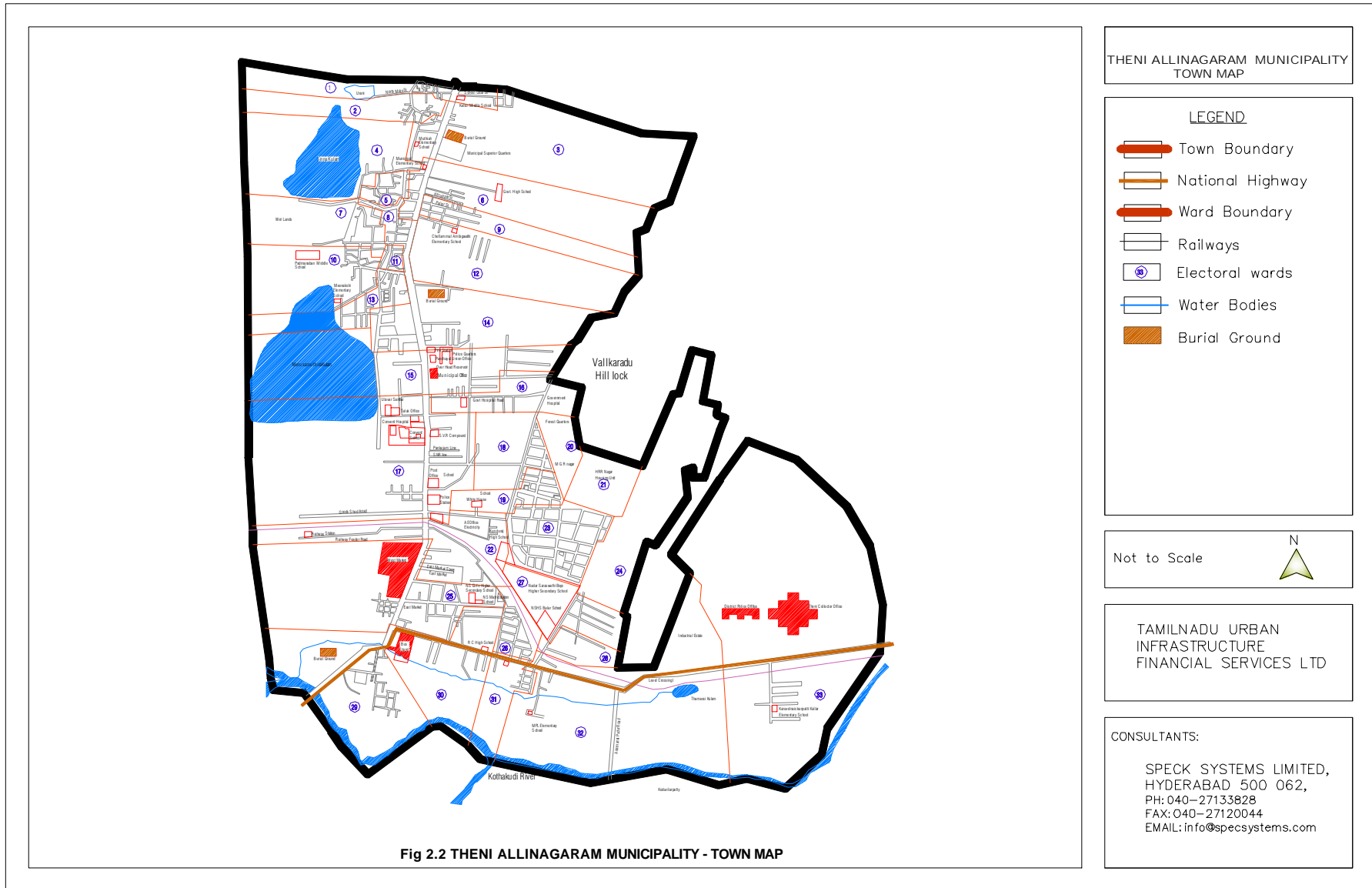
#### 2.1.4 Administrative Status

Theni-Allinagaram Municipality is a First Grade Municipality with 33 electoral wards. The Commissioner is the Executive Authority and the Head of Administration of the Municipality. The Commissioner is assisted by the Municipal Engineer, Sanitary Officer, Town Planning Officer and Manager.

### 2.2 Demographic Profile

Theni-Allinagaram Town extends over an area of 22.52 sq.km. The town had registered a population of 85498 in 2001 with a growth rate of 30%.The population growth and the decadal growth rate from 1951 are given in table 2.1 below.

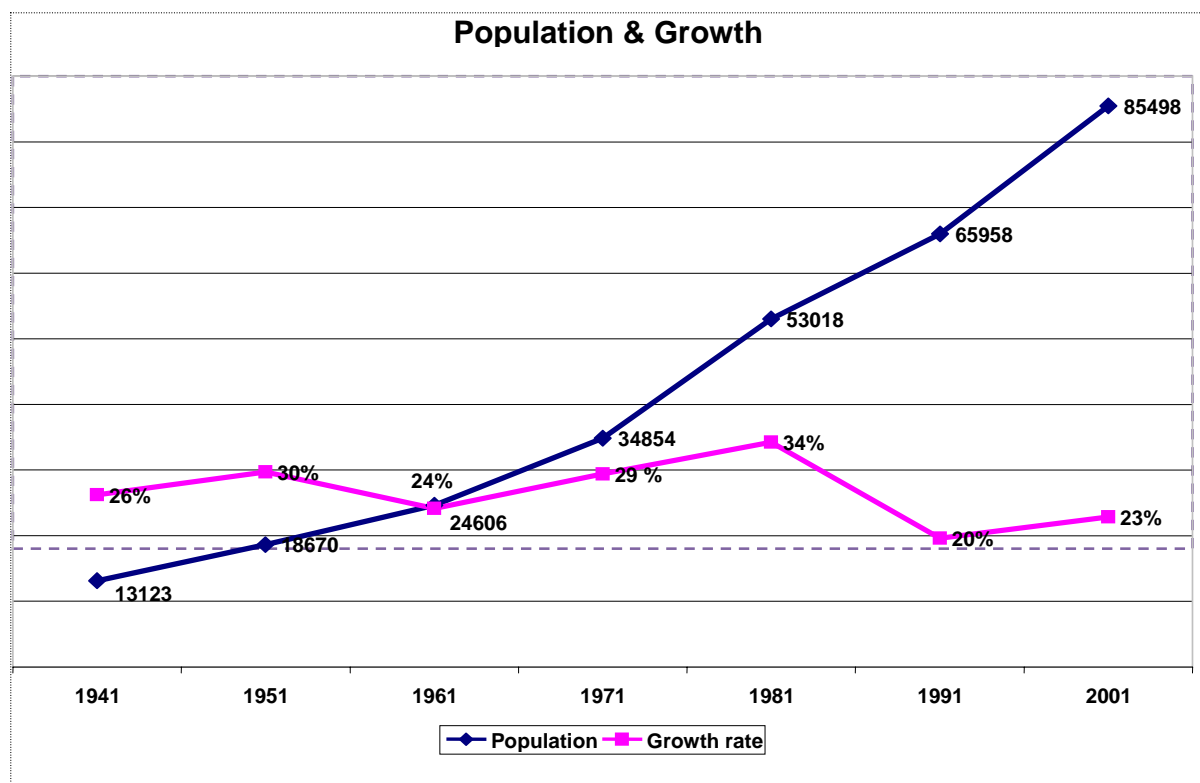




**Table 2.1 Population Growth and the Decennial Growth Rate since 1951**

S.No	Year	Population	Decadal Growth Rate (in %)
1	1951	18670	
2	1961	24606	31.79
3	1971	34854	41.65
4	1981	53018	52.11
5	1991	65958	24.41
6	2001	85498	29.62

Source: Census of India – 2001



**Fig 2.1 Population growth of Theni-Allinagaram Municipality**

Though, the population has increased from 1951 to 1971, there is a gradual decrease in growth rate. This decline may be attributed to the family planning measures adopted by the people and the out-migration of people to nearby industrial towns and major urban settlements like Madurai seeking better employment opportunities. The density of the town is 434 persons / ha (Theni-Allinagaram Master Plan-1998). The sex ratio of the town varies from 778 to 1676 within the wards and 976 at the town level as given in the Table 2.2

**Table 2.2 Ward-wise Population Distribution - 2001**

Ward No.	Male	Female	Sex Ratio	Total
1	1324	1250	944	2574
2	970	938	967	1908
3	1738	1632	939	3370
4	1744	1650	946	3394
5	854	836	979	1690
6	1281	1198	935	2479

7	746	762	1021	1508
8	707	746	1055	1453
9	972	916	942	1888
10	1155	1273	1102	2428
11	770	706	917	1476
12	3661	3668	1002	7329
13	1217	1230	1011	2447
14	1055	1121	1063	2176
15	2053	2050	999	4103
16	1007	1017	1010	2024
17	1261	1218	966	2479
18	1772	1728	975	3500
19	952	919	965	1871
20	787	830	1055	1617
21	1027	915	891	1942
22	1514	1524	1007	3038
23	1381	1343	972	2724
24	958	944	985	1902
25	553	927	1676	1480
26	1246	1245	999	2491
27	2818	2193	778	5011
28	1286	1288	1001	2574
29	1630	1499	920	3129
30	822	834	1014	1656
31	809	879	1086	1688
32	1852	1787	965	3639
33	1352	1158	856	2510
<b>Total</b>	<b>43274</b>	<b>42224</b>	<b>976</b>	<b>85498</b>

Source: Municipal Records

### 2.3 Occupational Structure

The total number of main workers as per 2001 census was 31,839 constituting 37% of the total population. Primary sector occupation accounts for 14% and the tertiary sector for 84 % of the total workers as given in table 2.3. The high percentage of tertiary work force may be due to the elevation of the town as District Head Quarters as well as concentration of trade and commercial activities.

**Table 2.3 Occupational Structure of Theni - 2001**

Category of Workers	Total	Male	Female	Percentage	% to Population	% to Main work force
Total Workers	31839	24416	7423	37.24	37.24	--
Main Workers	27677	21781	5896	32.37	32.37	100.00
Cultivators	307	249	58	1.11	--	1.11
Agricultural labourers	3479	2228	1251	12.57	--	12.57
Workers in household industries	657	376	281	2.37	--	2.37
Other Workers	23234	18928	4306	83.95	--	83.95
Marginal Workers	4162	2635	1527	4.87	4.87	--
Non Workers	53659	18858	34801	62.76	62.76	--

Source: Census of India 2001

## **2.4 GROWTH TREND – AN OVERVIEW**

### **2.4.1 Physical Growth**

Theni town is located 450 km south – west of Chennai, the State Head Quarter. It is the District Head Quarter of the Theni District lying 18 km southwest of Periyakulam town and 75 km west of Madurai city on the Rameswaram - Cochin N.H. Extension No.49. The town is located close to the Western Ghats, which separates Theni District from Kerala state.

The Kothankudi river, an irrigation channel, Meerusamudram tank and Valkaradu (a small hillock) are the important physical features of the town. The Kothankudi River flows along the Southern boundary of the town.

- The two tanks namely Meerusamudram tank and Sinnakulam are situated on the western side of Periyakulam road.
- Another physical feature is the Madurai - Bodinayakkanur Meter Gauge Railway line, which runs parallel to the Madurai - Theni road, bifurcating the developed area of the town. The land, which lies in between railway line and Kothankudi River, are mostly wetlands, which restrict the development of the town in the Southern direction.
- While Meerusamudram tank and Chinnakulam restrict the physical development of the town along the western side, the small hillock Valkaradu restricts the expansion of the town along the north and eastern sides.

Hence, the town is likely to expand along Periyakulam Road and Madurai road. The Madurai Road has been upgraded as NH-49 (Extension) and passes through the town.

### **Upgradation of Status of ULB**

Theni – Allinagaram was constituted as a Third Grade Municipality in the year 1964 with a population of 24,606. The entire area of Allinagaram revenue village was included within the jurisdiction of the Municipality. Later on the areas of Thiyagaraja nagar, Theni co-operative building society layout, and Saraswathi Nadar Boys Higher Secondary School and Government hospital were added on to the Municipal area. Subsequently, the Adi Dravidar Colony, Industrial Estate, Theni Housing Board Area and Forest Department Office & Quarters were annexed and Theni-Allinagaram was upgraded to First Grade Municipality on 1983.

## **2.5 REVIEW OF PHYSICAL PLANNING**

### **2.5.1 Land Use Composition**

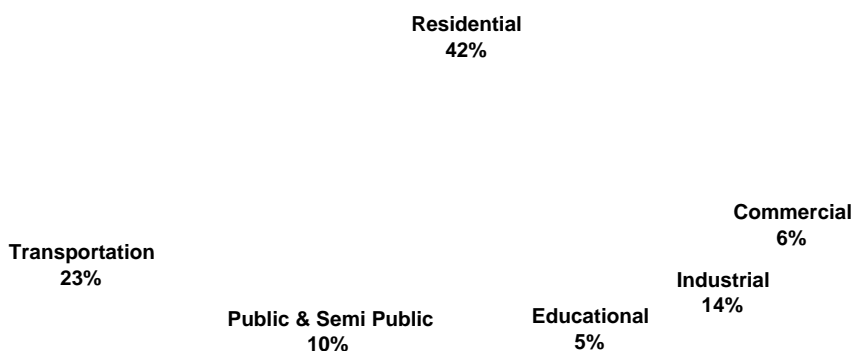
The latest land use pattern available on records with the Municipality is for the year 1998. As per this land use data, the total developed area constitutes to 16.30 % of the total area. The higher proportion of land is under Residential use (42 %) and the least is under Educational (5%). (Table 2.4)

**Table 2.4: Existing Land Use - 1998**

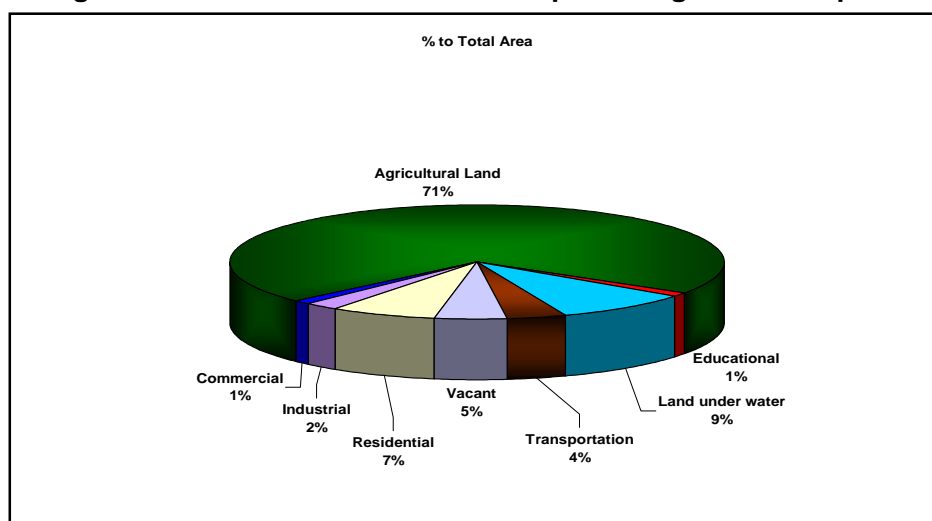
S.N	Land Use	Extent In Hectares	% to developed area	% to the total area
1	Residential	151.83	41.38	6.75
2	Commercial	22.62	6.16	1.00
3	Industrial	52.29	14.24	2.32
4	Educational	19.20	5.23	0.85
5	Public & Semi Public	38.36	10.46	1.70
6	Transportation	82.68	22.53	3.68
	<b>Total Developed Area</b>	<b>366.98</b>	<b>100.00</b>	
7	Agricultural Wet	202.60	-	8.99
	Irrigated Dry	1175.05	-	52.17
	Dry	200.20	-	8.88
8	Land under water	201.19	-	8.94
9	Vacant	106.37		4.72
	<b>Total undeveloped area</b>	<b>1885.41</b>	-	-
	<b>Total Town area</b>	<b>2252.39</b>		<b>100.00</b>

Source: Theni-Allinagaram Master Plan 1998

**% to Developed Area**



**Figure 2.4 Land use distribution as a percentage to developed area**



**Figure 2.5 Land use distribution as a percentage to total area of the town**

## **2.5.2 Review of Sectoral Planning**

### **i) Traffic and Transportation**

Theni – Allinagaram has two major thoroughfares viz., Periyakulam road and Madurai road, the former is passing from North to South and the latter passing from East to West bisecting the town. Madurai road has been upgraded as NH-49 (Extension) as it connects Cochin via. Bodinayakanur. The total length of roads and streets within the Municipal limit is 60.195 km, consisting of 30.489 km B.T Road; 14.897 km cement road, 2.067 km WBM road and 12.742 km other roads.

Apart from this, the Periyakulam road and Madurai road (NH-49) measuring a total length of 7 km is maintained by the Highways Department.

### **a) Bus Stand – Need for a New One**

The present bus stand is situated at the junction of Madurai - Kumuli road and Periyakulam road. The bus stand caters to an average number of 350 buses per day.

The town is well connected with the surrounding major urban centers and villages. Though the bus stand has been modernized with loan assistance obtained from IUDP scheme to facilitate the passengers by providing shelters, bus-parking bays, shops and booking counters, pay and use toilets etc., it does not cope with the increasing influx of passengers. Therefore, this situation calls for an imperative action of finding an alternative site for a more extensive bus stand.

### **b) Railways**

The Railway station is located west of Periyakulam road. Two passenger trains run regularly between Madurai city and Bodinayakanur via Theni. The BG line crosses the town in the south in the east-west orientation. Agricultural produces are transported through goods trains to Chennai and to the northern, central and western parts of India. The major exported items consist of oil seeds, oil cakes, cottonseeds, food grains, chillies and tamarind.

### **ii) Water supply**

The per capita supply is maintained at 110 lpcd. Theni–Allinagaram has three head works for water supply with Rivers Suriliyar and Vaigai as the sources. The three water supply schemes are:

- (1) Suriliyar River Water Scheme at Palani Chettipatti
- (2) Vaigai River Water Supply Scheme at Arapadi Devanpatti
- (3) Veerapa Ayyanar Kovil Water Supply Scheme

The three sets of scheme for pumping, treatment & chlorination provide drinking water to the town. The total design capacity of the schemes is 77.20 lakh litres. The quantity of water pumped from the head works is 63 lakh litres.

### **iii) Drainage System**

There is no underground drainage system in the town. At present, open drainage system is functioning in the town for the older settlements at the heart of the town. The other developing areas

at the north and east do not have this drainage facility. Hence, the comprehensive drainage system for the unserved areas should be given top priority.

**iv) Recreational Facilities**

There are two park sites notified in the town. One park is maintained by the Municipality and another by a Private owner. There are three playgrounds attached to the Higher Secondary Schools and maintained by the concerned school authorities.

**v) Health care**

There is one government hospital having bed strength of 80. Apart from this, 40 private hospitals and dispensaries having total bed strength of 350 are available in the town to meet the medical requirements of the people. There is also one veterinary hospital, which serves the entire town and the surrounding villages.

**vi) Educational Facilities**

After the introduction of the Government's free meal scheme for education, the number of school going children has considerably increased. The land covered by educational institutions accounts to 19.20 hectares.

The educational institutions are well spread in the thickly built-up residential areas, catering to the different categories of student's in the town. Most of the higher educational institutions such as higher secondary schools are in the central part of the town. The Industrial Training Institution (ITI), the only available technical institution is located at Madurai road in the eastern end of the town.

## **2.6 GROWTH MANAGEMENT ISSUES AND SOLUTION INITIATIVES**

### **2.6.1 Growth Potentials of the town**

**i) Residential Development by 2024**

The existing gross residential density accounts for 434 persons per hectare, which is considered very high for a town with an economic base of agriculture, trade and commerce. The new developments on the northeastern part of the town, where planned developments are taking place, present a picture of sparse developments with medium density. It is also expected that the new developments of the northeastern portions lying east of Periyakulam road would take place as medium density areas as Detailed Development Plans (DDP) cover them. Hence, a gross residential density of 320 persons / hectare is considered in the Master Plan. Accordingly, a total land of 312 hectares is required for the future population of one lakh in the year 2021. However, an extent of 324.42 hectares has been provided for residential purpose.

Based on the prevailing trend of the development, the major residential areas are proposed to be developed on the west of Sinnakulam in the northern part of the town and eastern side of Periyakulam road (already covered under Detailed Development Plans). The area lying north of Madurai road and in between the Industrial estate and the town boundary and the area lying in between Valkaradu and bye pass road are also proposed.

**ii) Commercial Development by 2024**

The existing commercial area of the town is 22.62 hectares and this works out to be 0.34 hectares/1000 population. Due to the up gradation of the Madurai – Cochin road as National

Highway and Southern Railway's proposal for connecting this town with Dindigul and Kumuli by a Broad Gauge (BG) line, the commercial activity of the town is expected to show a tremendous growth in the years to come.

The commercial developments are proposed to take place in an organised manner with parking, loading and unloading facilities along the major roads of the both existing and proposed, to serve to the entire town's population spread all over the town. As such, the lands on both sides of the Periyakulam road, the Madurai road, the proposed road (24m wide) on the Western part of the town and the by-pass road have mostly been covered under the Detailed Development Plan. Apart from this, many pockets of lands in Detailed Development Plans have been proposed for commercial use. The quantum of commercial area (other than reserved in Detail Development Plans) is as follows: -

1. Bye pass road : 45 m depth
2. Madurai road : 45 m depth
3. Proposed road (24m) : 45 m depth
4. Periyakulam road : 45 m depth

### iii) Educational Needs

The existing Educational institutions upto higher secondary schools have been allocated in the older settlements as well as in the new residential developments such as Theni cooperative building society layout and Housing board layout areas. A few institutions are located abutting the Main roads, in the Eastern part of the town. A new Matriculation School is located on the West near the ITI. These Educational institutions cover an extent of 19.20 hectares of land, which works out to 0.29 hectares/ 1000 population. The Theni Medical College is located on the Madurai road outside Municipal limits. No additional land is required for this use, since the Residential developments proposed in the plan would take care of new educational institutions. However, in the future, the increasing demand for Higher Educational institutions would mean a need for more space. This space has been identified outside the Municipal limit along the bye pass road, as large extents of dry lands are available.

### iv) Public and Semi-Public uses

The present land coverage under Public and semi public uses is 38.36 hectares. This works out to 0.56-hectare/1000 populations. A standard of 1.20-hectare/1000 population is considered for adoption. Accordingly, the total land requirement is calculated as 120.00 hectares of land for the year 2021. At present, a total land of 122.20 hectares is allocated for this use, which satisfies the requirement.

In order to have balanced developments a few places in Northern and Southern parts of the town area are also proposed for this use. This proposal is amidst Residential development on the West of Sinnakulam in the North and on the Northern side of District Collectorate complex in the South. Apart from these proposals, large extents of land are also reserved for the Public purpose in Detailed Development Plans.

### v) Industrial use in future

Though the town is a service center for agricultural produce, the Industrial activity of the town is also increasing significantly in the recent past because of the promising incentives of Governments and financial assistance from quasi government organizations. The industrial workers projected in the

town worked out to 10,500. By adopting the workers density of 120 - persons / hectare the total land requirement will work out to 87.5 hectares and it will result in 35.21 hectares of additional land. However, it is assumed that many of the future industries may find their place along Periyakulam road, Uthamapalayam road and Madurai road outside the local planning area limits for the reasons of availability of vast stretch of dry lands and cheap labour. Further, the industrial growth within the town limit has to be discouraged to some extent so that the urban agricultural pockets of the town shall be retained. Hence, an extent of 64.83 hectares of land is provided for the industrial use at suitable places of the town for the year 2021. This works out to be 0.65 hectare/ 1000 population.

**vi) Agricultural use within the Town**

Except a pocket on the west of Sinnakulam tank, the potential agriculture lands lying on the western and southern part of the town are not taken for urban development as these areas are surrounded with wet crop fields, coconut and mango groves and sugarcane fields and are therefore reserved for agricultural use. The new development proposals are allowed to take place in dry lands only.

## VISION AND STRATEGIC PLANNING

### 3.1 VISION STATEMENT

The Vision Statement of the stake holders for the town will be an urban perspective framework for a period of 20-25 years. The Vision Statement will indicate improving infrastructure facilities and help in creating durable public assets and quality oriented services. The focus of the vision statement will also be on enhancing public private partnership in infrastructure development and promote planned integrated development of the project towns within the regional frame work.

The preparation of Vision Statement shall involve the following three stages:

#### a. Town assessment and policy interventions.

The preparation of the Vision Statement is primarily based on secondary data collected from respective departments and during the course of the Study wherever necessary data gap were found, the data have been supplemented through primary survey.

A detailed analysis to find out the existing status of each admissible sector, cross-referring the norms and standards, demand and gaps based on present and future service requirements is done. A SWOT analysis was done based on the data collected on the resources and consultation with the stake holders in the following section. Accordingly, interventions are suggested.

#### b. Stakeholder Consultation

The City Corporate Plan is a tool which adapts a corporate approach to plan and implement projects in a participatory mechanism involving users, elected councilors, line agencies, private organizations, NGOs and CBOs. In this process, residents of various sections of the communities in the town were enquired into at random during reconnaissance survey and visits to all the sites of the projects identified by the Municipality and also otherwise suggested by the elders. The broad purpose of stakeholders participation is to involve the stakeholders in the development plan for the city.

#### c. Finalization of Vision Statement.

The Vision Statement has been firmed up based on the feed backs received from the stake holders and expert survey of the municipal services for the perspective year of 2029.

### 3.2 SWOT ANALYSIS

A SWOT (Strength, weakness, opportunities and threats) analysis illustrates the Stakeholders perception and the consultants' analysis of the town. A brief SWOT analysis for Theni - Allinagaram town is given below:

**Table 3.1 SWOT analysis**

STRENGTH	WEAKNESS
District Headquarter town	Absence of underground sewage system
Surrounded by fertile agricultural settlements	Inadequacy of parking spaces and disorganized traffic in central area
Business and administrative centre West of Madurai	Suspended dust particles high due to unpaved surfaces
Good connectivity – By road ,rail and air.	Inadequate staff for solid waste collection and disposal.
Trading centre for spices ,cotton and beverages	Haphazard and high density development in the core area.
Surrounded by tourist centres, rivers and dams.	Unexploited opportunities from the diverse agricultural produce of the hinterland
OPPORTUNITIES	THREATS
Potential of agro-based industries – masalas, tea, coffee, cotton and textile mills etc	Infrastructure deficiencies causing pollution
Proposed broad gauge connectivity to Theni	Unsafe pedestrian movement in the core area
Opportunities for a Eco- tourism (STZ) in the region	Threat to surrounding natural environment
Scenic seclusion of hinterland attracts film makers and tourists.	Physical features surrounding the town restricting growth.
Enterprising Municipal authorities and elected representatives	Inadequate recreational facilities within Municipal limits
Second largest weekly market in Tamil Nadu interms of turnover.	Rain water runoff into streams and water bodies due to terrain conditions.

Source: Analysis and feed backs from stakeholder workshop.

### 3.3 THE VISION FOR THENI-ALLINAGARAM

Theni is a District head quarter town and a business and service hub west of Madurai. Theni district is surrounded by the Western Ghats, with it green stretches of cultivated lands and tea gardens. Silk cotton, soft towels, coffee seeds, cardamom and mango are the main produce of the district. The National Highway-49 is the main route for the tourist bound from Madurai to Bodi, Kochi Munnar, Thekkadi etc.

The vision for the town is framed as *‘a major regional trading centre for agricultural produce, amidst its vast hinterland, functioning as a district administrative town and a tourist service centre’*.

### 3.4 STRATEGIES FOR ECONOMIC DEVELOPMENT

#### Current scenario

#### Industrial Establishments

Since the agricultural produces like cotton, groundnut and paddy are available in plenty in the town, the agro based industries such as oil mills, ginning factories and modern rice mills are flourishing in

the town. Though these industries are located along Periyakulam road and Madurai road, the hub of industrial activity is taking place in the central part of the town, north and south of the railway line. The industries have also developed along Periyakulam road and Cumbum road outside the Municipal limit, are taking advantage of the agricultural activities under taken in the vast hinterlands in the villages located around the town. Table 3.2 indicates the type of industry and workers employed in these units in Theni- Allinagaram Local Planning Area.

**Table 3.2 Industrial Units Data**

Sl. No	Category of Industry	Number	% to total no.of units	Total workers	% to total no.of workers
1	Ginning factory	20	43.48	1585	51.49
2	Textile mills	3	6.52	1125	36.55
3	Rice mills	8	17.39	165	5.36
4	Others	15	32.61	203	6.60
	<b>Total</b>	<b>46</b>	<b>100.00</b>	<b>3078</b>	<b>100.00</b>

Source: Master Plan, 1998.

The area covered by industries is 52.29 hectares, which is 14.24% percent to the total developed area.

### **Commercial Units**

The commercial areas consist of wholesale markets and retail shops of agricultural produce mainly of cotton, chillies, groundnut, paddy, pulses, cholam, ragi, etc. The commodities collected from the adjoining villages (within a radius of 45 km) are marketed in the town. Bulk quantities of the above commodities are being transported to the Northern States also. Besides this, a considerable number of hotels and lodges form a part of the commercial areas.

There are two weekly shandies in the town, viz., East shandy and West shandy located on the Periyakulam road. These shandies have been modernised with the loan assistance provided under the State IUDP scheme. The new commercial areas are developing on both sides of Madurai road. The commercial developments have come up along the major roads of the town in a haphazard manner without adequate space for loading and unloading activities and parking space.

To make use of the potentials in the town, the following actions need to be taken.

#### **1. Establish Special Eco-tourism zone in the region**

The feasibility for setting up a Special tourism zone in the area is to studied. The National Tourism Advisory Council (NTAC), the official think tank of Tourism Ministry, has considered setting up a STZ at Munnar. Considering the vast potential of the area in its scenic beauty, Trekking routes to Top station and Kodaikanal, Endogenous spices tourism project, river ways and water bodies, indigenous floral and faunal wealth, Bodi palace a Special tourism zone is proposed.

## POTENTIAL FOR A SPECIAL TOURISM ZONE THENI REGION



### 2. Places of interest

#### a. Vaigai Dam - 'The Little Brindavan'

Built in 1959, the dam across the majestic Vaigai River is 111 feet high and stores 71 feet of water. Boating inside the dam on the still expanse of water is a great experience. The garden, adjacent to it, is known as 'Little Brindavan' as there is much resemblance to the wholesome experience at the world famous Brindavan gardens of Mysore. There are ample play facilities for children and tourists inside the garden. There is also a menagerie for the entertainment of the visitors.

#### b. Kumbakkarai Falls - The perennial bounty

Against the back drop of an emerald wilderness, the Kumbakkarai falls gushes out of huge rocky recesses at great heights and roars down into an alluring pool of water infused with the goodness of minerals and herbs. It is believed to possess medicinal properties and is a popular bathing spot. Rare fauna and avifauna frequent the forest around the falls and rare specimens of flora are sighted easily around the places.

#### c. Suruli Falls - Extolled in Chilappathikaram

The classic poet Ilango Adigal has described its beauty in the famous Tamil epic, Chilappathikaram. Though it is perennial, the thickness of the water column in the monsoon season of June-October is indeed awesome. There are separate bathing facilities for men and women where the falls form pools of health giving water. The total height of the falls, in two

steps, is 190 feet. The forest that forms the backdrop is full of rare flowers, butterflies, birds and animals and the open space that forms the approach is a favorite resting places.

**d. Sothuparai Dam - The scenic seclusion**

It is one of the most picnic spots around Theni. The dam is built across the Varaha River against a setting of majestic verdant hills. The wide expanse of placid water mirroring the green slopes around is an impressive sight. Periyakulam town nearby is called ‘the Mango City’ where exotic and delicious varieties of mangoes from the orchards around the town are available at down to earth prices during the seasons.

**e. Kodaikanal - The misty mysterious mountain resort**

One of the most popular hill stations in South India, Kodaikanal is situated at 7000 ft. above sea level, in the Palani hills of the Western Ghats. It is blessed by a salubrious climate that never goes higher than 20°C and never comes down below 8°C. Charming flower meadows, rocky crags, steep slopes, cascading waterfalls, bountiful orchards, velvety grasslands and a vast expanse of tranquil waters make Kodaikanal a unique and unforgettable experience. There are plenty of opportunities for any type of tourist to fill his soul, whether he is interested in Eco-tourism, adventure tourism, water sports or nature study.

**f. Munnar - The spice capital of the world**

Munnar, which literally means ‘three rivers’, got its name from the confluence of three rivers near the town of Munnar. It has got all the necessary infrastructural facilities for the visitor and is yet beautifully secluded and far from the hustle and bustle of the city life. It is also well connected by road from Theni. The journey to Munnar along Western Ghats is in itself a once-in-a-lifetime experience. Munnar is also the dearest destination for the eco tourist and the adventure tourist.

**g. Meghamalai and Pachai Kumachi Malai**

Manicured tea gardens along scenic slopes are indeed a feast to the eyes. There are miles and miles of green tea gardens that cover the rolling hills on both sides of the winding roads. The tourist can purchase fresh produces from the plantations of cardamom, pepper, coffee and tea that abound in the hills all around.

**h. Explore potentials for tourism and strengthen facility base:**

The town has a salubrious climate due to its proximity to the Western Ghats. This widens the scope of the town as an attractive spot for international and national tourists. The scenic beauty of the region already attracts film industry. Provision of facilities to the tourists, i.e boarding and lodging at moderate tariff would attract tourists from Tamil Nadu and Kerala for a stay in the town. Provision of such facilities will obviously give impetus to the economy to the town.

Some successful entertainment farming enterprises and techniques in eco- tourism:

- Arts & Crafts Demonstrations.
- Farm Store: Exhibition of farm equipments
- Processing of farm products and sale
- Demonstration of Agricultural-activities
- Fee fishing / hunting.
- Farm Vacations.
- Bed and Breakfast
- Farm Tours.
- Cross-country walks and treks.

## 2. Developing an industrial base for the town.

Taking into account the availability of silk cotton and spices like cardamom, tea, pepper etc. available in the surrounding areas of the town, Establishment industries using silk cotton and cardamom as the raw materials will enhance the economic growth of the town.

- Establishing food processing and packaging industries will also provide better livelihood options to the local population. Food processing can be applied to all particular agricultural produce.
- Anything we eat undergoes some kind of process. Hence, the potential for food processing in the region is phenomenal. Manpower will be a major requirement to work in this industry.



## 3. Improvement of marketing centers

- The market sites have large extent but old and dilapidated exist in the premises. The market sites need to be redeveloped as a modern market complex to enhance the marketing potential of the town. This will function as a trading centre for silk cotton, cardamom and other spices in the town.



## 4. Improvement of rail connectivity

- The conversion of meter gauge railway line to broad gauge connecting Bodinayakanur to Theni will be an added factor for the economic development of the town.

# Nine new trains proposed for State

S. Vydhanathan

**CHENNAI:** Nine new train services have been proposed for Tamil Nadu in the Railway budget 2008, presented by Railway Minister Lalu Prasad in Parliament on Tuesday.

Apart from new trains, doubling of the Villupuram-Dindigul broad gauge section, new lines between Chennai and Cuddalore via Pudukcherry and Mamallapuram, Attipattu and Puttur, Arakkonam and Tiruvallur fourth line, and Palani to Erode, and conversion of the Madurai-Bodi metre gauge section are some of the new projects announced in the budget.

Following are the new trains to be introduced in the next financial year: Chennai Egmore to Tiruchendur Express (weekly); Varanasi to Rameswaram Express (weekly); Chennai-Gaya Express (weekly); Chennai-Rameswaram Express (daily) via Mayiladuthurai and Karaikudi (after the conversion)

between Villupuram and Mayiladuthurai); Chennai-Tiruchi Express (daily) via Mayiladuthurai (after the conversion); Villupuram-Mayiladuthurai Passenger (daily after the conversion); Chennai Egmore-Salem Express (daily) via Vriddhachalam; Madurai-Tenkasi Passenger (daily); and Tiruchendur-Tirunelveli Passenger (daily) (after the conversion).

### To be extended

In addition to new services, the Chennai-Bangalore (weekly) Express will be extended to Sri Sathyasai Prasashti Nilayam, the Madurai-Manmad Express to Rameswaram on one side and Okha on the other side, the Coimbatore-Kumbakonam Janshatbdi Express to Mayiladuthurai, the Bangalore-Coimbatore Express to Ernakulam, Bangalore-Salem Passenger to Nagore (after conversion), Tuticorin-Tirunelveli Passenger to Tiruchendur (after conver-

sion). Surveys have been proposed for new lines between Karaikudi and Kanyakumari via Ramanathapuram, and Tuticorin, Thanjavur and Ariyalur, Chidambaram and Attur via Perambalur and Omalur and Mettur Dam (doubling).

The Minister gave an assurance that the conversion of Karaikudi-Manamadurai section of Tiruchi-Manamadurai project and Tiruvarur-Nagore section would be completed soon.

A top railway official told *The Hindu* that a number of new projects had been sanctioned for the State. The Villupuram-Dindigul doubling was a long pending project. Earlier the Railway Ministry was reluctant to sanction the project stating that already an alternative line was being laid from Villupuram to Tiruchi via Mayiladuthurai and there was no need for a second line. Minister of State for Railways R.Velupillai Prabhakaran however got the project sanctioned. Doubling the section would enable

the Southern Railway administration to operate more services from Chennai to southern districts.

The new line from Attipattu (Ennore) to Puttur would meet the growing demand of the Ennore Port.

The new line would reduce the congestion on the Chennai Central-Gudur-Vijayawada section as goods trains from Mumbai to Ennore Port need not come to Chennai Central once the line was completed. The new line proposed from Chennai to Cuddalore via Pudukcherry and Mamallapuram would branch off from Perungudi on the MRTS section.

The fourth line from Tiruvallur to Arakkonam would provide dedicated lines for EMU services between Chennai and Arakkonam. With the sanctioning of Madurai-Bodi conversion, all sections in the State were either converted or were being converted into broad gauge, the official added.

### 3.5 PERFORMANCE AND DEMAND ASSESSMENT

To assess the indicators of performance in each sector of infrastructure, the existing levels of key Municipal services is benchmarked against their norms and standards to arrive at performance assessment index .The norms and standards are based on SFC recommendation, Planning Commission recommendation, UDPFI guidelines, CPHEEO manual, best practices etc.

The demand assessment for projects is arrived from the Stake holder consultative meetings, discussions with officials, field visits and service analysis. The improvement needs proposed are based on the demand and performance assessments with reference to short term and long term proposals for each sector.

The Performance assessment index for the existing status against the norms and standards for water supply, sewerage, drainage, solid waste, street lighting and social facilities are illustrated in the table below:

**Table: 3.3 Performance Indicators for key Municipal Services**

SI No	Service Indicators	Unit	Normative Standard	Current Status
<b>Performance of Key Water Supply Service Indicators</b>				
1	Daily per capita supply	lpcd	120	107
2	Roads covered with distribution network	%	>100	186
3	Storage Capacity with respect to supply	%	33	58
4	Property tax assessments covered by service connections	%	85	48
5	Proportion of non – domestic service connections	%	>5.00	16
<b>Performance of Key Storm water Drainage Service Indicators</b>				
11	Road length covered with storm water drainage	%	130	175
<b>Performance of Key Solid Waste Management Service Indicators</b>				
12	Estimated waste generation per capita per day	grams	400	416
13	Waste collected as per the estimate of ULB (w.r.t. waste generation)	%	100	90
<b>Performance of Key Road Service indicators</b>				
14	Road density	Km/sq.km	10-15	2.67
15	Per capita road length	m	1.75	0.63
16	Proportion of surfaced roads	%	100	75
<b>Performance of Key Street Lighting Service indicators</b>				
17	Spacing between lamp posts	m	30	28
18	Proportion of fluorescent lamps (tube lights) w.r.t. total fixtures	%	≥80	88
19	Proportion of high power fixtures w.r.t. total fixtures	%	≤20	12
<b>Performance of Key indicators for Slums</b>				
20	Proportion of slum population to total city population (2005-2006)	%	<10	25

Source: Theni Municipal records and analysis.

From the above table, the gap in each infrastructure service is identified after comparison with the benchmarks and standards. The chapters that follow propose projects needed to ensure efficient delivery of the services.

### 3.6 STRATEGIES FOR POVERTY REDUCTION AND SLUM UPGRADATION

#### 1. Conducive measures for income generating activities in Agro business

##### General conditions

- Set up farmers' training centre to provide technical support and training
- Train men and women in agro forestry practices
- Constitute youth and women groups to promote and sustain agro forestry and environmental awareness
- Develop sustainability through market linkages in agro forestry produce
- Establish village nurseries and procure planting materials
- Increase in size and growth of the market for agribusiness products

##### Options:

- dairy, fruit and vegetable pulp, fruit juice, pulp and paper, sugar, vegetable oil (edible and non-edible) production.
- Agribusiness, food processing and allied sectors, animal husbandry and fisheries,
- The poultry sub-sector, shrimp sub-sector, the dairy/livestock sub-sector
- Horticulture (fruits, vegetables and spices)

##### Provision of:

- **Seed:** new varieties and hybrids for vegetables and other crops.
- **Fertilizer:** urea super granules and blended fertilizer.
- **Agro-machinery:** power tillers, threshers, sprayers,
- **Horticulture:** propagation of high value fruits, hormone treatment, fruit and forestry nurseries.
- **Livestock:** balanced feeding, non-traditional feed, fodder production, improved sanitation, selective breeding.
- **Poultry:** rearing exotic broilers and layers, confinement and staff feeding, balanced feeding, improved parent stock, improved hatchery,
- **Agro-processing:** juice, paste, jam, jelly, ketchup, pickles, pasteurization, baking, potato chips, shrimp processing, packing of indigenous products like parotta, murukku and baked items.
- **Fishery:** hatchery, improved brood stocks

## ORGANIZATIONAL STRUCTURE

The organizational structure of the Theni Municipality generally consists of administrative and executive wings.

### 4.1 ELECTED BODY

The Municipal Council, the political wing of the Theni Municipality consists of 33 elected councilors. The Councilors elect the Chairperson as head of the Municipal Council and also represent ward. Each Councilor in turn represents one electoral ward. The administrative wing gives overall guidance to the Municipal functions through set of committees. Three committees have been formed namely, Appointment Committee, Contract Committee and Taxation and Appeal committee consisting 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 up to the value of Rs. 50,000/- is finalized by the Contract Committee. The Taxation Appeal Committee is responsible for hearing of appeals of the tax items.

### 4.2 EXECUTIVE BODY

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 Department
3. Accounts Department
4. Public Health Department, and
5. Town Planning Department

#### 4.2.1 GENERAL ADMINISTRATION

Theni-Allinagarm Municipality is a First Grade Municipality. The Manager is the head of Administration next to the Commissioner in the section of General Administration, and he is responsible for general supervision and administration of the Office. All establishment matters are dealt by the General Administration Section.

##### **Manager**

Manager is the Head of General Section. His duty includes general supervision of the ministerial staff, and maintenance of discipline in the office premises, and to sign receipts for all remittances made in the Municipal Treasury to acknowledge registered tapals, Money orders etc on behalf of the Commissioner. The Manager is the custodian of the cash collected by daily-checking of Chitta and Cash and Petty cash, payment advance etc, and for the administration report by way of Annual Inspection of the office, checking of Personal Registers of all staff and subsidiary registers in respect of all the sections. All papers are routed through the Manager to the commissioner except the Engineering section and the Health section.

All matters relating to the Establishment including public health, maintenance of Increment & Punishment registers etc., maintenance of service registers, register of Probationers; maintenance of temporary of permanent post sanction register, Pension & DCRG for all Establishment Audit Register, issue of Office order, common office order book, maintenance of stock file, maintenance of personal register & audit objection register etc are looked up by the Manager.

#### 4.2.2 Engineering Department

The Municipal Engineer is the over-all in-charge of Engineering Section. The Municipal Engineer is controlling the Overseer, Work Inspector, and Road Mazdoor, Water works Superintendent, Wiremen, Helper and Fitter working in the section. The Municipal Engineer looks after the maintenance of roads, street lights, road laying, and 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 works.

#### 4.2.3 Accounts Department

The Account Section is included in the General Section. The Accountant is the Head of the Wing controlling financial matters. It involves preparation of Budget and looks after the Accrual based Accounting System.

#### 4.2.4 Public Health Department

Sanitary Officer is the overall in-charge of the Health Section. He looks after conservancy, sweeping streets, maintenance of drainage, controlling of epidemic diseases, ensuring of license to D&O trades, Birth and Death Registration and issuing of certificate to birth and death registration. Sanitary Inspector, Sanitary Supervisor and Sanitary Workers are assisting the Sanitary Officer. The Sanitary Officer is held responsible for the solid waste management. Pulse Polio Immunization camps are conducted every year under the section.

#### 4.2.5 Town Planning Department

Town Planning Officer / Inspector is over all in-charge of the section. He looks after the work of preparation of Master Plan, Detailed Development Plan and maintains the land use registers as per the approved zoning uses. He is also responsible for licensing of plan approval, booking of unauthorized construction, approval of lay out plans with in the town limit, controlling and removing the encroachment in the town. The Town Planning Inspector helps in planning the future development of the town and allied works.

### 4.3 STAFF STRENGTH POSITION AND VACANCY POSITION

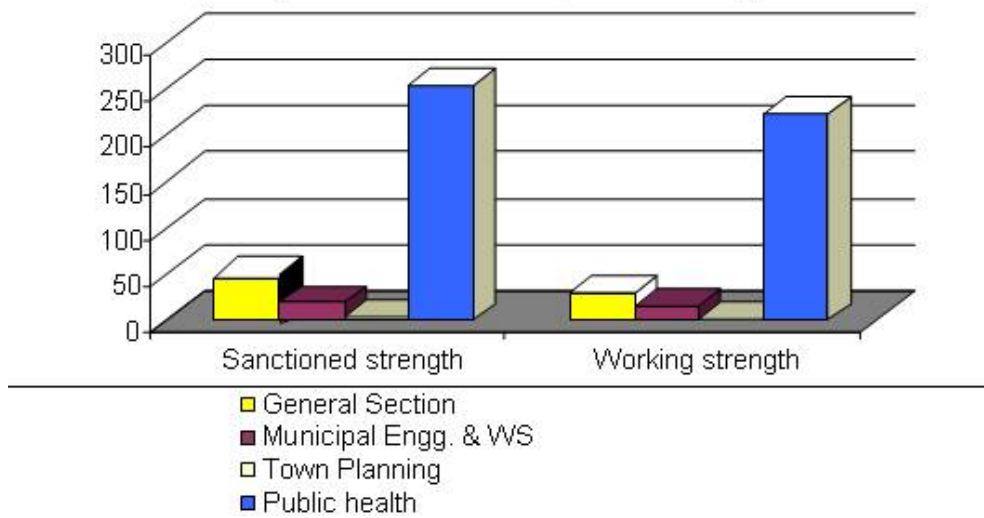
As of now, there are 40 vacancies in the 308 sanctioned strength of the Municipal office. The maximum vacancies are under in public health department followed by general and engineering section.

**Table 4.1 Staff Strength position**

S. No.	Name of the department	Sanctioned strength	Working strength	No. of pos Vacant
1	General Section	32	28	04
2	Municipal Engineering and Water Supply Service	19	15	04
3	Town Planning	03	01	02
4	Public Health	254	224	30
	<b>Total</b>	<b>308</b>	<b>268</b>	<b>40</b>

Source: Theni Municipality

**Fig 4.1 Status of Municipal Staff Strength**



**MUNICIPALITY**

**Executive Body**

**Elected Body**

**Commissioner**

**Chairman**

**GENERAL: Financial Administration and Budget & Accounts**

**ENGINEERING: Water Supply, Road laying And Street lights**

**Vice Chairman**

**PUBLIC HEALTH: Sanitation & Drainage Public Health.**

**REVENUE: Tax & Non Tax Collection**

**Ward Councilors**

**TOWN PLANNING: Planning, Designing and Approval**

**Fig 4.2 Organizational structure of Theni Municipality**

<b>Table 4.2 Vacancy Position</b>				
<b>General Section</b>				
<b>S.No</b>	<b>Name of the post</b>	<b>Sanctioned Strength</b>	<b>Working Strength</b>	<b>No. of vacant post</b>
1	Manager	01	01	--
2	Accountant	01	01	--
3	Assistant	02	02	--
4	Junior Assistant	12	09	03
5	Typist	02	02	--
6	Record clerk	04	03	01
7	Revenue Inspector	02	02	--
8	Revenue Assistant	08	08	--
		<b>32</b>	<b>28</b>	<b>04</b>
<b>Engineering and Water Supply Service</b>				
1	Municipal Engineer	01	01	--
2	Junior Engineer	01	01	--
3	Overseer	01	01	--
4	Work Inspector	01	01	--
5	Electrician	04	03	01
6	Wireman	03	02	01
7	Helper	03	03	--
8	Driver	03	02	01
9	Filter Bed Operator	02	01	01
	<b>Total</b>	<b>19</b>	<b>15</b>	<b>04</b>
<b>Public Health Service</b>				
1	Sanitary Officer	01	01	--
2	Sanitary Inspector	05	05	--
3	Sanitary Supervisor	08	08	--
4	Field Assistant	01	--	01
5	Driver	09	07	02
6	Maternity Assistant	03	01	02
7	Maternity Ayah	03	01	02
8	Cleaner	01	01	
9	Sanitary Worker	212	196	16
	<b>RCPH</b>			
10	Medical Officer	01	--	01
11	Staff Nurse	03	--	03
12	ANM	03	01	02
13	Computer cum clerk	01	--	01

14	Sanitary Worker	03	03	--
	<b>Total</b>	<b>254</b>	<b>224</b>	<b>30</b>
<b>Town Planning</b>				
1	Town Planning Officer	01	--	01
2	Town Planning Inspector	01	01	--
3	Assistant Draftsman	01	--	01
	<b>Total</b>	<b>03</b>	<b>01</b>	<b>02</b>
	<b>Grand Total</b>	<b>308</b>	<b>268</b>	<b>40</b>

Source: Theni Municipality

#### 4.4 ISSUES IN HUMAN RESOURCE

Of the total vacancies of 40 posts, 30 posts are vacant in Public Health section of the municipality. Privatisation options have been suggested in the reforms agenda. Considering the present quantum of work in the municipality Town Planning officer and RCHP maternity staff need to be filled up expeditiously.

In view of appointing Project management consultant for the proposed water supply and UGSS, Privatization of Solid waste management, street light maintenance through ESCO/ Private agency, the various sections of the municipality need to be strengthening with the following Personnel.

**Table 4.3 Additional Staff Required**

S.No	Name of the Post	Section	No. of Personnel
1	Accountant for Infrastructure Project	General	1
2	Revenue Inspector	General	1
2	Assistant Engineer/ Junior Engineer (UIDSSMT, TNUIFSL & IHSDP Projects)	Engineering	2
3	Overseers (UIDSSMT, TNUIFSL & IHSDP Projects)	Engineering	2
4	Sanitary Inspector	Public Health	1
5	Town Planning Inspector	Town Planning	1
	<b>Total</b>		<b>8</b>

Source: Analysis and discussions with Municipal officials

Besides appointing additional staff, in the existing staff in the Administrative, Engineering, Public Health, Town Planning sections of the municipality need to be given training in their respective field periodically to enhance the capacity building to take up new assignments

#### 4.5 ORGANIZATIONAL MANAGEMENT

As may be 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 over come by certain specific options:

- In the service sections of the Municipality, there are vacancies which could be filled up. This alone may not ensure a totally satisfactory system delivery of the services as it requires an efficient personnel management especially assigning the right work to the right person in a time frame.
- The organization and delivery mechanism in some of the important personnel intensive service sectors have to be modernized. To mention the important few relate to solid waste management, where large number of workers and staff are involved, could be could be privatized. Scientific solid waste management need to 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. The town has already taken up the UGSS for safe disposal of the sewage. Privatizing the repair and maintenance of water supply, collection of taxes and fees and maintenance of public assets particularly sanitary and public health units is a well known option. This also could be taken up as joint venture between urban local body and private sector.

# 5

## PHYSICAL AND SOCIAL INFRASTRUCTURE

### 5.1 PHYSICAL INFRASTRUCTURE - STATUS, ISSUES AND IMPROVEMENT NEEDS

#### 5.1.1 WATER SUPPLY

##### i) Existing Status

- Name of the scheme:
1. Suruliyar river water supply scheme at Palani Chetty Patti
  2. Vaigai river water supply scheme at Arapadi Devan Patti
  3. Veerappa Ayyanar Kovil water supply scheme

Source & Head works	: Rivers Suruliyar and Vaigai
Population benefited	: 88,300 (2003)
Qty. of water supply at normal period:	9.45 MLD
Per capita supply normal period	: 107 lpcd
Per capita supply summer period	: 45 lpcd
Length of water distribution pipes	: 112.60 km
No. of Existing OHTs & capacity	: 6 OHTs – 28.25 LL
No. of Additional OHTs & capacity	: 3 OHTs – 18.00 LL
Total no. of OHTs & capacity	: 9 OHTs – 46.25 LL
No. of Household connections	: 9341 nos.
No. of Public Fountains	: 121 nos.
No. of Mini Power Pumps	: 138 nos.
No. of Hand Pumps	: 286 nos.



Treatment works at Palani

##### ii) Issues

- a) Deficiency in supply of water during summer period
- b) Periodicity of supply - Once in 2 days in the normal period



Infiltration well at river Vaigai

##### iii) Water Demand

Theni Allinagaram Municipality supplies adequate quantity of water to the population for drinking and essential domestic requirements. The present gross water supply in normal season is 9.45 MLD with a supply of 107 lpcd. However, during summer months, the total supply to the town is reduced to about 4 MLD, which corresponds to a supply of only 45 lpcd.

River Suruli and Vaigai are the primary sources of potable water to the town. Suruli River is located 3 km from the town, while Vaigai River is located approximately 8 km from the town. The town receives its daily supply from radial galleries and infiltration wells on the riverbed and deep bore wells sunk on the riverbank.



Infiltration well at river Surulivar

The Municipality presently maintains the water distribution system within the town. Surface water obtained from the Suruli River is treated through rapid sand filters and pumped to the low level and high level reservoirs. At present the water from the Bommaiagoundanpatty old head works is distributed to the town without any treatment and Chlorination arrangement is required for the same.

Areas not covered under the existing water distribution scheme are supplied through the Municipality owned water tankers. The location of the OHTs with their capacity and the scheme under which water is being supplied to the OHT is given in Table: 5.1.

**Table 5.1 Over Head Reservoirs & Capacity**

OHT Location	Scheme	Capacity lakh litres
Municipal Office	P.C. Patti Old scheme	6.75
Bommaigoundanpatty – old reservoir	P.C. Patti old scheme	4.50
Bommaigoundanpatty Patti – new reservoir	P.C. Patti old and new scheme	5.00
Samadharamapuram	P.C. Patti new scheme	1.00
KRR Nagar	P.C. Patti new scheme	1.00
NRT Nagar	A.D. Patti	10.00
NRT Nagar	A.D. Patti	10.00
Vali Nagar	A.D. Patti	6.00
Karuvelanayakanpatt	A.D. Patti	2.00
<b>Total</b>		<b>46.25</b>

Source: Theni Municipality



OHT at Samadharamapuram

The estimated population and demand for water supply for the future years are given in Table 5.2:

**Table 5.2 Water Demand - Projected**

Stage	Population	Per capita supply	Water Demand
2007	96067	120 lpcd	11.52 MLD
2022	118874	120 lpcd	14.26 MLD
2037	141681	120 lpcd	17.00 MLD

Source: Theni Municipality

iv) **Projects identified in Theni-Allinagaram Municipality- Water Supply****Table 5.3 Water Supply Projects identified in Theni-Allinagaram**

Sl.No.	Proposal	Rs. in lakhs
1	Mini Power pump with water tank – 20 nos. for un-served areas (each Rs.1.00 lakh)	20.00
2	Replacement of damaged valves and fixing of new valves to regulate the distribution system	30.00
3	Improvements to the existing filter bed at Palani Chetty Patti head works	30.00
4	Chlorination arrangements at a) Bommaiagoundanpatty old head works b) Bommaiagoundanpatty new head works c) NRT Nagar booster	7.80 4.60 4.60
5	Construction of additional OHT with 10 LL capacity	60.00
6	New water supply Scheme from Mullai Periyar River	200.00
	<b>Total</b>	<b>357.00</b>

Source: Survey &amp; Analysis

To meet out the deficiency in summer a new scheme with River Mullai Periyar near Veerapandi at a distance of around 6 km from Palanichettipatty treatment plant is suggested. Three infiltration well are proposed to be sunk on the upstream side of check dam at Veerapandi in the River Mullai Periyar. From each infiltration well a quantity of 400 lpm approximately will be drawn and collected in a new sump on the banks of the river. A pump house will be constructed near the sump and water pumped through a pumping main for a distance of around 6 km. The water thus pumped will be collected in the clear water reservoirs at Palanichettipatti treatment plant and used as the additional supply to Theni town.

A detailed investigation to be made and DPR is to be prepared. The above component would require Rs. 200.00 lakhs approximately.

However, a scheme from Vaigai dam to Theni Municipality is suggested for future requirements. The Vaigai dam is at a lower level and Theni is at higher level and hence, the water has to be pumped to the considerable head for drawing of water from Vaigai dam to Theni Municipality. The consent of PWD authorities, Govt. of Tamil Nadu is to be obtained separately.

v) **Deposits and Tariffs****Table 5.4 Existing and proposed tariff and deposits for water supply**

	Deposits		Tariff	
	Existing 2008	Proposed 2013	Existing 2008	Proposed 2013
<b>Domestic</b>	6000	8000	600	1200
<b>Non Domestic</b>	8000	10000	1200	1800

Source: Analysis &amp; Discussions with the ULB officials

### 5.1.2 SEWERAGE

#### i) Existing Status

Theni-Allinagaram does not have a proper Under Ground Sewerage System. Presently, the households having water seal toilets with septic tanks, let out the effluent from the septic tanks into soak pits. The sullage is let into open drains and sludge from soak pit is emptied by tankers, owned and operated by the Municipality. About 65 % of the total road network in the town is provided with open storm water drains. Sewage from many households in the town is discharged into these open storm water drains, which ultimately stagnate in low-lying areas, resulting in breeding of mosquitoes and unsanitary conditions.



Sewage disposed into Chinnakulam

It was observed that drains in the northern part of this town discharge the untreated sewage in to Chinnakulam and Meerusamuthiram tank and drains in the southern part of the town discharge the untreated sewage into Kothankudi River.



#### ii) Issues

- Insufficient toilets with septic tanks/ low cost sanitation facilities.
- Storm water drains are being used for sullage and sewage disposal.
- Open drains carry large quantities of untreated wastewater from toilets and sullage water leading to health hazards.
- Untreated sewage is discharged into ponds and streams.

#### iii) Proposal for UGD scheme

It is the policy of the Government to provide Under Ground Sewerage System (UGSS) for all District Headquarter towns in the State and an UGSS scheme is proposed for the entire town. The Town Council has passed a resolution to implement UGSS scheme in its council resolution no. 779 dt. 30.12.2002 and, the consultant Wilbur Smith Associates has prepared the DPR for which, Administrative Sanction from Government is awaited.

Wilbur Smith Associates has undertaken investigation and prepared DPR for an estimated cost of Rs. 36.00 crores. Since STP site at Koduvilarpatti and Kunnur were rejected by the Revenue Dept., private site at Unjampatti village has been considered. Revised DPR was prepared due to the change of STP site from Koduvilarpatti to Unjampatti for an amount of **Rs.34.75 crores**. The project needs an annual operation and maintenance cost of Rs.105.00 lakhs which is 3.02% of the total project cost.

The salient features of the proposals are:

##### a) Design Population

Present	2007	: 96,067
Intermediate	2022	: 118,874

- |    |                                |      |             |
|----|--------------------------------|------|-------------|
|    | Ultimate                       | 2037 | : 141, 681  |
| b) | Per Capita Sewage Contribution |      | : 90 lpcd   |
|    | Total anticipated Sewage flow  |      |             |
|    | Present                        | 2007 | : 8.65 MLD  |
|    | Intermediate                   | 2022 | : 10.70 MLD |
|    | Ultimate                       | 2037 | : 12.75 MLD |
- c) Sewerage zones – Six - Z1 to Z6
- d) Sewage from zones Z1 to Z5 will flow by gravity to MSPS at Banglamedu from where; it will be pumped to the STP at Koduvilarpatti.
- A lift station is proposed at Karuvelanayakanpatti to convey sewage collected from zone 6 to the MSPS through a force gravity flow combination main.
  - The proposed Sewage Treatment Plant (STP) at Unjampatti will be based on Activated Sludge process.
    - Influent - BOD (300 mg/l) & TSS (250 mg/l)
    - Effluent - BOD (20 mg/l) & TSS (30 mg/l)
    - Treatment Effluent will be used for Agricultural purpose
    - Ultimate stage flow at 90 lpcd is 12.70 MLD.

The abstract of the proposal is given below:

**Table 5.5 General Abstract of Theni UGSS**

Sl.No	Description	Rs in lakhs
A	Collection System	1313.32
B	Pumping Stations & Lift Stations	235.13
C	Pumping main & Pumpsets	582.29
D	Sewage Treatment Plant 12MLD x 60.00 lakh per MLD (DBOT)	720.00
	Sub Total I	<b>2850.74</b>
	Physical Contingency @ 2.5%	71.27
	Price Contingency @ 2.5%	71.27
	Sub Total II	<b>2993.28</b>
	Supervision Charges @ 5%	161.60
	Total – X	<b>3154.88</b>
	<u>Miscellaneous</u>	
	Road Restoration charges to be paid to Highways Dept	100.00
	Restoration charges to Railways	100.00
	Payment for diversion of underground lines	68.95
	Sub Total III	<b>268.95</b>
	Service Charges for the above @ 1%	2.69
	Total – Y	<b>271.64</b>
	Total (X + Y)	<b>3426.52</b>
	Investigation Charges @ 1.5%	48.48
	<b>Grant Total</b>	<b>3475.00</b>

**Table 5.6 O & M Estimate - Theni UGSS**

Sl.No	Description work	Rs in lakhs
1	Establishment Charges	11.88
2	Electrical energy for pumping station	43.00
3	Repairs & renewals and lubricants & cost of spares	2.12
4	Provision for Sewage Treatment Plant (DBOT)	48.00
	Total	105.00

The proposed Sewage Treatment Plant can be taken up under DBOT with Activated Sludge Process method of treatment. The estimated cost for the proposed STP is Rs.750.00 lakhs.

### 5.1.3 STORM WATER DRAINS

#### i) Existing Status

There is no covered storm water drainage system in Theni. At present only open drainage system is functioning in the town. The details are as follows:

- Total length of roads & streets in the town including highways : 67.195 km.
- Total Length of storm water drain required in the town : 134.39 km.
- Length of existing storm water drain : 104.79 km.
- Total length of storm water drain required to be provided : 29.60 km.

#### ii) Issues

- Absence of storm water drains along the WBM & Earthen Roads
- Dumping of debris and other solid waste in to the open drains.
- Encroachment on either side of the storm water drains.
- Poor maintenance of roadside drains.

#### iii) Improvement needs

- Construction of storm water drains along the WBM and earthen roads. The estimated cost for 30 road stretches (29.60 km) will be Rs.133 .00 lakhs.
- The existing open drains also need to be converted into closed drains for efficient functioning of the drains .The existing length of 104.79 km of open drains is to be upgraded to closed type. The upgradation work can be taken up after the completion of the UGD. The cost estimated is Rs. 317.35 lakhs.
- The total estimated cost for the proposed storm water drains is **Rs. 450.35 lakhs**. Out of this amount of Rs. 75.35 lakhs is already sanctioned under UIDSSMT scheme and the works are in progress. The funding pattern for the balance of **Rs.375.00 lakhs** is proposed as 30% grants, 60% loans and 10% Municipal contribution.

### 5.1.4 SOLID WASTE MANAGEMENT

#### i) Existing Status

- Town area : 22.52 sq km.
- Population : 85498 (2001)
- Total no. of wards : 33
- No. of assessed houses : 18301
- Garbage generated : 40 MT/ day
- Garbage collected : 36 MT/ day
- Compostable waste : 12 MT
- Non – compostable : 24 MT
- Old compost yard : 4.66 acres with weigh bridge ( with in the town)
- New compost yard : 19.09 acres (Upparpatti)
- Workers available : 180
- Vehicles available
  - Lorry : 1
  - Mini lorry : 2
  - Mini lorry with tipper : 3
  - Tractor with trailer : 1
  - Earth excavator : 1



#### a) Staff Pattern

- Sanitary officer : 1
- Sanitary inspector : 5
- Sanitary supervisor : 8
- Driver : 8
- Sanitary workers : 180



#### b) Primary Collection

##### i) Existing Status

- Push carts : 16
- Wheel based bins : 60



##### ii) Issues

- Usage of old vehicles
- Inadequate vehicles for primary collection
- Slums not covered fully for primary collection
- 90 % garbage alone is removed daily

##### iii) Improvements Needed

1. Introducing fast moving modern vehicles
2. Provision of community bins



**c) Secondary Collection**

**i) Issues**

1. Manual loading of waste
2. Multiple handling of waste
3. Inadequate modern, mechanized vehicles
4. Garbage from collection points are not cleared quickly.

**ii) Improvements needed**

1. Using of fast moving modern vehicles
2. Replacing the old vehicles / slow vehicles
3. Provision of dumper placer bins

Theni Allinagaram town generates 40MT of waste per day from various sources, which include domestic waste, trade/institutional waste, industrial waste, biomedical waste, construction waste etc. The Municipality has taken an initiative to introduce house-to-house collection of waste. Sixteen pushcarts, 60 wheel based plastic bins, 1 tricycle and 5 bullock carts are pressed into the service for door-to-door collection of waste. 60% of the town is covered in door to door collection. Remaining 40% of the population does not store the waste at the household level. These households dispose off their waste on the streets, open spaces, drains, etc, and create a serious problem of health and sanitation.

The garbage in terms of quantity consists of domestic waste of about 48%, commercial waste 30%, street sweeping 20% and hospital waste 2%. There are 43 hospitals and nursing homes having 3240 bed strength. All these institutions generate biomedical waste, which is deeply buried by the hospitals and nursing homes within their premises individually. The Municipality is yet to introduce the medical waste collection from these institutions.



Overfilled old compost yard

The old composting yard over 4.66 acres, located in the middle of the town, is not utilized for the last six months. The compost yard has a weighbridge and compost machine, which are not under use for the last two years. The compost yard was used as a landfill site all these years. The waste is just dumped at the compost yard, creating environmental problems to the nearby residential areas. The system of crude dumping was followed; no spreading, compacting or covering of waste was done. The new composting yard at Upparpatti – 19.09 acres is at a distance of 13 km from the town. The new compost yard is provided with a compound wall and basic facility recently.

There are 26 hotels and restaurants in the town and hotel owners have made their own arrangements of primary collection of hotel waste, which is disposed off at the dumping yard at their own cost. The private contractor collects market waste, whereas the commercial waste is collected in a separate set of vehicles earmarked by the Municipality on a day-to-day basis.

The town has 50 waste storage depots where dustbins are placed. They are unscientific and do not synchronize with the system of primary collection or transportation of waste. Segregation of waste is being done in 20 wards out of 33 wards in this Municipality. The Municipality has introduced various programmes to create awareness among the public and to realize the importance of segregation of garbage.

In each sanitary division, one Municipal lorry is used for collection of solid waste daily. Totally 6 Mini and Heavy lorries are available out of which 5 lorries will be on road and used for collection in 3 trips daily (average of 28 MT per day).

Solid waste management has been privatized in the town in the following areas - bus stand, shandy, and three important main roads with effect from the year 2002. The above areas are maintained neat and clean by private contractor, by which approximately the Municipality is saving of Rs. 8.00 lakhs per annum in the expenditure. The privatization of more wards would also prove to be a successful venture..

### iii) Proposals

100 Push carts	-	9.00
35 Dumper Place Containers	-	17.50
2 Dumper Place Lorries	-	24.00
<b>Total (A)</b>	-	<b>50.50</b>

The proposals have been submitted already to the government and, on sanction, this project would be taken up during the current financial year itself.

### a) New Compost Yard Proposals

The following equipment is proposed to be procured for the new compost yard.

		<b>Rs. In lakhs</b>
1. Pulverizer – Tractor Driven (without tractor)	-	10.00
2. Front End Loader (without tractor)	-	10.00
<b>Total (B)</b>	-	<b>20.00</b>
<b>Grand Total (A+B)</b>	-	<b>Rs.70.50 lakhs</b>

## 5.1.5 ROADS

### i) Existing Status

• Total Length of Municipal Roads	-	60.195km
• B.T.Surface	-	30.489 km (50.65 %)
• C.C.Roads	-	14.897 km (20.74%)
• W.B.M.Roads	-	2.067 km (3.4%)
• Earthen Roads	-	12.742km (25.21%)
• Length of highways	-	7.00km

**ii) Issues**

- Periodicity of renewal of roads is absent
- Inadequate drainage facilities on both sides of roads.

**iii) Improvement needs**

- Conversion earthen road and WBM roads to BT Roads
- Provision of end-to-end surfacing to achieve dustless surface.
- Planting avenue trees along all important roads and residential streets.

**iv) Proposals****Table 5.7 Road Proposals**

No	Proposals	Length (Km)	Rs. in lakhs
1	Upgradation of Earthen roads to BT roads – 46 no	14.742	228.00
2	Upgradation of WBM roads to BT roads – 5 no	2.067	33.00
3	Renewal of BT roads – 21 no	8.000	88.00
4	BT surfacing to bus route road by using paver machine – 4 no	3.000	54.00
	<b>Total</b>		<b>403.00</b>

Source: Survey &amp; Analysis

**v) New Scheme Roads****Table 5.8 New Scheme Road Proposals**

Sl.No	Proposal Area	Metres
1	Detailed Development plan No: I	823
2	Detailed Development plan No: II	1326
3	Detailed Development plan No: III	2483
4	Detailed Development plan No: IV	3144
5	Detailed Development plan No: V	1000
6	Detailed Development plan No: VI	2953
7	Detailed Development plan No: VII	4947
8	Detailed Development plan No: VIII	7592
	<b>Total</b>	<b>24268</b>

Source: Survey &amp; Analysis

Providing BT road for a width of 6 m and construction of drain on both sides for the above new schemes is estimated to cost Rs.600.00 lakhs. Thus a sum of **Rs. 1003.00 lakhs** is estimated for road works in Theni Allinagaram Municipality. Out of this estimated cost, Rs. 225.65 lakhs has already been sanctioned under UIDSSMT scheme for implementation. The funding pattern for the balance of Rs. 777.35 lakhs is proposed as 30% grants, 60% loans and 10% Municipal contribution.

**Table 5.9 Investment Schedule**

Investment during 2010-11	233.21
Investment during 2011-12	233.21
Investment during 2012-13	310.93
<b>Total</b>	<b>Rs. 777.35 lakhs</b>

Source: Analysis &amp; Discussions with ULB officials

**5.1.6 BUS STAND****i) Existing Status**

- 'B' class bus stand
- Number of bus bays – 25

**ii) Issues**

- Lack of basic facilities
- Congested – lack of waiting space and bus bays

**iii) Improvement needs**

The present bus-stand is situated at the junction of Madurai - Kumuli road and Periyakulam road. The bus-stand caters to an average number of 350 buses per day. The town is well connected with the surrounding major urban centres as well as villages by the bus routes. Though the bus stand has been modernised with loan assistance obtained from I.U.D.P, scheme to facilitate the passengers, it does not cope with the increased demand of bus routes. A new bus stand - Class 'A' is in demand and a suitable site is identified in Valkaradu.

**Table 5.10 Bus Stand Improvement Proposals**

No.	Proposals	Rs. in lakhs
	<b>Old Bus Stand</b>	
1	Existing run way of the bus stand BT surface to be converted in to CC pavement	25.00
2	Bus passengers platform flooring with cudappa pavement and granite slab benches	8.00
3	Safe drinking water with water cooler	2.00
4	Provision of one High Mast lamp with 16 luminaries with platform	5.00
	<b>New Bus Stand</b>	
5	Construction of new bus stand in Valkaradu R.F block 3 at junction of Madurai road and Periyakulam by-pass road with all infrastructure facilities under DBOT	600.00
	<b>Total</b>	<b>640.00</b>

Source: Survey & Analysis

The proposed new bus stand can be taken up under DBOT. The estimated cost of the proposed bus stand is **Rs.640.00 lakhs.**

**5.1.7 BUS SHELTER****i) Existing Status**

- Total no. of Bus-shelters within the Municipal limits - 6
- Bus Shelters in good condition - 2

**ii) Issues**

- Damaged AC sheet shelters
- Lack of maintenance
- Lack of seating arrangements
- Lack of information system
- Bus stops without shelters

**iii) Improvement needs**

Renovation of Bus shelters 1) near Pethatchi Vinayagar temple, 2) near Convent hospital, 3) Allinagaram, and 4) B.G Patti

New bus shelters are proposed at 1) Pethatachi temple 2) Near Convent hospital 3) Allinagaram 4) B.G Patti.

- Renovation of bus shelter – (4 no. x Rs.2.50 lakh each) - Rs. 10.00 lakhs
  - New bus shelters -- (5 no. x Rs.5.0 lakh each) - Rs. 25.00 lakhs
- Total - Rs. 35.00 lakhs**

The bus shelter proposals need to be implemented by the involvement of private sectors and NGOs.

**5.1.8 STREET LIGHTS****i) Existing Status**

Total number of Street lights - 2175

- Tube lights - 1931
- Sodium vapour lamps - 140
- Mercury vapour lamps - 102
- High mast lights - 2

**ii) Issues**

1. Less illumination in crowded places, slums and extension areas.
2. High current consumption.

**iii) Improvement needs**

1. Provision of High Mast lamps in important places
2. Provision of additional Street lights in - crowded places, slums and extension areas.
3. Automatic timer / dimmer switches / energy savers.

**Table 5.11 Street Lighting - Proposals**

Sl.No	Proposal	Rs. in lakhs
1	Median lights for bus route roads Providing S.V lamps with tubular pole a) Nehruji road – 90 b) Gandhiji road – 20 c) Cumbum road – 10 (120 no x Rs. 35000 each)	42.00
2	Automatic timer switch (at Rs 6000 each) – 80 no	4.80
3	Providing new additional energy saver lights for extension areas and slum areas (Rs. 10000 for each) 180 no.	18.00
4	Providing Solar street lights at P.C.Patti raw water head works – 2 no. P.C Patti clear water head works – 2 no. Arappadithevanpatty head works – 1 no. Municipal T.B – 1 no. Municipal Office – 1 no (8 nos x Rs.25, 000 each)	2.00
	<b>Total</b>	<b>66.80</b>

Source: Survey & Analysis

The proposed project cost is estimated to **Rs.66.80 lakhs.**

### 5.1.9 PARKS AND PLAY FIELDS

#### i) Existing Status

- Number of Municipal Parks Available : 2
- No. of play grounds attached to Higher secondary school : 3

#### ii) Issues

- Lack of recreational facility.
- Parks uncared for a long time and have become miscreants' place.



Allinagaram Park

#### iii) Improvement needs

- Restoration of park with recreational and basic facilities
- Walkways all-round the park

The Allinagaram Park is well maintained, with proper children's play material and seating facilities. It is proposed to improve the park at KRR Nagar by providing children play material and compound wall at a cost of Rs. 20.00 lakhs. Further, the old compost yard is proposed to be converted as park with the involvement of Voluntary organization at a cost of Rs. 50.00 lakhs. Total cost for improvement of the parks is **Rs. 70.00 lakhs.**

### 5.1.10 AMARAR PARKS

#### i) Existing Status

- No. of Burial Grounds : 2
  - a. Pallivasal Street, extent 945.5 sq mt.
  - b. Balan Nagar, extent 672 sq. mt.

#### ii) Issues

1. Inadequate up keep of the burial grounds
2. No water supply in the burial ground sites.
3. Inadequate lighting arrangements
- 4 Inadequate infrastructure for facilitating convenient burial / burning

#### iii) Improvement needs

1. Infrastructure facilities are to be provided.
2. Proper maintenance.

Gasifier is proposed at the Balan Nagar Crematorium with Gasifier, hall, office, CC pavement, greenery, renovation of compound wall and gate, lighting, water supply at an estimated cost **Rs. 54.88 lakhs.** Out of this Rs. 40.00 lakhs is already allotted for implementation.

### 5.1.11 PUBLIC CONVENIENCE

#### i) Existing Status

- Existing Public Convenience Units - 30
- Public toilets - 10
- ISP toilet - 7
- Pay and use toilets - 11
- VAMBAY toilets - 2



New free toilet at Meerusamudharam

#### iii) Issues

- Inadequate water supply arrangements
- Damaged electrical wiring

#### iv) Improvement needs

- Demolishing the existing four damaged toilets
- Construction of VAMBAY toilets in the existing dilapidated toilet sites and slum areas.



Pay and use toilet at West Shandy

Construction of VAMBAY Sanitary Complex at

	<b>Rs. in lakhs</b>
1. Ondi Veeran Nagar	- 4.00
2. Balan Nagar	- 4.00
3. Sivaram Nagar	- 4.00
4. Kottaikalam	- 4.00
5. Valluvar Vasuki Colony	- 4.00
6. South new street	- 4.00
7. Bazaar street	- 4.00
8. Near Board school	- 4.00
9. Rice Mill Street	- 4.00
<b>TOTAL-</b>	<b>36.00</b>

#### v) Project Phasing

The proposed project will be taken up in three phases. The phasing will be as follows.

**Table 5.12 Investment schedule**

Investment during 2009-10	12.00
Investment during 2010-11	12.00
Investment during 2011-12	12.00
<b>Total</b>	<b>Rs.36.00 lakhs</b>

Source: Analysis & Discussions with ULB officials

## 5.2 SOCIAL INFRASTRUCTURE FACILITIES

### 5.2.1 EDUCATION

#### i) Existing Status

- Total No. of schools in the Town - 19
- Municipal Elementary schools - 2

#### ii) Issues

- Inadequate toilets and urinals
- Non-availability of furniture
- Non-availability of flooring tiles
- Non-availability of reading room and library
- Non-availability of sports materials
- Non-availability of computer and TV



Elementary school at Allinagaram

#### iii) Improvement needs

- Provision of additional toilets and urinals
- Purchase of furniture
- Provision of computers and TV
- Provision of reading room and library
- Provision of flooring tiles, wall tiles

	<b>Rs. In Lakhs</b>
• Flooring tiles & Wall tiles partly	- 4.00
• Additional Toilets & Urinals	- 3.00
• Furniture (Twin sharing Desk & Chair)	- 4.30
• Maps & Posters	- 0.20
• Computer aided education with Computers & TV	- 2.00
• Reading Room & Library	- 0.75
• Sports Materials	- 0.75
• Proposed annex and improvement	- 15.00
<b>TOTAL</b>	<b>- 30.00</b>

### 5.2.2 MEDICARE

#### i) Existing Status

- Newly constructed building
- Deliveries attended - 30 per month
- Out Patient - 200 per day

#### ii) Issues

- Inadequate modern facilities



**iii) Improvement needs**

The proposals are given in the table below;

**Table 5.13 Medicare Proposals**

Sl.No	Proposal	Rs. in Lakhs
1	Refrigerator	1.00
2	Cots, Mattress, Bed Sheets, pillow covers & Furniture	1.00
3	Medical equipments	3.00
4	Providing generator and construction of pump room	5.00
	<b>Total</b>	<b>10.00</b>

Source: Survey & Analysis

Out of total cost, Rs.5.00 lakhs is already sanctioned under Part II scheme as grants.

**5.2.3 SLUM IMPROVEMENT**

**i) Existing Status**

- Total No. of Slums - 27
- Approved Slums - 9
- Un approved Slums - 18
- Total Slum Population - 24457  
(In approved - 7713, in unapproved - 16744)



**ii) Issues**

- Families live in thatched houses
- Access to safe drinking water is lacking



**iii) Improvement Requirements**

Nearly 27 slums are identified with a population of 24,457, which account for 29% of the total population in the town. It is observed that most of the slums are lacking in physical infrastructure facilities. The details of the slums in the town are shown in the table below.

**Table 5.14 Slum Details**

Sl. No	Name of the slum	Ward No.	Population below poverty line	Slum population
1	Bazaar street	1	49	420
2	Palli Oadai street	1	136	1002
3	South new street	2	181	902
4	Balan nagar	3	140	1862
5	Veerappa Ayyanar koil street	8	65	647
6	Ambedkar nagar	9	135	1147
7	A.D. Kaliamma koil street	10	109	479
8	Arunthathiyar street	11	121	552

9	Vengala nagar	12	123	1353
10	Gandhi nagar	12	150	1245
11	Ondiveeran nagar	12	73	820
12	Kakkanji nagar	12	40	600
13	Indra nagar	12	42	400
14	Kulathu street	13	43	945
15	Kottaikalam street	13	43	1368
16	Compost odai street	14	90	829
17	Valli nagar	14	54	460
18	Sivaram nagar	15	158	1032
19	Post office odai street	18	64	912
20	M.G.R. nagar	20	124	1616
21	Power house street	22	153	988
22	Ramar nagar	24	108	412
23	Attrangarai street	29	94	400
24	Pallivasal street	29	95	498
25	Solaimalai Ayyanar koil street	32	48	1263
26	Anna nagar	32	24	1052
27	Valluvar Vasuki Colony	33	72	1264
	<b>Total</b>		<b>2534</b>	<b>24468</b>

Source: Theni Municipal records

Providing BT roads, Storm water drains, streetlights, community hall, modern latrine, park and shelter upgradation works for 24 slums at an estimated cost of Rs.1440.00 lakhs. (24 slums at Rs. 60.00 lakhs each - Total Rs. 1440.00 lakhs). Out of this total cost, Rs. 248.85 lakhs is already sanctioned for 3 slums under IHSDP scheme. Therefore the total cost required for the proposed slum improvement is **Rs.1191.15 lakhs.**

#### 5.2.4 MARKET

##### i) Existing Status

- West Shandy Market                      Extent 5.73 Acres                      No. of Shops - 160
- East Shandy Market                      Extent 3.02 Acres                      No. of Shops – 49

##### ii) Issues

- Existing daily market in West shandy is in damaged condition
- Inadequate illumination
- Absence of cycle stand



##### iii) Improvement needs

- Renovation of the existing damaged shops in West shandy
- Constructions of Shopping complex at west shandy
- Constructions of godowns at east shandy
- Existing worn out BT Roads to be converted in to CC pavement.

- Provision of one High Mast Lamp with 16 Luminaries.
- Construction of Cycle Stand.
- Conversion of Existing Tube Lights into 150W S.V. Lamps.

**Table 5.15 Market Proposals**

Sl.No.	Proposal	Nos.	Rs. in lakhs
1	Renovation of existing damaged shops at west shandy	45	12.00
2	Construction of shopping complex at west shandy (ground floor – 7shops, first floor – 7 shops)	14	60.00
3	Construction of marriage hall at west shandy	1	40.00
4	Construction of godown at East shandy	7	40.00
5	CC pavement		80.00
6	Conversion of existing tube light into 150 watts S.V lamp	16	2.00
7	Cycle stand		4.00
	<b>Total</b>		<b>238.00</b>

Source: Survey &amp; Analysis

### 5.3 OTHER PROJECTS

#### 5.3.1 E-GOVERNANCE

##### i) Existing Status

Modules Online : 1. Birth &amp; Death, 2. Property Tax, 3. Water Charges

Service centers : Municipal Office Facilitation Centre

##### ii) Issues

There is only one facilitation centre available at office. Since, there is no bank available to tie up in Allinagaram area; additional facilitation center is required at Allinagaram.

##### iii) Improvements needed

A facilitation center is proposed at Allinagaram, for which a suitable site is to be identified by the Municipality. The facilities at the existing facilitation center need to be upgraded. New online modules need to be introduced for better performance of the E-governance facility.

Modules Online: Non Tax, Personnel Management System, Public Grievances, Sevai Maiyam & other modules in a phased manner.

Facilities to be provided at a cost of **Rs. 3.00 lakhs** - Computers - 2, Flooring Tiles, Seating arrangements for public, Air conditioner, Leased line connectivity

#### 5.3.2 GREENING OF THE TOWN

##### i) Existing Status

Trees are planted in some areas only

##### ii) Issues

Trees are not planted in most areas of the town.

**iii) Improvement needs**

Trees are to be planted in the road margin, parks, schools, municipal buildings and other vacant sites and the total town is to be given green cover by planting 2,000 trees to start with.

**iv) Proposals**

Systematic planting of another 2,000 trees with tree guards in the town in parks, road margins, head works, quarters and open spaces.

Estimated cost: **Rs. 10.00 lakhs**

**5.3.3 SLAUGHTER HOUSE**

**i) Existing Status**

Number of slaughterhouse maintained: 1

**ii) Issues**

- One single hall with damaged AC sheet roof and damaged floor.
- Inadequate modern facilities.

**iii) Improvement needs**

Construction of slaughter house with modern facilities

**iv) Proposals**

Construction of slaughter house with modern facilities is estimated to cost **Rs.34.00 lakhs**. Tender has already been floated. Fund for this project could be availed to an extent of Rs. 10.00 lakhs from Part II scheme, while the rest of Rs. 24.00 lakhs will be borne by the local body. This project is proposed to be commenced and completed during 2009-10.

**5.3.4 CONSTRUCTION OF NEW OFFICE BUILDING**

**i) Existing Status**

Existing office building is very congested

**ii) Issues**

- Inadequate council hall
- Inadequate parking space

**iii) Improvements Needed**

The existing office building is in a dilapidated condition. The proposed building is to be taken up as Theni is a district head quarter and would need an office with adequate attention,

- |   |                          |
|---|--------------------------|
| • Renovation of the existing building as modern office building | - Rs. 20.00 lakhs        |
| • A new additional three storied building with council hall     | - Rs. 40.00 lakhs        |
| <b>Total</b>  | <b>- Rs. 60.00 lakhs</b> |



Building

### 5.3.5 CONSTRUCTION OF A STADIUM

As a District Head Quarter town, there is a need for a stadium with facilities for Track and Field events and an Indoor stadium for swimming pool. The area needed for this would be about 5 acres and the estimated project cost would be **Rs. 100.00 lakhs**. The Sports Authority of India may develop the stadium with the assistance of the Government of India. The land parcel of 7.35 acres behind the SIDCO complex has been identified by the ULB for this purpose. The ULB has also proposed to develop a commercial complex in this area.

### 5.3.6 RECREATIONAL FACILITIES IN WATER BODIES

#### I) Proposals

Providing walkways, fencing arrangements, park and boating facilities in Meeru Samutharam tank at a cost of **Rs.500.00 lakhs**.

The proposals for recreational activities could be taken up in a phased manner with the involvement of Private sectors in a design, build and operate mode.

### 5.3.7 PEDESTRIAN PLATFORM

Considering the problems due to the increase in heavy traffic on the roads, pedestrian platforms are proposed from Nehru statue junction to railway line at a cost of Rs.60.00 lakhs.

**Table 5.16 Pedestrian Platform Proposals**

Sl.No.	Proposal	Rs. in lakhs
1	Construction of cement concrete kerb wall with 0.20m x 0.50m size to retain the pathway (from Nehru statue junction to railway line ) 2 x 410 rm. x Rs. 380 per rm.	3.116
2	Providing pedestrian platform filling with clear river sand leveled with cement concrete 1:5:10 and top finished with ornamental tiles with 2.00m wide on road side 2 x 410 rm. X Rs. 2120.00 per rm.	17.384
3	Supply and fixing of handrails of 2.50m x 1.05m size and painting two coats, with synthetic enamel 2 x 410 rm. X Rs. 2890.00 per rm.	23.698
4	Construction of 1.50m wide center median with both side plain cement concrete retaining wall of 0.30 x 0.80m size and turfing on filling portion 1 x 410 rm. X Rs. 1720.00 per rm.	7.052
5	Contingencies and unforeseen items	8.75
	<b>Total</b>	<b>60.00</b>

Source: Survey & Analysis

**5.3.8 BRIDGES**

**i) Existing Status**

Verrappa Ayyanar Kovil is one of the important tourist destinations in Theni, located at the foot of Western Ghats. A dharga and waterfalls near by are added attractions to this place. The approach to this tourist spot is provided by a bridge, which was damaged due to heavy rainfall. Regular soil erosion and absence of retaining wall poses a serious threat to the existing bridge. Construction of a retaining wall near Boostiyar River is necessary to prevent regular soil erosion.



Road to Veerappa Ayyanar Kovil Head works

**iii) Improvement needs**

**Table 5.18 Bridge Proposals**

S.N	Proposal	Rs. in lakhs
1	Construction of 15m length bridge at Veerappa Ayyanar Kovil street	70.00
2	Construction of retaining wall for Boostiyar river at Veerappa Ayyanar Kovil road	20.00
	<b>Total</b>	<b>90.00</b>

Source: Survey & Analysis

**5.3.9 UPDATION OF DATABASE ON GIS PLATFORM**

To date there is no entirely dependable and realistic database for the town, in the 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 or aerial photographs. All these with spatial and non-spatial data can be had on a GIS format which, on a click at any feature or site on the town map will provide the entire details including the description of the feature / 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.

This project may cost about **Rs. 45.00 lakhs** including the cost of high resolution satellite imageries. This entire amount may be obtained as grants from the government and it will take maximum one year for completion (2008-09).

**5.3.10 NON-CONVENTIONAL ENERGY GENERATION**

Technology intervention in the field of non-conventional energy generation with improved version is available in the form of wind mills. There is ample potential for tapping the wind energy and this can be used in all public buildings particularly in offices with installation of adequate wind mills.

Regarding tapping the wind power, according to the wind power velocity map of South India generated by the Wind Energy Technology Centre, Govt. of India, the location of Andipatti town, which is just 10km from Theni town, lies in wind potential area where the wind speed varies from 16 Speck Systems Limited, Hyderabad..... TNUIFSL

to 19 kmph with corresponding wind power of 250 – 346 w/sq.m. Taking sufficient land on lease or obtaining permission for using waste land in the zone or utilizing municipality owned land, wind power can be transmitted to the town for use.

Annual mean wind speed at 10 m Height	Indicated value of wind resource
< 4.5 m/s	Poor
4.5 – 5.4 m/s	Marginal
5.4 – 6.7 m/s	Good to Very Good
> 6.7 m/s	Exceptional

**i) Special features**

- (i) Wind Electric Generators can be installed only at specific locations with adequate wind potential as notified by the Government based on studies.
- (ii) Available in various capacity ranges from 225 KW to 750 KW (now upto 2.0 MW)
- (iii) Tower height can be in the range of 30M to 50 M to tap wind energy more effectively.
- (iv) Wind Electric Generator of 250 KW can generate 4 lakh to 6 lakh units of electricity per annum depending upon the wind potential of the area.

**ii) Cost of Wind mill**

The cost of a single 225 or 250 KW which is widely preferred is about Rs.85 lakh. The total project cost of a one MW wind farm will be about Rs.4.25 crores including charges payable to TNEB. The cost of the land required for installation of wind mill is **Rs.10.00 lakhs.**

An overview of the financial status of Theni-Allinagaram Municipality portrays its commitment in performing obligatory and discretionary functions to the citizens of the town. The maintenance of accounts of the Municipality has been switched over from cash based to the Accrual Based Accounting System and it can help to assess the credit worthiness of the Municipality.

## 6.1 Revenue Account

### 6.1.1 Receipts

Under own source of income, the collection percentage under property tax is good at the rate of 80%. Further, the revenue expenditure is more than own source of income and hence the dependency of the Municipality on the receipts from Government by way of devolution of fund, entertainment tax and duty on transfer of property plays vital role in meeting its revenue expenditure.

### 6.1.2 Expenditure

The revenue expenditure increases year by year, this may be due to various factors like increase in establishment cost, repair and maintenance expenses etc. More or less 50% of the revenue expenditure is incurred for establishment expenses and under other heads there is increase of 20% every year which may due to increase in water supply maintenance expenses. The following table gives the revenue receipts and expenditure during the past 4 financial years, i.e. from 2003-04 to 2006-07.

**Table 6.1: Revenue Income & Expenditure 2003-07**

Revenue Income		Amount (Rs in Lakhs)			
Sl.No.	Account Heads	2003 - 04	2004 - 05	2005 - 06	2006 - 07
	Opening Balance	-	252.83	421.78	455.87
1	Property Tax	113.70	120.35	123.80	127.21
2	Other Taxes	19.01	25.56	25.24	27.07
3	Assigned Revenue	70.76	39.89	39.57	64.50
4	Devolution Fund	178.83	143.90	62.83	88.88
5	Service Charges & Fees	114.00	106.38	95.53	95.50
6	Revenue Grants & Contribution	0.45	0.15	0.00	0.00
7	Other Income	106.61	115.96	124.64	138.00
	<b>Total</b>	<b>603.37</b>	<b>552.19</b>	<b>471.61</b>	<b>541.16</b>
Revenue Expenditure		Amount (Rs in Lakhs)			
Sl.No.	Account Heads	2003 - 04	2004 - 05	2005 - 06	2006 - 07
1	Personnel Cost	180.38	186.16	197.80	247.48
2	Terminal & Operating Expenses	28.51	35.01	38.70	51.47
3	Operating Expenses	85.35	96.38	110.71	97.63
4	Repairs & Maintenance	31.42	34.56	40.74	48.25
5	Programme Expenses	0.47	0.14	1.39	6.13
6	Administrative Expenses	24.31	18.46	24.12	32.58
7	Finance Expenses	0.09	12.54	24.07	11.07
	<b>Total</b>	<b>350.53</b>	<b>383.25</b>	<b>437.51</b>	<b>494.61</b>
	<b>Surplus/Deficit</b>	<b>252.84</b>	<b>168.94</b>	<b>34.10</b>	<b>46.55</b>

Source: Theni Municipality

The following table gives the growth rate and break up of revenue income and expenditure during the financial years of 2003-07.

**Table 6.2: Growth rate and Break up of Revenue Income & Expenditure 2003-07**

REVENUE INCOME		Break Up (in% to total)				Growth Rate (in%)		
No.	Account Heads	2003-04	2004-05	2005-06	2006-07	2003-04 to 2004-05	2004-05 to 2005-06	2005-06 to 2006-07
	Opening Balance	0.00	45.79	89.43	84.24	0.00	66.82	8.08
1	Property Tax	18.84	21.8	26.25	23.51	5.85	2.86	2.76
2	Other Taxes	3.15	4.63	5.35	5.00	34.45	-1.26	7.24
3	Assigned Revenue	11.73	7.22	8.39	11.92	-43.63	-0.8	62.99
4	Devolution Fund	29.64	26.06	13.32	16.42	-19.53	-56.34	41.47
5	Service Charges & Fees	18.89	19.26	20.26	17.65	-6.69	-100.00	0.00
6	Revenue Grants & Contribution	0.07	0.03	0.00	0.00	-66.67	-10.20	-0.03
7	Other Income	17.67	21.00	26.43	25.5	8.77	7.49	10.72
	<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>-8.48</b>	<b>-14.59</b>	<b>14.75</b>
REVENUE EXPENDITURE								
No.	Account Heads	2003-04	2004-05	2005-06	2006-07	2003-04 to 2004-05	2004-05 to 2005-06	2005-06 to 2006-07
1	Personnel Cost	51.46	48.58	45.21	50.03	3.21	6.25	25.12
2	Terminal & Operating Expenses	8.13	9.14	8.85	10.41	22.80	1.53	33.00
3	Operating Expenses	24.35	25.15	25.31	19.74	12.93	14.87	-11.81
4	Repairs & Maintenance	8.96	9.02	9.31	9.76	10.01	17.86	18.45
5	Programme Expenses	0.14	0.04	0.32	1.24	-71.36	920.91	342.25
6	Administrative Expenses	6.94	4.82	5.51	6.59	-24.10	3.067	35.11
7	Finance Expenses	0.03	3.27	5.50	2.24	13778.77	91.94	-54.02
	<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>9.33</b>	<b>14.16</b>	<b>13.05</b>

Source: Analysis and Computation

## 6.2 Capital Account

### 6.2.1 Capital Grants

There is substantial receipt as Grant from Government to a sum of Rs.246.00 lakhs, Rs. 68.00 lakhs and Rs. 213.00 lakhs in the year 2003-04, 2004-05 and 2005-06. The capital grant receipts contribute a helping hand in developing the asset base to this Municipality.

**Table 6.3: Capital Grants** **Rs. in lakhs**

No	Details of Head	2004-05	2005-06	2006-07
1	Grants from Government	246	68	213
2	Other Grants from Financial Institutions	--	30	--
	<b>TOTAL</b>	<b>246</b>	<b>98</b>	<b>213</b>

Source: Theni Municipality

### 6.2.2 Capital Expenditure

Under Capital Expenditure, the major portion is incurred for storm water drain expenditure. The expenditure under Storm water drain is Rs. 189.00 lakhs, Rs 215.00 lakhs and Rs 250.00 lakhs in 2003-04, 2004-05 and 2005-06. The capital expenditure is increasing year by year. The repayment of loan is meager when compared to the huge outstanding loan liability. The closing balance is on positive note after its commitment to revenue and capital expenditure.

**Table 6.4: Capital Expenditure** **Rs. in lakhs**

No.	Capital Expenditure	2004-05	2005-06	2006-07
1	Road	27	30	49
2	Water Supply	45	41	97
3	Street Lights	-	16	23
4	Conservancy/Public Health	-	-	-
5	Storm Water Drain	189	215	250
6	Repayment of Loan-Principal	17	17	19
7	Others	67	57	60
	<b>TOTAL</b>	<b>345</b>	<b>376</b>	<b>498</b>
F	Closing Balance	666	448	461

Source: Theni Municipality

### 6.3 Financial Operating Plan

The Financial Operating Plan is made for four years. As discussed above, the Revenue and Capital Account of the municipality is balanced in the Receipts and Expenditure. The contribution ratio of Total Expenditure to Total Receipt TE/TR is < 1. The debt servicing ratio for revenue receipt DS/TR is around 10%. The closing balance as on 31.03.2007 is Rs. 502 lakhs. This Municipality will be able to meet its statutory functions when proper financial planning is implemented.

**Table 6.5: Finance Operating Plan** **Rs. in lakhs**

Sl.No.	Account Head	2003 - 04	2004 - 05	2005 - 06	2006 - 07
	Opening Balance	-	252.83	421.78	455.87
1	Total Revenue Receipts	603.37	552.19	471.61	541.16
2	Total Revenue Expenditure	350.53	383.25	437.51	494.61
3	Revenue Surplus / Deficit	252.83	168.94	34.09	46.55
4	Annuities / Debt Servicing	54.28	51.99	53.24	52.81
5	TE/TR	0.58	0.69	0.93	0.91
6	DS/TR	0.09	0.09	0.11	0.10
	Closing Balance	252.83	421.78	455.87	502.42

Source: Analysis and Computation

### 6.4 Collection Efficiency

#### 6.4.1 Property Tax

The Property Tax collection performance of the Municipality is satisfactory. The percentage of collection in the year 2003-04, 2004-05 and 2005-06 is 83%, 69% and 80% respectively. The current demand shows an increase of 3% p.a which is lower than average rate of assessment. The

unassessed buildings should be brought in to demand and 100% must be achieved in this regard. The arrears demand as on 31.03.2006 is Rs. 45.00 lakhs. The collection team may be geared up to achieve 100% collection. The achievement of property tax collection can improve the financial position of the Municipality. Hence, effective steps must be taken to achieve the target.

**Table 6.6: DCB of Property Tax 2003-2006**

Year	DEMAND			COLLECTION			BALANCE		
	Arrears	Current	Total	Arrears	Current	Total	Arrears	Current	Total
2003-04	15.39	124.51	139.90	2.68	113.40	116.07	12.71	11.11	23.83
2004-05	45.12	131.03	176.15	3.30	105.80	109.10	41.82	12.29	54.11
2005-06	45.12	134.55	179.67	14.31	129.44	143.74	30.81	5.11	35.92

Source: Theni Municipality

#### 6.4.2 Profession Tax

The percentage of total collection under profession tax is 100%. The Municipality has to assess all the professionals, shops establishments etc., under profession tax. The D&O demand must be verified with PT to see whether there is any omission in PT assessment.

**Table 6.7: DCB of Profession Tax 2003-2006**

YEAR	DEMAND			COLLECTION			WRITE OFF			BALANCE		
	Arrears	Current	Total	Arrears	Current	Total	Arrears	Current	Total	Arrears	Current	Total
2003-04	1.83	19.00	20.83	1.83	19.00	20.83	0.00	0.00	0.00	0.00	0.00	0.00
2004-05	2.12	24.02	26.15	1.94	23.62	25.56	0.00	0.00	0.00	0.18	0.40	0.58
2005-06	0.58	25.24	25.83	0.58	25.24	25.83	0.00	0.00	0.00	0.00	0.00	0.00

Source: Theni Municipality

#### 6.4.3 Non Tax

Under Non-Tax, the percentage of total collection is very poor. Out of Rs 105.00 lakhs, only Rs. 70.00 lakhs was collected in the year 2005-06 i.e. 67% of total demand. The average collection under lease is around 73% every year. There is Rs.35.00 lakhs outstanding as arrears as on 31.03.2006. It is possible that 100% collection can be attained in Non-Tax.

**Table 6.8: DCB of Non-Tax Revenue 2003-2006**

YEAR	DEMAND			COLLECTION			WRITE OFF			BALANCE		
	Arrears	Current	Total	Arrears	Current	Total	Arrears	Current	Total	Arrears	Current	Total
2003-04	9.37	67.83	77.20	1.46	61.72	63.18	0.04	0.02	0.07	7.87	6.09	13.96
2004-05	25.13	72.97	98.10	1.84	66.13	67.97	0.00	0.00	0.00	23.29	6.84	30.13
2005-06	30.13	74.84	104.97	0.76	69.34	70.11	0.00	0.00	0.00	29.37	5.49	34.87

Source: Theni Municipality

Effective steps must be taken to improve collection efficiency internally and finding scope for improvement in resource mobilization. Proper financial planning and budgetary control can achieve the object.

## REFORM AGENDA AND ACTION PLAN

### 7.1. CURRENT SCENARIO IN TAMIL NADU

Subsequent to the 74<sup>th</sup> CAA in 1992, a series of steps to improve the financial status and thereby the performance levels of the Urban local bodies were initiated in the various states of India, including Tamil Nadu. The Government of Tamil Nadu has been a fore runner in initiating and implementing various Municipal reforms.

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. **Double entry accrual based accounting system:** implemented in all the urban local bodies.
5. **Computerization and E-governance** of select Municipal functions in all urban local bodies.
6. **Urban indicators:** Performance assessment of ULBs initiated by CMA
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:** 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 CMA office.
9. **GIS for 5 urban local bodies:** Consultancy for survey, digitization and attribution and software development for the web based GIS project for 5 ULBs from CMA office.
10. **ESCO Studies:** TNUIFSL initiative for the Implementation of energy efficiency in Water pumping and Street lighting systems under performance contract.

### 7.2 AGENDA

The CCCBP aims to initiate urban reforms at the State level and the Urban Local Body level for each of the project Municipality .The agenda for the municipal reforms for Theni are categorized as:

1. State level reforms and
2. Municipal level reforms

#### 7.2.1 State level reforms

- Establishment of **Tax Mapping** using GIS to assess un-assessed and under-assessed properties in all Municipalities.
- Fiscal Transfer from Central to State and State to Local Bodies should be further rationalized to ensure a better normative base and timely transfer.

- Initiation of **Area Based System for Property Tax** assessments and collection.
- **Frame work law for PPP** as in Gujarat, Punjab and Andhra Pradesh – Enabling and regulatory framework .Capacity building in public institutions and private sectors for handling PPP projects. Identification of bankable infrastructure projects.
- **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.
- Framing guidelines for communication service providers such as Aircel, Airtel, Hutch and Cable operators empowering the Municipal authorities to collect deposits for setting up cell towers and dish antennae.

### **7.2.2 Municipal level reforms**

The proposed Municipal reforms are broadly categorized under the heads of:

- 7.2.3 Reforms in Resource Mobilisation
- 7.2.4 Reforms in privatisation initiatives
- 7.2.5 Reforms in Audit and Accounting
- 7.2.6 Reforms in Municipal service delivery

### **7.2.3 Reforms in Resource Mobilisation**

#### **i. Property tax reforms**

- Empowering municipalities to collect double the property tax from commercial, office and fee collecting educational establishments.
- Interfacing with the TNEB on the details of category and number of new service connections provided.(domestic or non-domestic)
- 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 Reforms**

- Revising the profession tax to Rs.150 per capita per annum based on the Central Finance Commission recommendations.

#### **iii. Water supply and sewerage charges**

- Approval of the Municipal council for the proposed tariff and deposit structure to enhance the public contribution and meet the entire O&M.
- Implementation of the proposed metering of water supply connections
- Implementation of graded tariff structure (UGSS) for domestic and non-domestic connections.
- Privatisation of Operation and Maintenance of the entire Water Supply and Distribution System.
- Privatisation of operation and maintenance of the UGSS.

**iv. Solid Waste management - Operation & Maintenance Plan.**

An integrated solid waste management plan for the town involving the following process is needed:

1. The municipality must focus on revenue enhancement by privatizing of waste management of the following components:
  - a. Primary collection
  - b. Transfer of waste to collection points/transfer stations
  - c. Transfer of waste to compost yard
  - d. Segregation of waste and option of
    - i. Selling scraps/recyclable waste.
    - ii. Treatment of biodegradable waste
    - iii. Transfer to identified regional land fill sites
  - e. Compost yard management
2. The management of biodegradable waste as a revenue generating activity will involve,
  - a. Vermi-composting
  - b. Installation of bio-gas plant
3. Implementing collection of conservancy fee for primary collection of waste and levy on commercial and industrial establishments.
4. Involvement of voluntary agencies, SHGs and private operators such as CES Onyx, Neel Metal Fanalca in the various components of Solid Waste Management on BOT, BOOT basis.

**vi. Parking management Plan**

Inventory for all roadside parking areas. Initiating time based *pay and park* facilities for vehicles. The proposed parking fee structure is

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

**Vii Advertisement Management 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 annual basis, who in turn can collect revenue from individual advertisers.

**Viii Regularization of unapproved construction**

- Regularization fees for unapproved constructions at the rate of 5 times the existing building license fee.

**xi. Collection of Tract rent**

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

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 Youth SHGs.

**X. Capacity assessment and capacity building**

- Mandatory capacity building and orientation sessions for Municipal Authorities and elected representatives, for which suitable training programs, training manuals and networking with other stakeholders has been initiated by the CMA.

**7.2.4 Reforms in privatization initiatives**

**i. 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 SHGs or Fan clubs can be sought for the purpose of collection with adequate sensitization programmes.

**Privatisation of Collection of**

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)
- Creating database of all assessments , households and category of assessments:
    - ◊ Interfacing with cable operators to arrive at the number of households at ward/zone level.
    - ◊ Interfacing with the sub registrars and creating the database of available vacant lands within the ULB.

**7.2.5 Reforms in Audit and Accounting**

- 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 online.
- GoTN and CMA may focus to give technical assistance and training to ULBs for improving the accounting systems and practices.

**7.2.6 Reforms in Municipal service delivery**

- Privatizing the maintenance of WSS and the distribution system
- All Head works and OHTs may be fitted with water meter to assess the loss due to non revenue water and unaccounted water.
- Fixing flow control valves for all water service connections.
- Conducting energy audits, if transmission losses are more than 15%.
- The options for using available local sources (surface water) in lieu of capital intensive projects should be initiated.
- Ensuring 100% coverage of the water distribution network to the existing roads in the town.
- Ensuring 100% coverage of the UGD network to the existing roads in the town.
- Privatizing the operation and maintenance of STP
- Privatization of Solid waste Management ensuring 100% collection efficiency.
- Initiating IEC activities
- Provision of energy saving lights, and equipments like dimmer and timer switches to reduce energy consumption.
- Privatizing the maintenance of street lights.

Table 7.1 Agenda for Mandatory Reforms-Theni-Allinagaram Municipality									
		Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 20
<b>1</b>	<b>Reforms in taxation</b>								
	Assessing unassessed and under assessed properties	100%							
	Area based system for property tax	100%							
	Property tax revision at 25%	100%							
	Revising Profession tax as per CFC recommendations		100%						
	Vacant land tax		100%						
<b>2</b>	<b>Reforms in Privatisation of Municipal functions</b>								
<b>a</b>	<b>Privatisation of Collection mechanism</b>								
	Collection of property tax (70%)	75%	80%	85%	90%	95%			
	Collection of profession tax (100%)	100%							
	Procurement of mobile collection vehicle	100%							
	Collection of conservancy fees	100%							
<b>b</b>	<b>Water Supply</b>								
	O&M of the supply and distribution system					100%			
	Conducting IEC activities								
<b>c</b>	<b>Under Ground Sewerage System</b>								
	O&M of the Sewer network	30%	35%	35%					
	Conducting IEC activities								
<b>d</b>	<b>Solid Waste Management</b>								
	Wards with door-to-door collection	30%	60%	100%					
	Source segregation of waste	30%	60%	100%					
	Vermi composting	30%	60%	100%					
<b>e</b>	<b>Roads</b>								
	Provision and maintenance of Road medians/round about				50%	100%			
<b>f</b>	<b>Street Lights</b>								
	Provision of new lights, retrofits, energy saving devices	20%	40%	60%	80%	100%			
<b>3</b>	<b>Reforms in Audit and Accounting</b>								
	Timely auditing of accounts	100%							
	Improved auditing system	100%							
	Appointing a private chartered accountant as consultant	100%							
	Publishing audited statement online		100%						
	Training of the ULB staff for proper accounting and maintaining transparency of accounts	100%							

### 7.3 ACTION PLAN

The action plan is a layout for the Municipality to implement the proposed City Corporate cum Business Plan. The action plan lists out all major activities to be under taken during the coming year (2009-10) with a broad outline of developmental activities to be completed within the next 5 years.

The important activities covered are project status, implementing agency, technical assistance needed, proposed reforms, and risks and mitigate measures. The action plan for the following sectors are detailed out for the sectors of Water supply, Underground sewer system, Storm water drains, Solid waste Management and Roads.

#### 7.3.1 Water Supply

<b>Proposals</b>	: 1. Improvements to the existing water supply scheme and 2. New Water Supply Scheme from Mullai Periyar River
<b>Project Status</b>	: 1. Proposals awaiting sanction from CMA 2. Concept stage
<b>Implementing Agency</b>	: Design and Project Management Consultancy /TWAD and Municipality.
<b>Technical Assistance</b>	: PMC for execution of the proposed work.
<b>Proposed Investment</b>	: Investment comprises of Grants (30%), Public contribution (60%) and local body's contribution (10%).
<b>Proposed reform</b>	: 1. Privatization of collection for deposits and tariff 2. Privatization of O&M. 3. Implementation of metering water supplied.
<b>Expected outcome</b>	: Improvement in water supply, Increase in HSC's and Reduction in O&M expenditure of the municipality.
<b>Next step</b>	: 1. Arrange for loans and grants from funding agencies, Call for EOI and short list potential contractor and Project Management consultants for improvement works 2. DPR to be prepared for Mullai Periyar scheme,

**Table 7.2 Water Supply-Risks and mitigation measures**

<b>Risks</b>	<b>Mitigate measures</b>
Lack of public awareness and co-operation.	IEC activities through voluntary organizations, CBOs, resident welfare organizations.
Non-availability or delays in funds from Government	Approach funding agencies.
Lack of bidders for the project.	Short listing of potential contractors at regional level and tendering the contract in a planned manner.
Time and cost overrun	Proper specification of project outputs and core services to be delivered

**7.3.2. Under Ground Sewerage**

<b>Proposals</b>	: UGSS for entire Municipal area
<b>Project Status</b>	: TNUIFSL funding, Project finalized
<b>Implementing Agency</b>	: TWAD Board/ PMC for sewer network and DBOOT model for STP
<b>Technical Assistance</b>	: Frame work for DBOOT model for STP, Short listing of PMC firms
<b>Proposed investments</b>	: Investment comprises of Grants (30%), Loans (40%), and Local Body's Contribution (30%)
<b>Sewage Treatment Plant</b>	: STP is proposed under BOT model.

**Proposed reform**

1. Privatization of collection for deposits and tariff
2. Privatization of O&M of UGSS
3. Implementation of graded tariff structure

**Expected outcome** : Increase in HSCs, Reduction in O&M expenditure of the municipality, improvement of health conditions

**Next step** : Collection of deposits and Implementation and graded tariff structure  
Short listing potential contractors for DBOOT of Sewage Treatment Plant.  
Short listing potential contractors for O& M of sewer network and STP.

**Table 7.3 UGSS-Risks and mitigation measures**

<b>Risks</b>	<b>Mitigate measures</b>
Inadequate capabilities for project execution.	Appointing PMC for project execution.
Cost escalation due to site sandy soil condition and delays.	Built in cost provision for escalation depending on year of implementation and site conditions.
Lack of bidders for the project.	Consolidating contract packages and calling tender at state level or National level.
Delay due to statutory approvals	Interfacing with all concerned departments to ensure timely approvals and reduce bottlenecks

### 7.3.3 Solid Waste Management

**Project Description** : Privatization of Solid Waste Management  
**Project Status** : Concept stage  
**Implementing Agency** : Municipality and private contractor  
**Technical Assistance** : Frame work law for PPP for integrating private operator and municipality.

**Proposed Investment** : PPP mode and 12th SFC grants.

**Proposed reform** :

1. Implementation of conservancy fees
2. Implementation of door-to-door collection
3. Implementation source segregation
4. Privatization of primary & secondary collection, compost yard management, transfer to land fill site.

**Expected outcome** : Better efficiency in collection, revenue generation from vermi-composting and enhancement of revenue from conservancy fees, reduction in revenue expenditure towards O&M and staff salary.

**Next step** : Approval from Council for privatization reforms and collection of conservancy fees, Call for EOI and short list potential private operator for the components identified under PPPP model.

**Table 7.4 Solid waste Management-Risks and Mitigation measures**

Risks	Mitigate measures
Lack of willingness to collect and pay conservancy fees. Absence of market for compost.	IEC activities through voluntary organizations, CBOs, resident welfare organizations.
Opposition from existing sanitary staff	Retain for zones identified or reallocate existing sanitary staff for other Municipal functions.
Lack of public awareness Resistance from public	Community consultations to ensure least resistance from local population

### 7.3.4 Roads

**Project Description** : Upgradation of roads in the town and new roads /extension areas  
**Project Status** : Proposals under UIDSSMT Scheme  
**Implementing Agency** : Municipality  
**Proposed Investment** : Rs.777.38 lakhs. - Investment comprises of Grants (30%), Loans (60%) and local body's contribution (10%).

**Proposed reform** :

1. Preparing parking management plan
2. Implementation of proposed parking fee.
3. Maintenance of road medians, traffic islands, green spaces to private sectors

**Expected outcome** : Improvement to road conditions and circulation, fuel efficiency, reduction in accidents etc

**Next step** : Arrange for loans and grants from UIDSSMT / funding agencies

**Table 7.5 Roads Management-Risks and Mitigation measures**

<b>Risks</b>	<b>Mitigate measures</b>
Damages to existing due to the proposed water supply and UGSS	Speedy expedition of water supply and UGSS and relaying of existing roads thereafter.
Delay in sanctions and funds allotment	New avenues in own resource mobilization or alternative mechanisms of funding.

#### **7.4 POLICY INTERVENTION AND TECHNICAL ASSISTANCE**

##### **7.4.1 National level and State level**

- Implementation of the Community participation law
- Framework for Private-Public-People Partnership for developmental activities.
- Maintaining tenure of key officials for atleast 3 years-Commissioner, Municipal Engineer, and Overseer.
- Provide guidelines to the Urban Local Bodies in closing their books of accounts and to submit their accounts to the Local Fund Audit within the stipulated time limit.

##### **7.4.2 Regional level**

- Empanelment of DBOOT contractors for water supply and UGSS works
- Mandatory capacity building and orientation sessions for Municipal Authorities, Elected representatives, NGOs, SHGs.

##### **7.4.3 Municipality level**

- Orientation sessions for privatisation of street lighting system.
- Involve local auditors and legal advisors to handle contract framing, review of contracts, reforms in accounting, closure of accounting, etc.

## FINANCE OPERATING PLAN

The Finance operating plan for the next 20 years has been prepared for two scenarios namely base case and sustainable case.

**8.1 SCENARIO 1** - The FOP is prepared considering that the Municipality does not take up development projects and does not avail any loans for improvement purposes.

**8.2 SCENARIO 2** – All the projects identified by the ULB and by CCCBP are considered, with financing mix as suggested in the following sections. The sustainability of the projects is ascertained based on the individual cash flow statements and the Net Present Value of operating surplus projections.

### SCENARIO 1

#### Assumptions considered for revenue income per annum are:

- 4% growth in property tax
- 15% growth in profession tax, vacant land tax.
- 10% growth of assigned revenue
- 10% growth in devolution funds
- 10% growth in service charges and fees
- 10% increase in other income

#### Assumptions considered in revenue expenditure per annum are:

- 8% growth in personnel cost
- 8% increase in terminal and retirement benefits
- 3% increase in operating expenses
- 10% increase in repairs and maintenance expenses
- 10% increase in programme expenses
- 5% increase in administrative expenses
- 1% increase in finance expenses

The income and expenditure under each account head projected for a period of 20 years is tabulated below.

**Table 8.1: Finance Operating Plan- Scenario 1**

Account Head	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
Total Receipts	531.27	577.87	629.03	685.22	746.98	814.88	889.59	971.82	1062.37	1162.14	1272.11
Total Expenditure	527.17	562.20	599.90	640.47	684.15	731.19	781.86	836.45	895.28	958.68	1027.04
Surplus / Deficit	4.10	15.66	29.13	44.75	62.82	83.69	107.73	135.37	167.09	203.45	245.08
Annuities / Debt Servicing	52.14	46.70	45.10	42.90	38.10	36.66	35.51	31.95	29.59	27.45	25.35
TE/TR	0.99	0.97	0.95	0.93	0.92	0.90	0.88	0.86	0.84	0.82	0.81
DS/TR	0.10	0.08	0.07	0.06	0.05	0.04	0.04	0.03	0.03	0.02	0.02
Closing Balance	506.52	522.18	551.31	596.06	658.88	742.57	850.30	985.66	1152.76	1356.21	1601.29

Source: Analysis and computations

Account Head	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	2028-29
Total Receipts	1393.40	1527.23	1674.97	1838.13	2018.42	2217.73	2438.17	2682.10	2952.15	3251.25	3582.69
Total Expenditure	1100.74	1180.23	1265.97	1358.48	1458.29	1566.00	1682.27	1807.78	1943.28	2089.61	2247.63
Surplus / Deficit	292.66	347.00	408.99	479.65	560.13	651.73	755.91	874.32	1008.86	1161.64	1335.05
Annuities / Debt Servicing	22.70	20.40	19.00	18.00	17.00	16.00	15.00	14.00	13.00	12.00	11.00
TE/TR	0.79	0.77	0.76	0.74	0.72	0.71	0.69	0.67	0.66	0.64	0.63
DS/TR	0.02	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.00	0.00	0.00
Closing Balance	1893.95	2240.94	2649.94	3129.59	3689.72	4341.45	5097.36	5971.69	6980.55	8142.18	9477.24

Source: Analysis and computations

### 8.3 CAPITAL INVESTMENT PLAN

The capital Investment for the proposed projects in Theni Municipality under CCCBP has been detailed out in the tables below. The projects include major infrastructural projects initiated by the State government recently for water supply and drainage, medium and small projects by way of meeting the long felt needs to provide comfortable living environment to the citizens of the town.

**Table 8.2: Project wise Funding Pattern**

Project Items	Amount	Grants	Loan	LB Cont.	Pvt. Sector	Source
Water Supply	357.00	30%	60%	10%		Grants & Loans from funding agencies
Sewerage System	2755.00	30%	40%	30%		Grants & Loans from funding agencies
STP	720.00				100%	DBOT
Storm Water Drains	375.00	30%	60%	10%		UIDSSMT, Finance agencies & municipal fund
Solid Waste Management	70.50	70%		30%		12 <sup>th</sup> finance & Municipal fund
Bus Shelters	35.00				100%	Voluntary organization & MLA, MP funds
Roads	777.38	30%	60%	10%		Finance agencies & municipal fund
Old Bus Stand	40.00			100%		Municipal fund
Proposed Bus Stand	600.00				100%	DBOT
Street Lights	66.80				100%	Private sector/ESCOs
Parks	70.00			28%	72%	Voluntary organization & municipal fund
Amarar Parks	14.88			100%		State govt. & municipal fund
Public Convenience	36.00	50%		50%		State govt. & municipal fund
Education	30.00	100%				Education fund
Medicare	5.00	100%				Part II scheme
Slum improvement	1191.15	90%		10%		IHSDP & municipal fund
Market	98.00		90%	10%		Loans from finance agencies
Marriage hall, godown and commercial complex	140.00				100%	DBOT
E-Governance	3.00			100%		Municipal fund
Greening the town	10.00			60%	40%	Voluntary organization & municipal fund
Slaughter House	34.00	30%		70%		Part II scheme & municipal fund
New Office Building	60.00		90%	10%		Finance agencies & municipal fund
Construction of Stadium	50.00	100%				Sports Authority of India & Tamil Nadu
Recreational Facilities (Water Bodies)	500.00				100%	DBOT
Pedestrian Platform	60.00			33%	67%	Voluntary organization & municipal fund
Bridges and Retaining Wall	90.00	10%	70%	20%		Voluntary organization, loan agencies & municipal fund
Updation of database on GIS Platform	45.00	100%				State / Central / Parastatal agencies
Wind mill (land cost)	10.00			100%		Municipal fund
<b>Total</b>	<b>8243.71</b>					

Source: Analysis and computations

As observed from the Table 8.3 possibilities for private sector investments have been included as a source of funding. An amount of Rs. 2155.80 lakhs has been identified for private sector investments. The table below shows the year wise financing mix suggested:

**Table 8.3: Capital Investment Programme – Abstract**

Year of Implementation	Capital Investment	Grants	Loans	LB Cont.	Private Investment
2009-10	3075.68	916.60	399.20	311.58	1448.30
2010-11	2405.50	1033.00	20.00	645.00	707.50
2011-12	1809.50	250.00	1409.50	150.00	0.00
2012-13	607.50	300.00	307.50	0.00	0.00
2013-14	345.53	72.03	76.64	196.86	0.00
<b>Total</b>	<b>8243.71</b>	<b>2571.63</b>	<b>2212.84</b>	<b>1303.44</b>	<b>2155.80</b>

Source: Analysis and computations

The table below gives the Multiyear investment programme for the proposed projects form year 2009-10 to 2013-14.

**Table 8.4: Multi Year Investment phasing**

	Project Items	Amount	2009-10	2010-11	2011-12	2012-13	2013-14
1	Water Supply	357.00	357.00				
2	Sewerage System	2755.00	550.00	965.00	1240.00		
	Private Sector	720.00	500.00	220.00			
3	Storm Water Drains	375.00		150.00	112.50	112.50	
4	Solid Waste Management	70.50	70.50				
5	Bus Shelters - Private sector	35.00	17.50	17.50			
6	Roads	777.38		233.00	195.00	195.00	154.38
7	Old Bus Stand	40.00	40.00				
	New Bus Stand - Private sector	600.00	400.00	200.00			
8	Street Lights - Private sector	66.80	66.80				
9	Parks and Playgrounds	70.00	50.00	20.00			
10	Amarar Parks	14.88	54.88				
11	Public Convenience	36.00	12.00	12.00	12.00		
12	Education	30.00	15.00	15.00			
13	Medicare	5.00	5.00				
14	Slum improvement	1191.15	250.00	250.00	250.00	250.00	191.15
15	Market	98.00	98.00				
16	Marriage hall, godown and commercial complex	140.00	140.00				
17	E-Governance	3.00	3.00				
18	Greening the town	10.00	7.00	3.00			
19	Slaughter House	34.00	34.00				
20	New Office Building	60.00	60.00				
21	Construction of Stadium	50.00				50.00	
22	Recreational Facilities in Water	500.00	250.00	250.00			
23	Pedestrian Platform	60.00	20.00	40.00			

24	Bridges and Retaining Wall	90.00	70.00	20.00			
25	Updation of database on GIS Platform	45.00	45.00				
26	Wind mill (land cost)	10.00		10.00			
	<b>Grand Total</b>	<b>8243.71</b>	<b>3075.68</b>	<b>2405.50</b>	<b>1809.50</b>	<b>607.50</b>	<b>345.53</b>

Source: Analysis and computations

## 8.4 KEY ASSUMPTIONS FOR SUSTAINABLE PROJECTS SCENARIO

### 8.4.1 Water Supply

The number of house service connections during 2007-08 is 8881. The House service connection coverage is 49%. The assumptions made to project the cash flow of this project is given below

- Achieving 90% house service connections coverage in the year 2009-10 after completion of proposed water supply projects
- Increase in assessments at a rate of 2 to 4%
- Collection of domestic deposit at Rs. 8000 per connection upto 2011-12 and Rs. 10000 from 2012-13 to 2020-21 and Rs. 12000 from 2021-22 to 2027-28
- Collection of domestic tariff at Rs. 75 per connection upto 2011-12 and Rs. 100 from 2012-13 to 2020-21 and Rs. 125 from 2021-22 to 2027-28
- Collection of non - domestic deposits at Rs. 8000 per connection upto 2011-12 and Rs. 10000 from 2012-13 to 2020-21 and Rs. 12000 from 2021-22 to 2027-28
- Collection of non - domestic tariff at Rs. 100 per connection upto 2011-12 and Rs. 150 from 2012-13 to 2020-21 and Rs. 175 from 2021-22 to 2027-28.

### 8.4.2 Under Ground Sewerage

The UGSS covers entire area of the domestic and non – domestic assessments (17531) in the town. The total income generated from tariffs and deposits will be Rs.149.36 lakhs and Rs.39.88 lakhs after implementation of UGSS in the year 2012-13.

**Table 8.5: Proposed Graded tariff for UGSS**

Domestic			Rs.in lakhs		Rs.in lakhs	
Area of the assessments in sq.ft	No. of Connections	Tariff in Rs	Tariff to be collected	Deposits in Rs	Deposits to be collected	
Less than 500 sq ft	8160	70	5.71	5000	408.00	
500-1200	3288	80	2.63	7000	230.16	
1200-2400	890	90	0.80	9000	80.10	
Greater than 2400	508	105	0.53	11000	55.88	

Non Domestic			Rs.in lakhs		Rs.in lakhs	
Area of the assessments in sq.ft	No. of Connections	Tariff in Rs	Tariff to be collected	Deposits in Rs	Deposits to be collected	
Less than 500 sq ft	1658	210	3.48	18000	298.44	
500-1200	480	240	1.15	26000	124.80	
1200-2400	225	270	0.61	40000	90.00	
Greater than 2400	379	315	1.19	50000	189.50	

Source: TNUIFSL

### 8.4.3 Solid Waste Management

It is proposed to collect conservancy fee from the domestic and non-domestic assessments for the collection of Solid Waste. The proposed tariff structures for types of assessments are as follows:

**Table 8.6: SWM Conservancy fees**

S.No	Assessment Type	Tariff per month (Rs)
1	Houses	15.00
2	Shops	25.00
3	Institutions	50.00
4	Industries	75.00
5	Hotels and Marriage Halls	100.00
6	Clinics and Hospitals	Managed by IMA

Source: Analysis and computations

### 8.4.4 Assumptions For O&M Expenditure

**Table 8.7: Assumed O & M expenditure**

Project Items	% of O&M
Water Supply	2.5
Sewerage	3.02
Storm water drains	3
Solid waste management	3
Bus Stand	1
Bus Shelter	1
Roads	2
Streetlights	1
Parks	3
Public Convenience	3
Crematorium	2
Education	3
Medicare	1.5
Slums	2.5
Market	1.5
Slaughterhouse	2
Pedestrian Platform	1
GIS	1
E-governance	1
Greening of the town	1
Municipal building	2

Source: Analysis and computations

## 8.5 FINANCE OPERATING PLAN – SCENARIO 2

The table below represents the FOP projections for account heads including income from CCCBP projects and debt servicing over a period of 20 years. The individual project wise cash flows are given in annexure -V.

**Table 8.8: FOP projections for scenario 2 - Theni-Allinagaram Municipality**

S.No.	Account Head	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
1	Total Receipts	531.27	577.87	864.54	939.42	1012.20	1306.90	1436.61	1548.34	1718.08	1838.41	1994.10	2152.03
5	Total Expenditure	522.22	551.61	612.39	688.77	780.16	1075.31	1142.76	1204.46	1287.64	1367.05	1430.70	1495.13
6	Surplus / Deficit	9.05	26.26	252.15	250.65	232.05	231.58	293.85	343.88	430.44	471.35	563.40	656.90
7	Annuities / Debt Servicing	55.80	126.71	74.62	76.22	99.79	234.35	238.10	244.42	266.38	287.93	288.56	286.48
8	TE/TR	0.98	0.95	0.71	0.73	0.77	0.82	0.80	0.78	0.75	0.74	0.72	0.69
9	DS/TR	0.11	0.22	0.09	0.08	0.10	0.18	0.17	0.16	0.16	0.16	0.14	0.13
	Closing Balance	511.46	537.72	825.79	712.92	1097.77	1412.83	1594.47	2024.24	2541.83	3101.65	3759.48	4512.35

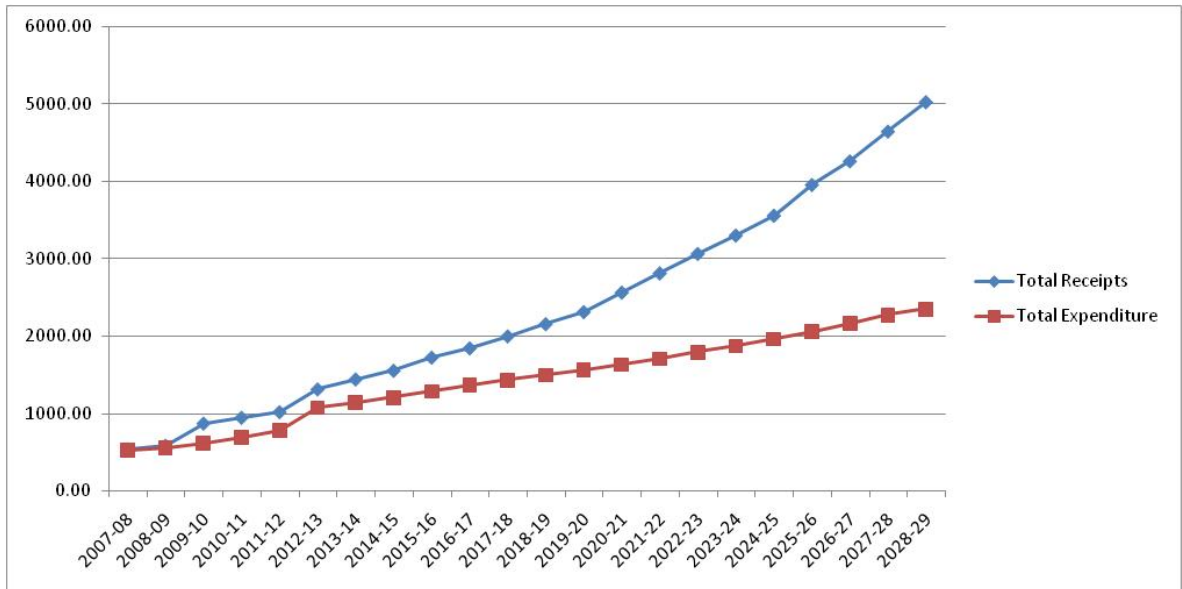
Source: Analysis and computations

S.No.	Account Head	2018-19	2019-20	2020 -21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028- 29
1	Total Receipts	2152.03	2308.77	2560.05	2809.01	3061.90	3298.82	3555.78	3953.93	4260.18	4646.31	5026.12
5	Total Expenditure	1495.13	1561.68	1632.63	1708.31	1789.04	1875.21	1961.78	2057.48	2162.37	2274.44	2350.17
6	Surplus / Deficit	656.90	747.09	927.43	1100.70	1272.85	1423.60	1594.00	1896.45	2097.81	2371.88	2675.96
7	Annuities / Debt Servicing	286.48	282.50	276.01	276.01	276.01	276.01	270.61	268.10	268.10	268.10	224.08
8	TE/TR	0.69	0.68	0.64	0.61	0.58	0.57	0.55	0.52	0.51	0.49	0.47
9	DS/TR	0.13	0.12	0.11	0.10	0.09	0.08	0.08	0.07	0.06	0.06	0.04
	Closing Balance	4512.35	5356.97	6383.64	7595.49	8985.32	10527.85	12242.79	14262.24	16485.17	18991.88	21805.15

Source: Analysis and computations

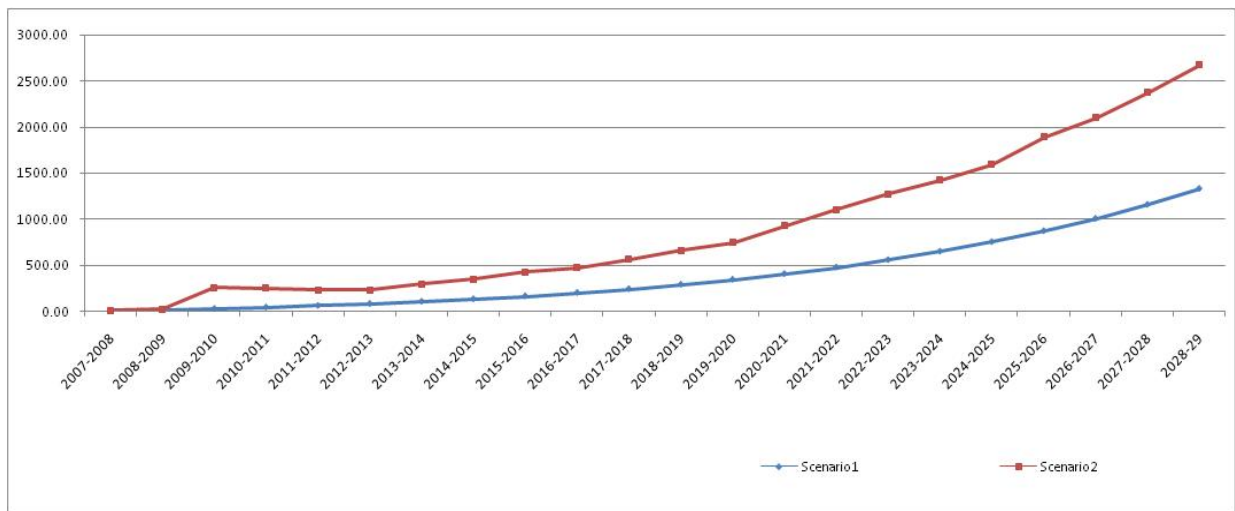
The consolidated statement for income & expenditure, surplus/deficit is given in annexure VI.

The figure below shows the total income and total expenditure projections for scenario 2, clearly indicating the surplus and growth in revenue income.



**Fig 8.1: Theni - Income and Expenditure Projections**

The figure below represents a comparative projection of net surplus /deficit for base case and sustainable projects scenario.



**Fig. 8.2: A comparison between Scenario 1 & 2**

The Borrowing capacity of Theni – Allinagaram Municipality is assessed as Rs. 2133.00 lakhs from the Net Present Value of 50% of the operating surplus projections during the 20<sup>th</sup> year. Further the Operating Surplus during the Financial year from 2008-09 to 2028-29 shows a positive trend. Therefore, the Municipality would be able to take up the entire projects proposed under the CCCBP, for the loan component of Rs. 2212.84 lakhs.

**ASSETS MANAGEMENT**

The local body possesses immovable and movable assets. Immovable assets are of great importance as the indicators for the municipality's financial worth which would help in its borrowing capacity and credit worthiness. Theni Municipality owns the following movable and immovable assets:

**9.1 LANDS AND BUILDINGS**

No. of land parcels	: 40
No. of buildings	: 68

**9.1.1 Water Supply**

Length of Distribution system pipes	: 112.60 km
Total no. of OHTs	: 9 OHTs
No. of water connections	: 9341
No. of Public Fountains	: 121
No. of Mini Power Pumps	: 138
No. of Hand Pumps	: 286

**9.1.2 Storm Water Drains**

Length of existing storm water drain	: 104.79 km.
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**9.1.3 Solid Waste Management**

Old compost yard	: 4.66 acres with Weigh Bridge
New compost yard	: 19.09 acres
Lorry	: 1
Mini lorry	: 2
Mini lorry with tipper	: 3
Tractor with trailer	: 1
Earth excavator	: 1

**9.1.4 Roads**

B.T.Surface	: 30.489 km
C.C.Roads	: 14.897 km
W.B.M.Roads	: 2.067 km
Earthen Roads	: 12.742km

**9.1.5 Bus Stand**

'B' class bus stand	
Number of bus bays	: 25

**9.1.6 Bus Shelter**

Total no. of Bus-shelters	: 6
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**9.1.7 Street Lights**

Tube lights	:	1931
Sodium vapour lamps	:	140
Mercury vapour lamps	:	102
High mast lights	:	2

**9.1.8 Parks and Play Fields**

Number of Municipal Parks Available: 2  
 No. of play grounds attached to : 3  
 higher secondary school

**9.1.9 Burial Grounds**

No. of Burial Ground : 2  
 Pallivasal Street, extent 945.5 sq mt.  
 Balan Nagar, extent 672 sq. mt.

**9.1.10 Public Convenience**

Existing Public Convenience Units	-	30
Public toilets	-	10
ISP toilet	-	7
Pay and use toilets	-	11
VAMBAY toilets	-	2

**9.1.11 Education**

Municipal Elementary schools	-	2
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**9.1.12 Market**

West Shandy Market  
 Extent 5.73 Acres  
 No. of Shops – 160

East Shandy Market  
 Extent 3.02 Acres  
 No. of Shops – 49

**9.1.13 Slaughter House**

Number of slaughterhouse	:	1
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**9.2 COMMENTS ON THE ASSETS MANAGEMENT IN THE LOCAL BODY**

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 both in improving the state and value and 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

The land assets of the Municipality total to 40 in number with a total standard value of Rs. 1105.42 lakhs as of March 2000. The land varies in its value from location to location and time to time as per the weightage of the area arrived at based on various factors. It is invariably found that the value of the Municipal land varies substantially from that of the adjacent private land for obvious reasons. These differences need a practical moderation to estimate the true credit worthiness of the local body.

Theni Municipality has furnished a statement giving the land assets and their values for March 2000. The rate of increase of the Municipal land in its value vis-à-vis that of the adjacent private land at the various locations will be useful in drawing up a reasonable assets management techniques. The land assets and building assets are listed in Annexure.

In so for the Municipal assets in the form of structures and other service networks are concerned, the rate of depreciation is taken into consideration. In many of the cases, the rate of depreciation adopted by the local bodies seems somewhat unreasonable. This requires a re-look.

The values of the structural assets as provided by the Municipality are only upto March 2000. 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 list of assets relating buildings, drains and roads, water supply and education are listed in Annexure-IV.

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 9.2.

The list of priority assets and their existing and proposed uses are given in the table below:

**Table 9.1: Priority Assets - Existing and Proposed Uses**

S.No.	Location	Extent	Present use	Proposed use
1	Uniampatti	--	Poromboke land	Sewage treatment plant
2	Theni town area	4.66 acres	Dumping yard	Proposed park after scientific reclamation
3	Upparpatti	19.09 acres	Dumping yard	Compost yard
4	Valkaradu- Poromboke land	5.00 acres	Vacant land	New bus stand
5	KRR nagar	0.077 acres	Layout open space	Park with children play area
6	Ondi Veeran Nagar Balan Nagar Sivaram Nagar Kottaikalam Valluvar Vasuki Colony Bazaar street Near Board school	varies	Dilapidated toilets or slum areas	Proposed Vambay sanitary complex

	Rice Mill Street South new street			
7	Municipal elementary school	Within campus	Vacant land	Proposed toilets
8	West shandy market	5.73 acres	Existing market area	Shopping complex , Marriage hall, provision of basic amenities
9	East shandy market	3.02 acres	Existing market area	Godown construction, Cycle stand
10	West shandy	50 sq.m	Damaged AC sheet building	Proposed modern slaughter house
11	Municipal office campus	0.20 acres	Vacant land	Proposed Municipal Office complex
12	Veerappa ayyanar koil road	--	Dilapidated bridge	Proposed new bridge

Source: Theni Municipality

### 9.3 MANAGEMENT OPTIONS FOR LOCAL BODIES

The land asset register is incomplete and lacks relevant data (Schedule-I of Assets Register of Theni Municipality). The schedule –I of the Asset register needs to be prepared afresh. The help of the SHGs or voluntary organisations can be sought for the purpose.

The land value also varies from location to location and time to time as per the weightage of the area arrived at based on various factors. It is invariably found that the value of the Municipality land varies substantially from that of the adjacent private land for obvious reasons. These differences need a practical moderation to estimate the true credit worthiness of the local body.

The rate of increase of the municipal land in its value, vis-à-vis that of the adjacent private land at the various locations will be useful in drawing up a reasonable assets management technique.

The foregoing account of the movable and immovable assets of the Municipality includes basically land parts of which are occupied by construction of structures for various uses. The structural elements in the form of buildings including OHTs, flow elements relating to essential services such as water supply, drainage, UGD, street lights and the like are designed with a design life time. The lands however as a base have no such limiting factor in terms of time. Thus the super structures and the constructed elements below the ground are depreciating in their values as they age. But the land

assets both constructed and un-constructed keep appreciating in the standard and market values. In fact, the rate of appreciation of the lands is of great significance from the point of worthiness of the concerned local body and, it is invariably much faster in its appreciating value compared to the rate of depreciation of structures imposed on them. Also, the rate of depreciation standardized for various items of the structures is much more than the actual while taking into consideration the life time of such structures till the point of their condemnation.

The assets particularly the lands owned by the local body could be used for borrowing loans showing them as the properties of the local body and / or leasing where possible. Certain land parcels may be leased / rented for private uses for a specific period of time. Moreover, the rate of depreciation may have to be considered from the actual life time of such structural elements instead of taking their design life time for valuation. Rationalizing both the aspects as mentioned may give the real value and worthiness of the assets of the local body. This may require a comprehensive re-look item-wise, pertinent to the locality and for valuating in terms of both appreciation and depreciation.

Generally, the assets of the local body, particularly the lands are rarely maintained and their values in the management of the resources of the local body are little considered. There must be a scientific approach town wise to evolve a dynamic model of the changing values of the assets both in terms of appreciation and depreciation from time to time, particularly when sizable developments take place. It is important to keep in view that as per the objectives of the devolution of functions and powers to the urban local bodies under the 74<sup>th</sup> Constitutional Amendment Act, the value of the lands and properties are necessarily to be assessed depending on their location, land use and intensity of development over a time scale. In order to systemize the highly dynamic factor of values of the properties under local body, it is essential for an efficient management of the total assets owned by local body.

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.

**Table 9.2 New Assets for the year - 2008-09 to 2013-2014**

	<b>Project Items</b>	<b>Rs. In lakhs</b>
1	Water Supply	357.00
2	Sewerage System	3475.00
3	Storm Water Drains	375.00
4	Solid Waste Management	70.50
5	Bus Shelters	35.00
6	Roads	777.38
7	Old Bus Stand	40.00
	New Bus Stand	600.00
8	Street Lights	66.80
9	Parks and Playgrounds	70.00
10	Burial Grounds	14.88
11	Public Convenience	36.00
12	Education	30.00
13	Medicare	5.00
14	Slum improvement	1191.15
15	Market	98.00
16	Marriage hall, godown and commercial complex – at Market	140.00
17	E-Governance	3.00
18	Greening the town	10.00
19	Slaughter House	34.00
20	New Office Building	60.00
21	Construction of Stadium	50.00
22	Recreational Facilities in Water Bodies	500.00
23	Pedestrian Platform	60.00
24	Bridges and Retaining Wall	90.00
25	Updation of database on GIS Platform	45.00
26	Wind mill (land cost)	10.00
	<b>Total</b>	<b>8243.71</b>

Source: Analysis and computations

As the essential part of the preparation of City Corporate Plan component for the town, all the stakeholder groups need be consulted with specific reference to the short term and midterm needs at the street, ward and town level, as the plan is primarily “with them, of them and for them,” the habitants of the town. In this process, residents of various sections of the communities in the town were enquired into at random during reconnaissance survey and visits to all the sites of the projects identified by the Municipality and also otherwise suggested by the elders. As a very important step, all the Councilors of the Municipal Council and the Chairman were individually discussed with and the ward and town level requirements relating to, especially the Municipal services and other promotive projects have been gathered in writing on a structured questionnaire. The Councilors have been invariably very co-operative and practical about the needs of the town at ward and town levels.

**THE**  **HINDU**

Thursday, Feb 08, 2007

## Municipality seeks public opinion to enhance amenities

### *A novel initiative by Theni Allinagaram Municipality*

*THENI: The Theni Allinagaram Municipality has sought suggestions, proposal, ideas and plans not only from councillors but also from all sections of people, including members of clubs, non-governmental organisations, traders, and merchants to enhance infrastructure and basic amenities in the municipality and give complete facelift to it.*

*Contrary to formulation of common schemes meant for all by officials at the State Secretariat, officials have come down to Theni to know the requirements, needs and priorities of the people, real beneficiaries, and make them plan, formulate and execute schemes. Special consultants, municipal officials and chairman and vice-chairman of the municipality held a meeting with the people and councillors to discuss implementation of city corporate cum business plan.*

*In his special address, scheme consultant, Prof.S. Arunachalam, said main objective of planning at municipal level was to identify area specific, need and priority based schemes useful to majority of the people in a particular area because requirements and priority of people varied from place to place and ward to ward within the same municipality. Such planning would also ensure speedy implementation. Moreover, execution period, to be decided by councilors, for all the schemes, would not exceed five years, one tenure of each elected local body.*

*"No financial crisis" -He also ruled out any financial crisis for implementation as the World Bank had sanctioned Rs.1,925 crore for urban infrastructure development. All proposals recommended by people would be decided in the presence of beneficiaries before sanction.*

*Councilors could propose water schemes, sewage line, public toilet, new road and upgrading or widening of existing roads, installation of street-lights, collection of disposal of wastes, construction of chamber, educational institutions, community centres, parks, play ground, shopping complex, bus shelter, traffic signal, sub way, over bridge, parking lot, platforms and any other new proposals useful to them. All departments of Central and State governments would be involved in implementation, he said. Besides, people have the right to give proposals for Vision 2025 for long-term development plans. He advised councilors to submit proposals immediately after consultation with people in their wards.*

This plan focuses largely on the totally implementable urban infrastructure and other projects to adequately meet the present and future demands of the growing town. The attendant results and concomitant effects are in terms of town's economic development, societies' standard of living, improvement in the living environment, equality in the access to the necessary services, facilities and amenities for all the sections of people largely sub-serving alleviation of the urban poverty element, on the completion of the project proposals.

These suggestions are quantified and projectised in the report. The suggestions of the Councilors are listed in the statement and a sample copy of the questionnaire is annexed for reference. Refer annexure – VII

The list of attendees and the key suggestions from the stakeholders are listed below:

List of attendees

1. The Honorable Municipal Chairman
2. Municipal Commissioner
3. Municipal Engineer
4. Municipal Authorities
5. Ward councilors
  
6. Representatives of Voluntary Organisations.
7. Representatives of SHGs.
8. Representatives from educational and health institutions.
9. Press reporters from The Hindu, Dinamani, Dina thanthi, Dinamalar and Dinakaran
10. SPECK project team.



**Table 10.1 Highlights of Stake holder suggestions-8.2.2007**

	<b>Stakeholder suggestion</b>	<b>Consultants reply</b>
1	Absence of UGSS causing stagnation, mosquito breeding and health hazards	TNUIFSL initiative for an amount of Rs.34.75 lakhs is expected to be completed by the year 2010-11.
2	Inadequate and irregular collection of solid waste	Proposals for primary collection and privatization of collection given.
3	Poor road surface quality and water logging on main roads	Road improvement for Rs.1003 lakhs and provision of storm water drains at Rs.450.35 lakhs proposed.
4	Need to exploit the tourist potential of the hinterland	Potential for an Eco-tourism STZ proposed

5	Improvement of slum areas	Awaiting sanctions from IHSDP for a proposed amount of Rs. 1440 lakhs.
6	Need for parks and play grounds	Development of parks and play grounds at the existing layout open spaces and park areas proposed
7	Poor maintenance of street lights	ESCO/ privatization proposals suggested for maintenance of street lights
8	Damaged bridge at Veerappa ayyanar koil causing inconvenience to tourists	A new bridge at a cost of Rs.90 lakhs proposed for the year 2009.
9	Merusamudiram lake to be converted to recreational area with parks, boating facilities etc	Cost of improvement to water body included. As this is a capital intensive project, the involvement of private sector needs to be sought.
10	Congestion and Unsafe pedestrian movement at core areas and bus stand area	Pedestrian platform at core areas and a new bus stand proposed at Valkaradu area.

Source: Compiled from Stake holder feed backs from Consultative meetings

In all, 25 projects consisting of obligatory and discretionary service requirements, facilities and amenities have been finally listed with the projection for the planned future in consultation with the town Council, Municipality and other prominent stakeholders implementation of the proposed projects will together ensure enhance the sustainability, enhance the quality of living environment, and economic status. The projects have been detailed out in terms of the capital needs, funding pattern, development priority and implementation cum investment schedule, their physical locations, be it land parcels or linear land strips within or without the Municipality's jurisdictions.

**Disclaimer:** The report is based on information collected by Speck Systems Ltd from sources believed to be reliable. While all reasonable care has been taken to ensure that the information contained herein is not untrue or misleading, Speck Systems Ltd is not responsible for any losses that the client may incur from the use of this report or its contents. The assessment is based on information that is currently available and is liable to change. Speck Systems is not a legal firm and our advice/recommendations should not be construed as legal advice on any issue.