

**JNNURM: WORKS, ACHIEVEMENTS AND  
PROBLEMS IN PUNE**

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## LIST OF ABBREVIATIONS

ASSOCHAM	Associated Chamber of Commerce and Industry of India
BRTS	Bus Rapid Transit System
BSUP	Basic Services to Urban Poor
CAA	Constitutional Amendment Act
CDP	City Development Plan
CIP	City Investment Plan
CS&MCs	Central Sanctioning and Monitoring Committees
CYG	Commonwealth Youth Games
DPR	Detailed Project Report
EWS	Economically Weak Section
FIs	Financial Institutions
FSI	Floor Space Index
GDP	Gross Domestic Product
GIS	Geographical Information System
GoI	Government of India
GoM	Government of Maharashtra
HCMT	High Capacity Mass Transport Route
IHSDP	Integrated Housing and Slum Development Programme
IRDP	Integrated Road Development Project
IT	Information Technology
JNNURM	Jawaharlal Nehru National Urban Renewal Mission
LIG	Low Income Group
MIDC	Maharashtra Industrial Development Corporation
MMRDA	Mumbai Metropolitan Region Development Authority
MoA	Memorandum of Agreement
MoUEPA	Ministry of Urban Employment and Poverty Alleviation
MoUD	Ministry of Urban Development
MRTS	Mass Rapid Transit System
NCMP	National Common Minimum Programme
NGO	Non Governmental Organisation
NUTP	National Urban Transport Policy
O&M	Operation and Maintenance
PMC	Pune Municipal Corporation
PMT	Pune Municipal Transport
PMPML	Pune Mahanagar Parivahan Mahamandal Limited
PPP	Public-Private Partnership
PSP	Public Stand Post
RTI	Right to Information
SLNA	State Level Nodal Agency
SRA	Slum Rehabilitation Authority
STP	Sewage Treatment Plant
SWD	Storm Water Drain
TAG	Technical Advisory Group
UA	Urban Agglomeration
UC	User Charge
UGD	Underground Drain
UIDSSMT	Urban Infrastructure Development Scheme for Small and Medium Towns
ULB	Urban Local Body

ULC                    Urban Land Ceiling  
ULCRA                Urban Land Ceiling Repeal Act

## **INTRODUCTION**

As the world celebrated the dawn of the new century, India set a record of its own. In 2001, India crossed the 1 billion population mark; to be only the second country after China to reach this feat. Today, India lives in a rapidly urbanising world. Although (according to the 2001 census) more than 70 percent of its people live in rural areas, urban India is mushrooming.

As a developing country, soaring growth rates, expanding trade and markets, industrial development and pouring foreign investments characterise the Indian economy. However, unplanned urbanisation has taken its toll on India. Growth without prosperity, expansion without adequate infrastructure and services, rising population with rising urban poverty and growing demands affecting service delivery has been the scene in India's towns and cities. Urban India is crying out for help.

The Government of India attempts to meet this challenge through the Jawaharlal Nehru National Urban Renewal Mission. By means of a strategy of infrastructure development, attention to urban poor and municipal reforms with the financial assistance of the Government of India, it is expected that the mission will renew and reinvigorate Urban India.

## EXECUTIVE SUMMARY

JNNURM is a mammoth mission to promote urban development in the Indian cities. JNNURM aims at creating 'economically productive, efficient, equitable and responsive cities' through a three pronged strategy of social and economic infrastructure up gradation in cities, provision of basic services to urban poor and wide-ranging urban sector reforms to strengthen municipal governance in accordance with the 74<sup>th</sup> Constitutional Amendment Act, 1992.

Pune is one of the cities identified for funding development projects under JNNURM. As one of India's fastest growing cities, Pune has far transformed from a conventional city and an old age retreat. The city proudly boasts of a strong economy fuelled by its industries – keeping intact the social, cultural and educational strongholds. With the flamboyance of a mega city yet not the boastfulness of a city like Mumbai or Bangaluru, Pune has her own character; her own charm; her own share of problems. Statistical records reveal that Pune is an extremely fast growing city, both, demographically and economically. The civic infrastructure growth and service standards however fall short of the actual requirements. The JNNURM has come as a big opportunity to enhance the city's infrastructure image, quality of service and standard of living.

The Pune Municipal Corporation is the urban local body of Pune. The City Development Plan (CDP) gives the vision for development in Pune and has prepared a total outlay of Rs 7550.84 crore for its achievement. Pune gets 70% of its project funding from the central and state governments under JNNURM.

At present, ten projects are being covered by JNNURM funds covering road network, storm water drains, bus rapid transit system, water supply, solid waste management, sewage treatment, river and lake improvement, slum improvement and rehabilitation under its scope. An assessment after two and a half years of the mission, unfortunately, has much to talk about failures than success (incomplete projects, inadequate planning, growing inconvenience and dissatisfaction to the citizens). But with a high potential for development and vigilant citizens, there is ample room for improvement.

## OBJECTIVES OF THE RESEARCH

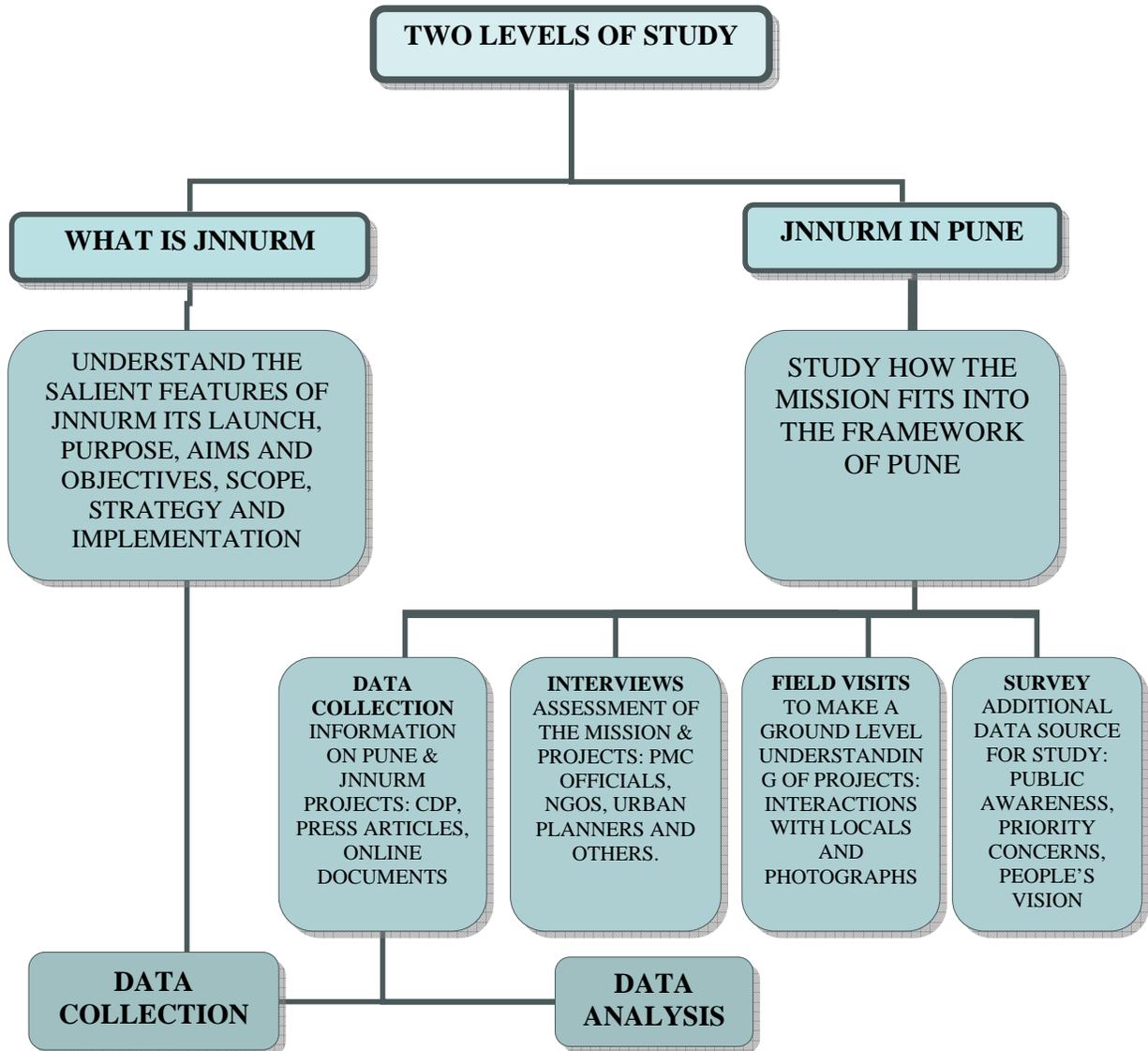
This paper aims to study the Jawaharlal Nehru National Urban Renewal Mission (JNNURM) and its execution at the level of Pune City. The objectives with regard to JNNURM are:

- To understand what is JNNURM
- To study the salient features of JNNURM

This study will be mirrored with the execution of the mission in Pune. The objectives with regard to JNNURM at the Pune city level are:

- To observe how the mission is being implemented in Pune
- To study whether the mission covers the most important requirements of Pune
- To examine whether the projects undertaken by the municipal authority are in sync with the plans for solving the problems of the city
- To note the achievements and failures under the mission
- To analyse the implications of the initiative in the city

# RESEARCH METHODOLOGY



## A.

## WHY URBAN RENEWAL?

### **Urbanisation**

Urbanisation has become a universal phenomenon. The share of world's population living in urban areas has increased from 29.1% in 1950 to 48.6% in 2005<sup>i</sup>. The United Nations reports that in 2008, more than 50% of the world's population will live in urban areas<sup>ii</sup>. The developed countries of the world have already achieved a high level of urbanisation while developing countries like India are showing signs of tremendous growth in their urban populations.

Urbanisation is the process of the shift of population from rural areas to the urban areas. It is closely associated with economic development and industrialisation. Thus, the process of urbanisation as a universal phenomenon is a recent development.

### Features of Urbanisation in India

- India is at a low level of urbanisation but the process has accelerated.
- The process of industrialisation that took off during the 1960s gradually increased the population absorption capacity of the urban areas.
- Urban population which accounted for only 11% (25.6 million) of the total population in 1901 increased to 17.3% (62.4 million) in 1951 and to 27.8% (285 million) in the next fifty years in 2001<sup>iii</sup>.
- The annual growth rate of urban population, in 1991-2001 was 2.73%<sup>iv</sup>.
- The number of urban agglomerations/towns has increased from 1827 in 1901 to 5161 in 2001. The number of million plus cities has increased from 5 in 1951 to 35 in 2001.
- There is a trend of concentration of population in the bigger towns<sup>1</sup>.
- An important feature of urbanization in India is dualism<sup>v</sup>— urban growth at macro level is decelerating but in class I cities it is growing. The process of urbanisation in India is largely city-oriented.<sup>vi</sup>

### **Impact of Urbanisation in India**

Although economic development has led to a growth of urban population, urbanisation has impacted India negatively to a considerable extent. Breese says that India has experienced pseudo-urbanisation which is due to rural push and not urban pull. The impact of industrialisation has not been very discernable and urbanisation in India lacks a strong economic base. Rapid urbanisation in a short period has resulted in urban misery, exploitation and inequalities. Lopsided pattern of urbanisation and inadequate investments has led to serious deficiencies in urban infrastructure and services like housing, transport, water supply, sanitation and social infrastructure especially in small and medium size cities. The use of capital intensive technology has restricted employment generation and increased urban poverty.

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<sup>1</sup> Urban population in Class I cities has increased from 44.6% in 1951 to 68.6% in 2001 (various towns in Class II category have jumped into Class I category and municipal boundaries of Class I cities have expanded. As a consequence, the total population of Class I towns has increased). In contrast, the relative proportion of population in Class II has remained constant and declined sharply in Class IV, V and VI.

## **Need for Urban Renewal**

Since the first Five Year Plan, the Government of India has made provisions for financial assistance and resource availability for urban development and infrastructure up gradation in towns and cities<sup>vii</sup>. With the growing influx of population to India's urban centres, creation of new infrastructure has not been commensurate with its growing demand. Despite efforts for increasing infrastructure coverage, service quality has deteriorated<sup>2</sup>. Poor service quality has affected the quality of life in urban centres.

Towns and cities in India contribute significantly to the nation's GDP (60 percent in 2001 according to ASSOCHAM<sup>viii</sup>) and is wealth creating entities. The Government has realised the need for restructured urban planning, additional projects and investments for urban infrastructure and services. The process of urban development has to be decentralised. The 74<sup>th</sup> Constitutional Amendment Act, 1992<sup>3</sup> bestows greater autonomy on the Urban Local Bodies (ULBs)/ Parastatal agencies for improving their performance ability, enhancing service delivery and strengthening municipal governance. Urban infrastructure and service development cannot be brought about alone by the public sector with the central government assistance. Public-private partnership (PPP) can ideally meet this challenge. With expanding urbanisation and shortcomings in the existing programmes for urban development, the need for a comprehensive urban renewal programme is acute.

The various schemes of the Government of India for urban development have been merged into a two-track strategy:

Track 1 for 63 identified cities

- Jawaharlal Nehru National Urban Renewal Mission (JNNURM)

Track 2 for other cities

- Urban Infrastructure Development Scheme for Small and Medium Towns (UIDSSMT)
- Integrated Housing and Slum Development Programme (IHSDP)

## **B. JAWAHARLAL NEHRU NATIONAL URBAN RENEWAL MISSION**

The Jawaharlal Nehru National Urban Renewal Mission (JNNURM) is an initiative by the Government of India to fund identified cities for developing urban infrastructure and services. It is a comprehensive programme for encouraging reforms and fast tracked planned development of identified cities. The total central government funding will be Rs 50,000 crore. Adding the contribution of states and municipalities, the total investment envisaged is Rs 1, 25,000 crore over a seven year period

### **I. Need for the Mission<sup>ix</sup>**

#### **a. Urban Sector Development**

28% or 285 million<sup>4</sup> people in India live in urban areas. Urban population may increase to about 40 per cent of total population by the year 2021 and cities are

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<sup>2</sup> The Mumbai flood incident in 2005 is an example of the failure of urban service delivery.

<sup>3</sup> Refer to Annexure 4

<sup>4</sup> According to Census 2001

expected to contribute 65% to GDP by 2011. Urban economic activities depend on the availability and quality of infrastructure service.

b. Investment in Urban Sector

**Table 1**  
**URBAN SECTOR INVESTMENT REQUIREMENT**  
(Rs Crore)

Category	Number of cities	Investment Requirement (over 7 years beginning 2005-2006)	Annual Funds requirement
Cities with over 4 million population	7	57,143	8163.3
Cities with 1-4 million population	28	57,143	8163.3
Selected Cities with less than 1 million population	28	6,250	892.9
Total	63	1,20,536	17219.5

c. Reform initiatives

The agenda of reforms is necessary for the creation of an investor-friendly environment, reform-linked assistance to states and ULBs, sustainable infrastructure development and efficiency enhancement of urban service delivery mechanisms.

**II. Rationale for the JNNURM<sup>x</sup>**

a. National Common Minimum Programme (NCMP) of the Government of India

The NCMP attaches highest priority to the development and expansion of physical infrastructure. It is committed to a programme of comprehensive urban renewal.

b. Millennium Development Goals

As a part of its commitment to meet the Millennium Development Goals of the United Nations, the Government of India proposes to facilitate investments in the urban sector and strengthen the existing policies.

c. Mission-led Initiative

Focused attention to urban development will be possible under the Mission.

**III. Duration of the Mission**

The JNNURM was launched on 3 December 2005. The duration of the Mission is seven years beginning from 2005-2006.

**IV. Objectives of the Mission**

a. Mission Statement: The aim is to encourage reforms and fast track planned development of identified cities. Focus is to be on efficiency in urban infrastructure and service delivery mechanisms, community participation, and accountability of ULBs/ Parastatal agencies towards citizens.

b. Mission Objectives

- Integrated development of infrastructure services.
- Ensuring adequate funds to meet deficiencies in urban infrastructure service.

- Planned development of cities.
- Basic services to Urban Poor.
- Scaling-up delivery of civic amenities, provision of utilities and universal access to Urban Poor.
- Redevelopment of Old cities.
- Securing effective linkages between asset creation and asset management.

## V. Scope of the Mission

The JNNURM has two Sub-Missions:

### a. Sub-Mission for Urban Infrastructure and Governance:

Urban Infrastructure development is necessary for economic growth and improving the urban standard of living. Under the Sub-Mission projects relating to water supply, sanitation, sewerage, solid waste management, road network, urban transport, upgrading infrastructure of old city areas and shifting industrial and commercial establishments to conforming areas are to be taken up. It is administered by the Ministry of Urban Development (MoUD), the apex authority of the Government of India for urban development.

### b. Sub-Mission for Basic Services to Urban Poor:

Large urban poverty is a characteristic feature of India's urbanisation process. The main thrust of the Sub-Mission is on integrated development of slums through projects for providing shelter, basic services and other related civic amenities with a view to providing utilities to the urban poor. The Ministry of Urban Employment and Poverty Alleviation (MoUEPA) administers this Sub-Mission.

## VI. Admissible sectors and projects for assistance under JNNURM

### A. Sub-Mission for Urban Infrastructure and Governance

- 1) Urban renewal.
- 2) Water supply (including desalination plants and sewerage).
- 3) Solid waste management.
- 4) Storm water drains.
- 5) Urban Transport (including roads, highways, expressways, MRTS, and metro projects).
- 6) Parking spaces on PPP basis.
- 7) Development of heritage areas.
- 8) Prevention and rehabilitation of soil erosion and landslides (only for special category States).
- 9) Preservation of water bodies.

### B. Sub-Mission for Basic Services to the Urban Poor.

- 1) Integrated slum development and infrastructure projects in slums.
- 2) Development, improvement, and maintenance of basic services to the urban poor.
- 3) Slum improvement and rehabilitation.
- 4) Water supply, sewerage, drainage, community toilets and baths etc.
- 5) Affordable housing for slum dwellers, urban poor, economically weaker sections (EWS) and lower income group (LIG) categories.
- 6) Construction and improvement of drains and storm water drains.
- 7) Environmental improvement of slums and solid waste management.
- 8) Street lighting.
- 9) Civic amenities like community halls, child care centres etc.
- 10) Operation and Maintenance (O&M) of assets.
- 11) Health, education and social security schemes for the urban poor.

### C. Inadmissible Components for assistance under JNNURM

- 1) Power
- 2) Telecom
- 3) Health
- 4) Education
- 5) Wage employment programme and staff components.
- 6) Creation of fresh employment opportunities

## VII. Admissible cities for assistance under JNNURM

Sixty three cities<sup>5</sup> have been identified for assistance under JNNURM. (List of identified cities is given in Annexure 1).

**Table 2**  
**ELIGIBLE CITIES**

Category	Type of City/ UA	Number of cities
A	Cities/ UA;s with 4 million plus population as per 2001 census	7
B	Cities/ UA;s with 1 million plus but less than 4 million population as per 2001 census	28
C	Selected Cities/ UA's (State Capitals and other cities/ UA of religious/ historic and tourist importance)	28

## VIII. Funding Pattern under JNNURM

**Table 3**  
**FUNDING PATTERN UNDER JNNURM**

Urban Infrastructure and Governance Funding Pattern	Grant (percentage of total project cost)		ULB/ Parastatals/ Loan from Financial Institutions
	Centre	State	
Cities with 4 million plus population	35%	15%	50%
Cities with million plus but less than 4 million population	50%	20%	30%
Cities in North Eastern States and J& K	90%	10%	
Other Cities	80%	10%	10%
Setting up desalination plants	80%	10%	10%

## IX. Strategy of the Mission

### a. City Development Plan

Every city is expected to formulate a City Development Plan (CDP) with an aim 'to create economically productive, efficient, equitable and responsive cities' by improving local economic growth, municipal services and conditions for urban poor. The CDP should broadly indicate the qualitative and quantitative information about

<sup>5</sup> Includes State capitals, cities with million plus population, religious/ tourist/ cultural/ heritage centres having elected bodies in position.

the city's past and present, development priorities, perspective and vision for future development, strategies, financing plans and investment requirement for implementing the strategy. It is to be developed and sustained through consultative and participatory deliberations involving the private sector, governmental agencies and the civil society.

b. Detailed Project Reports

The ULB's/ parastatal agencies are required to prepared detailed project reports (DPR's) for undertaking projects identified by the CDP in a manner that will optimise the life-cycle cost over the planning horizon of the project.

c. Memorandum of Agreement

On approval of the CDP's and DPR's, the State Government and ULB's including Parastatal agencies, where necessary would execute a Memorandum of Agreement (MoA) with the Government of India indicating commitment along with a timeline to implement identified reforms.

d. Release and Leveraging of Funds

JNNURM assistance aims to catalyse the flow of investment into the urban infrastructure sector across the country. Funds from the Central<sup>6</sup> and State Government will flow directly, as grants-in-aid, to the State level nodal agency (SLNA) which would disburse them to the ULB/ Parastatal agency as soft loans/ grant-cum-loans/ grants. The SLNA/ ULB's in turn would leverage additional resources from other sources.

e. Incorporating Private Sector Efficiencies

In order to optimise the life-cycle costs over the planning horizon, private sector efficiencies can be inducted in development, management, implementation and financing of projects, through Public Private Partnership (PPP) arrangements.

**X. Agenda of Reforms**

The JNNURM aims not merely at increasing infrastructure investments but 'improving urban governance and service deliveries so that the ULBs become financially sound, sustainable' and accountable as service provider agencies to undertake development projects. Coverage and quality of urban service by ULBs and States can improve only through greater accountability. A set of mandatory and optional reforms have to be completed for accessing the Central assistance.

a. Mandatory Reforms

Mandatory reforms are to be achieved at the city as well as the State level.

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<sup>6</sup> The Government of India funds are called the Additional Central Assistance (ACA).

#### CITY LEVEL REFORMS

1. Accrual-based double entry system of accounting.
2. Introduction of the system of E-Governance.
3. Reform of property tax with GIS.
4. Levy of reasonable user charges (Full recovery of 100 percent O&M charges).
5. Internal ear-marking of budgets for Basic Services to the Urban Poor.
6. Provision of Basic Services to Urban Poor.

#### STATE LEVEL REFORMS

1. Enactment of Public Disclosure Law and Community Participation Law.
2. Implementing decentralisation measures as envisaged in the 74<sup>th</sup> CAA.
3. Repeal of ULCRA and reform of Rent Control Act.
4. Assigning elected ULBs with city planning functions.
5. Rationalisation of Stamp Duty to bring it down to no more than 5 percent in the next seven years.

#### b. Optional Reforms

Cities under JNNURM have the freedom to opt for any two reforms from the optional category in each year of implementation. (List of optional reforms is given in Annexure 2).

### **XI. National Urban Transport Policy (NUTP)<sup>xi</sup>**

The NUTP is integral to JNNURM. Its salient features are:

- The NUTP aims at ameliorating and encouraging public and non motorized vehicle transport and ensuring easily accessible, safe, affordable and sustainable mobility for all.
- It proposes special taxes on the use of private vehicles to reduce their usage.
- It aims at reducing existing levels of congestion and air pollution, improving road safety and using sustainable technologies in transport to preserve the nation's energy security.
- The NUTP agenda suggests mass rapid transit systems (MRTS), bus rapid transit systems (BRTS), monorails, sky buses, underground metros, etc.

### **XII. Expected Outcomes of the JNNURM**

On completion of the Mission period, it is expected that ULB's and parastatal agencies will have achieved the following:

- Urban services and governance: All urban local services and governance functions to operate through modern and transparent budgeting, accounting and financial management systems. Urban service providers to be accountable to the people.
- Financially self-sustaining agencies for urban governance and service delivery through reforms to major revenue instruments.
- City-wide framework for planning and governance to become operational.
- Up gradation of urban infrastructure.
- Basic services to urban poor and access to basic level of urban services to all urban residents.
- E-governance applications in core functions of ULB's/ Parastatal agencies resulting in reduced cost and time of service delivery processes.

The JNNURM attempts to answer the enormity of challenges for urban service provision in India by developing urban infrastructure and conditions for urban poor and creating self-sustaining and accountable urban service providers through its reform agenda. While the metropolitan cities cater to their problems, assistance under the mission is particularly significant to the other large cities experiencing demographic explosion and growing gap between the demand and supply of essential infrastructure and services and where local authorities lack the fiscal capacity for such crisis-management.

## C. THE MISSION IN PUNE

### I. Pune – An Urban Perspective

Pune city is a part of the Pune Metropolitan Area. The administrative body in the city is the Pune Municipal Corporation (PMC). The PMC is both a service provider and a facilitator and administers a municipal area of about 244 sq. km and a population of approximately 2.5 million<sup>7</sup>.

Pune is the 2<sup>nd</sup> largest city in Maharashtra and one of the eight mega cities of India. The city's journey to its current status has been long. Once a place of retreat, the city has several titles to its credit – Oxford of the East, military centre<sup>8</sup>, cultural capital – the latest being the 'country's software hub' only next to Bangaluru. Pune has expanded physically, demographically and economically.

The main thrust of Pune's economy is its industries (manufacturing, automotive, IT and agro based industries). Amidst the mushrooming of cyber cafés and IT firms, cultural organisations and festivals keep the city culturally alive. The remnant wadas remind one of its rich Peshwa heritages. Pune has experienced a demographic explosion. Migration from virtually every corner of the country has significantly played its part. This popular *mélange* has no doubt a cosmopolitan flavour, but has given Pune its vibrancy.

However, behind its bold new face, Pune, like other big cities of India, is experiencing the setbacks of urbanisation. Acute shortage of infrastructure, poor urban service standards, proliferating slums and shantytowns underline another reality of Pune's transformation. Growing dissatisfaction of the people and deteriorating service delivery mechanisms is a sign of Pune's struggling urban lifestyle. JNNURM has come as a big opportunity to enhance the city's infrastructure image, quality of service and standard of living.

### II. Pune City Development Plan – An Appraisal

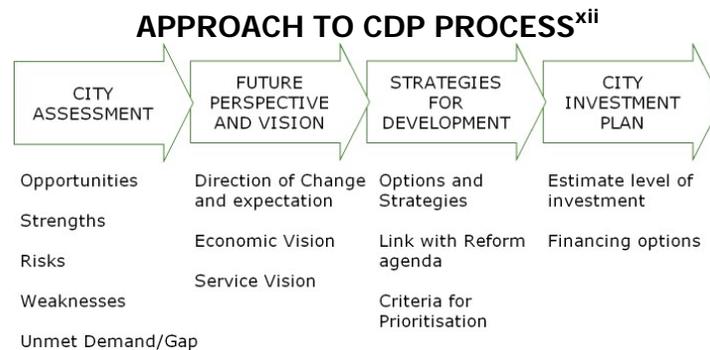
The City Development Plan (CDP) is a mandatory requirement of any city to access the JNNURM assistance. Pune's CDP is a comprehensive document identifying the strengths, weaknesses, opportunities and threats to the city and strategies to achieve the vision for the city through a list of projects and corresponding estimates of financial requirements. A three phase approach was adopted in this process: defining vision and

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<sup>7</sup> According to Census 2001.

<sup>8</sup> The Headquarter of the southern command of the Indian Army is located in Pune.

mission statements; identifying priority actions to achieve the mission; and assessing feasibility and scheduling investments.



Source: Pune CDP

The CDP has been prepared through a city assessment involving consultation and workshops of the municipal officials and stakeholders<sup>9</sup>. Nine areas were covered under the assessment and key issues identified.

1. Urban Land Use Management/ Development Planning

- 42 percent of land is under residential settlement, 13.04 percent is used for transport and 11.9 percent constitutes forests and reserved areas.
- Physical development and growth, both, in residential and industrial areas, is haphazard and uncontrolled. Fringe areas need to be developed to avoid ill-organised growth.

2. Water supply

- Pune has a good service level and average rate of water supply. But the distribution system is old and energy cost in water production and distribution is high.
- An estimated 30 percent of water is lost in distribution. The main cause of water loss is heavy leakages and imprudent household use.

3. Sewerage and Sanitation

- All developed areas have access to underground drains (UGDs).
- The city's sewage treatment capacity is poor. A large volume of untreated water is released in rivers. Thus, rivers are unclean.

4. Road, Traffic and Transportation

- Absence of functional hierarchy of road network results into mixing up of local and regional traffic.
- Road quality is poor. Roads are characterised by lack of footpaths and encroachments.

<sup>9</sup> Stakeholders included representatives of NGOs, industry associations, educationists, environmentalists, councillors, representatives of Mohalla Committees and the informal sector as well as neighbouring ULB and Town Planning Department officials.

- There is a lack of adequate public transport. Existing service standards are poor. The bus fleet is old. Public transport accounts for only 15 percent of the vehicle kilometres travelled in the city. Growing private vehicles are leading to congestion.
  - There is a lack of civic sense towards traffic.
5. Storm Water Drains
- Of the desired 130 percent, Pune has only 44 percent tertiary drains. Primary and secondary drains have been obstructed by silting.
  - There is need for a storm water drain master plan for the city.
6. Solid Waste Management
- Primary sources of solid waste in Pune are local households, markets, commercial establishments, hotels, restaurants and hospitals. Total waste generated per day is about 1000-1200 tonnes.
  - Pune needs an integrated solid waste collection system. Civic education for waste segregation should be promoted.
7. Urban Poor/Slums
- Although there is no absolute poverty, 40 percent of the city's population lives in slums. Density in slums is 6.32 times that of the overall density in the city.
  - According to PMC's secondary data collection, there are 564<sup>10</sup> slums in India (353 are declared slums and 211 are undeclared).
  - Almost all slums have access to basic services. Slum problems include security of tenure, quality of housing and access to urban infrastructure.
  - Of the total population growth rate of 3.64 percent, 50 percent growth is due to migration. Due to the shortage of EWS/LIG housing facilities, most migrants settle in slums.
8. Environment
- The Mula – Mutha rivers of Pune are highly polluted<sup>11</sup>. Untreated domestic waste gets discharged into these rivers.
  - Khadakwala Lake has been polluted by gasoline and oils from vehicle cleaning and litter from picnic parties.
  - Increasing vehicle ownership is the main cause of pollution.
9. Street Lighting
- No major issues have been listed in terms of street lighting.

Vision Statement: (To make Pune) 'An economically vibrant and sustainable city with diverse opportunities and rich culture; where all citizens enjoy a safe and liveable environment with good connectivity'.

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<sup>10</sup> As per the data from Shelter Associates, an NGO working for slum improvement in Pune, the total number of slums in Pune is 447 (253 declared, 113 undeclared, 9 partly declared, 8 under rehabilitation and 64 unrecorded).

<sup>11</sup> The Mula and Mutha rivers have been declared highly polluted as per the Central Pollution Board Control norms.

Mission Statement: (Of the PMC) 'Commitment to being the principle facilitator and provider of services through dedication to achieve excellence in civic amenities provision and a responsive, accountable, modern, simple and transparent administration'.

### **III. What is to be achieved?**

JNNURM is a period-specific (seven years) mission. The CDP provides a strategy to achieve objectives in the mission period to ultimately attain the long-term vision of the city.

- Undertaking and executing identified projects to upgrade urban infrastructure and services to urban poor.
- Encouraging public-private investments to create quality state-of-art infrastructure.
- Increasing the investment capacity and sustenance of PMC through JNNURM assistance along with associated reforms like revenue improvement and expenditure control measures.
- Sustained economic growth, increase in income levels and improved economic and social conditions for the urban poor.
- Service provision like housing on the basis of equity.
- Leveraging sectoral capabilities for development and facilitating creation of an information infrastructure service.
- Maintaining the financial soundness of PMC.

JNNURM will accelerate Pune's development efforts to achieve its long term vision:

- Pune as a liveable and sustainable city.
- Ideal example of urban governance.
- Infrastructure and services of international calibre.
- Strong position in the country's economic growth.
- A knowledge and technology hub by creating strong linkages between Pune's industry and institutions.

The CDP indicates that the annual growth rate of Pune city's population is 3.64 percent and decennial growth rate during 1991-2001 is 50.08 percent. 50 percent of this growth is due to migration. Such a high growth rate of population is bound to overburden the urban infrastructure and services like housing and transport. Besides these, the CDP also reviews the municipal finances. The PMC revenue collection covers much of its capital expenditure. Octroi is the main source of revenue of the Pune Municipal Corporation. Property tax collection needs to be improved.

These objectives need a holistic approach. Apart from JNNURM and other financial assistance, the approach should involve greater PMC-people-institution co-operation and Private-Public Partnerships (PPPs). PMC should bring about better public finance and resource management; modern, efficient and transparent governance and service delivery mechanisms and be more responsive to the citizens. Urban planning should be sensitive to the city needs. For this, the PMC should have updated information and constantly monitor the projects.

With the approval of the City Development Plan (CDP) for Pune, a Memorandum of Agreement (MoA) was signed. The MoA is a tripartite agreement between three parties: Government of India through the Ministry of Urban Development (Part I),

Government of Maharashtra (Part II) and the Pune Municipal Corporation (Part III) wherein the Government of India through the Ministry of Urban Development will release funds under JNNURM for projects to be undertaken by the Pune Municipal Corporation against its commitment (along with the commitment of the Government of Maharashtra) to implement the reform agenda.

#### **IV. Strategies for Development**

a. Projects:

The projects have been identified in order to ensure optimal and efficient utilisation of existing infrastructure system.

**Table 4**  
**PROJECTS IDENTIFIED BY THE CDP**

PROJECTS IDENTIFIED BY THE PUNE CDP

WATER SUPPLY	SEWERAGE AND SANITATION	ROADS, TRAFFIC AND TRANSPORTATION	DRAINS	SOLID WASTE MANAGEMENT	URBAN POOR/ SLUM IMPROVEMENT	LAND USE/ DEVELOPMENT PLANNING	STREET LIGHTS	OTHERS
Source Development/ Intake Augmentation	Underground drainage	Roads up-gradation	Upgradation	New Vehicles and handcarts	Slum - Rehabilitation/ Housing	Acquisition of reserved lands	Tube Lights	River Conservation/ Protection
Transmission System	Public Convenience systems	Roads - new formation	New construction	New Disposal Site Acquisition	Slum - Infrastructure	GIS based Existing Land use survey	High Power Lamps	Parks/ Gardens
Distribution network		Road widening/ strengthening	Desilting & strengthening of Primary Drains	Landfill and Composting at new disposal site	Slum - Infrastructure (SRA)	Others	High Mast lamps	Revitalisation of Old City
Elevated Service Reservoirs		Utility corridors (Major roads)		DLDPs and container bins	Slum - Land Acquisition (non SRA)			Restoration of heritage structures
Treatment facilities		Improvement of Public Transport/ BRTS						Relocation of Markets/ Economic Infrastructure
System Refurbishment		HCMTTR / IRDP						Urban Governance/ System Modernisation
		Land Acquisition for Road Improvements						Others (System Studies)
		Traffic management						Regular Capital works

b. Reform Agenda

The CDP provides the status of reforms<sup>12</sup> and a timeline for their implementation. PMC's reform status (as of April 2008<sup>xiii</sup>):

1. Municipal Accounting

57 percent of the accounting reform agenda (for the year 2007-2008) has been achieved. Deadline for full migration to double- entry accounting system has been extended from 2007-2008 to 2009.

2. E- Governance

All identified services have been covered under the e-governance application.

3. Property Tax Reform

In April 2008, PMC's property tax collection increased by 59.10 percent from that of April 2007<sup>xiv</sup>. However, no deadline has been set for identifying the unassessed properties and placing them along with the assessed properties in the GIS setup.

4. User Charges (UC)

Cost recovery on user charges for water supply and sewerage is 100 percent. UC reforms regarding solid waste management and public transport are to be achieved all through the mission period.

5. Internal Earmarking of funds for Urban Poor

A separate fund in the accounting system has been created for the urban poor. The earmarking agenda over the mission period has not been defined.

6. Basic Services for Urban Poor

The CDP indicates that basic services are already provided to urban poor in both declared and undeclared slums. Survey of poor households has been completed. Housing strategy for poor has not been defined.

7. Optional Reforms

The bye-laws regarding recycled water, streamlining of approval process and rain-water harvesting have been revised. PPP initiatives have been undertaken.

**V. City Investment Plan (CIP)<sup>xv</sup>**

The City Investment Plan, an integral part of the CDP, identifies investment requirements for the projects to be undertaken. Considering the short, medium and long term infrastructure needs of Pune, the CIP identifies investment requirements up to the years 2011-12 and 2031. The total investment need identified till the year 2031 is approximately Rs 6643 crore. 91% (approximately Rs 6072 crore) of this total investment need is proposed till 2011-12. With cost escalation due to rise in physical contingencies, utilities and enhanced specifications over the mission period, the total investment need goes up to Rs 7550.84 crore. Pune's critical road infrastructure and transport conditions come to light with 35 percent of the total investments proposed in this sector. Urban poor and slum improvement have been prioritised with 13 percent of total investments to be allotted to it. Projects related to land use; slum

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<sup>12</sup> As at the beginning of the Mission period.

improvement and others are to be achieved till 2011-12 while projects in rest of the sectors can be planned till 2031.

**Table 5**  
**SUMMARY OF CAPITAL INVESTMENTS<sup>xvi</sup>**  
(Rs Crore)

Sector	Total Investment Need (up to 2031)	Investment till 2011-12			% Investment till 2011-12 against Total
		Base Cost	Escalated Cost*	% Sector wise of Total	
Water Supply	488.5083	294.6322	395.28	5%	60%
Sewerage and Sanitation	803.8942	669.3250	845.2665	11%	83%
Roads, Traffic & Transport	2248.3310	2128.6810	2558.3985	35%	95%
Drains	715.1359	631.5172	822.6584	10%	88%
Street Lights	13.5108	10.8390	14.3390	0.2%	80%
Solid Waste Management	98.7797	61.7813	86.5455	1%	63%
Urban Poor/ Slums	789.30	789.30	940.1508	13%	100%
Land use/ Dev. Planning	195.65	195.65	238.1188	3%	100%
Others <sup>+</sup>	1290.20	1290.20	1650.0789	21%	100%
<b>Total</b>	<b>6643.3099</b>	<b>6071.9257</b>	<b>7550.8440</b>	<b>100%</b>	<b>91%</b>

\* Escalated cost includes Physical contingencies and technical assistance at 10 percent of total cost and 6 percent due to inflation.

+ includes river conservation project.

JNNURM project funding pattern for Pune is 50 percent from the Government of India, 20 percent from the Government of Maharashtra and the Pune Municipal Corporation is to raise 30 percent funding of projects from its own sources or loans. Accordingly, the funding worked under the CIP is as follows:

**Table 6**  
**PROJECT FUNDING UNDER CIP**  
(Rs crore)

Sr. no	Type of Funding	Source	Amount-Current Prices	% of Total Investment
	Identified Investment till 2011-12		7550.84	100%
1	Grants	JNNURM	4213.60*	56%
	Government of India Grants	JNNURM	3009.72	40%
	Government of Maharashtra Grants	JNNURM	1203.16	16%
2	Loan	Open markets/ FIs	132.08	2%
3	Own sources	PMC	3205.16	42%

\* Of the total investment of Rs 7550.84 crore (current prices), only Rs 6257.55 crore has been proposed under JNNURM. Thus, the figure of Rs 4213.60 crore represents 56 percent of total identified investments.

The Memorandum of Agreement states that 25 percent of the central grant on the total project cost will be released on the signing of the agreement and the rest shall be provided in instalments as per the progress of the project and reforms by the PMC and the Government of Maharashtra.

Municipal finances reveal that PMC's main revenue earnings are through octroi and property tax. JNNURM assistance is not a response to the financial requirements of the city's proposed development projects. These along with the reforms are a means to leverage the investment capacity of the municipal corporation to bring about greater financial sustainability. Funding through the open market mechanism allows private sector players to fund the investment requirements.

As of April 2008, projects worth Rs 1495 crore have been sanctioned for Pune city. This includes a total of ten projects covered by the JNNURM funds. These projects are broken down into several sub-projects covering road network, subways, bus rapid transit system, cycle and pedestrian tracks, parking facilities, storm water drains, water supply, solid waste management, sewage treatment plants (STPs), river and lake improvement, slum improvement and slum rehabilitation under its scope. The Government of India (GoI) and Government of Maharashtra (GoM)'s share in the total sanctioned cost comes to Rs 1047 crore and that of the PMC to Rs 448 crore. With cost escalation estimates, the PMC figure rises up to Rs 750 crore.

**Table 7<sup>xvii</sup>**

**SANCTIONED PROJECTS AND GRANTS RECEIVED (Rs Crore)**

Sr. No	Name of the Project	Sanctioned cost & date of sanction	Grants received				
			GOI	GOM	TOTAL	ULB	TOTAL
1	<b>BRT Pilot Route</b>	62.32 11.08.06	23.37	9.348	32.7180	14.0175	46.7355
2	<b>BRT Phase I</b>	476.1550 25.10.06	119.038 8	47.61546	166.6542	71.4233	238.0775
3	<b>CYG-2008</b>	268.65 5.03.07	132.581	53.0325	18.56.38	79.5488	265.1626
4	<b>Augmentation &amp; Upgradation of STP &amp; PSPs</b>	86.13 10.05.06	10.7660	4.3065	15.0725	6.4597	21.5322
5	<b>Preservation of Lakes &amp; Nalas</b>	97.78 8.09.06	12.223	4.889	17.112	7.3335	24.445
6	<b>River Improvement Scheme</b>	99.96 8.09.06	12.495	4.998	17.493	7.497	24.99
7	<b>Slum Rehabilitation</b>	381.6056 14.12.06	40.3540	11.3500	51.704	12.9260	64.63
8	<b>Baner Road Subway</b>	7.26 22.02.08	0.9075	0.363	1.2705	0.5445	1.8150
9	<b>Nagar Road Subway</b>	6.61 22.02.08	0.8263	0.3305	1.1568	0.4958	1.6526
10	<b>Sangamwadi approach Rd.</b>	7.82 22.02.08	0.9775	0.3910	1.3685	0.5865	1.955
	<b>Total</b>	<b>1495.70</b>	<b>353.53 94</b>	<b>136.623 96</b>	<b>490.163 36</b>	<b>200.832 6</b>	<b>690.995 46</b>

(Several old projects have been incorporated for funding under JNNURM such as the Mundwa STP, terminal facility and pedestrianisation of Moledina Road and several road projects)

## **VI. PMC's limitations in the implementation of projects**

Implementation of development projects is always met by challenges and limitations. PMC faces two basic limitations: technical and internal.

### **a. Technical limitations**

Cost escalation is a crucial obstacle. Cost rise due to increase in material cost price (e.g. cement, steel and concrete), enhanced specification of contingency rates and technical assistance is generally taken into consideration while planning fund estimates. But, cost escalation due to hasty planning, lack of forecast, poor engineering skills and lack of supervision over contractors is a major concern for the PMC. Ultimately, PMC's share goes well beyond 30 percent to fund projects. In the past few months, there has been a shortage of materials like cement and pipes for drains<sup>xviii</sup>. Land acquisition is difficult especially for slum rehabilitation. Land under Urban Land Ceiling (ULC), railways, central and state governments is not transferred to the PMC. Land for road widening is available as it involves only partial property loss. Comparatively low road connectivity in the city - road coverage is 7 percent while desired level is 15 percent - restricts several projects. Traffic combined with monsoons limit working hours in the internal areas.

### **b. Internal Challenges**

JNNURM obliges the PMC to shed off its traditional approach for implementing projects. Although, efforts have been taken in this direction, the Corporation is finding it difficult to change its work ethics and incorporate administrative reforms within a short period. Coordination between several departments is inefficient. Lack of good engineering skills and technical know-how may explain the difficulty in implementing projects like the Geographic Information System (GIS) application. Decision-making is usually obstructed by political pressures. The absence of a dedicated implementing authority for the metropolitan region puts excessive pressures on the PMC.

## **VII. Success story of Pune under JNNURM**

In the two and a half years since the launch of the mission, Pune's progress can be enumerated as follows:

1. Pune is the highest fund receiver amongst the cities selected from Maharashtra (excluding Mumbai).
2. 100 percent cost recovery on water supply and user charges has been achieved. PMC's property tax collection has improved thanks to the e-governance system.
3. The BRTS has become operational on the pilot route in Pune
4. Roads, flyovers and storm water drains have been given top priority.
5. A large number of developmental works are being undertaken in Pune under the aegis of Commonwealth Youth Games 2008.
6. Pune has an overwhelming number of NGOs eager to help out the PMC in delivering projects under JNNURM. These, alongside RTI activist, intellectuals and the media are keeping a vigilant watch over the projects.

## VIII. Issues for JNNURM Pune

JNNURM has brought with itself, immense responsibility on the ULBs, people and the city as a whole. While reforms need to be pursued vigorously for improved service delivery, to really exploit the massive inflow of funds coming into Pune, PMC has to augment its own capacity to take up maximum projects for Pune's development. Two years into JNNURM, Pune seems to be faced with greater problems than achievements as far as the mission progress is concerned.

### a. Extending Deadlines

As per JNNURM norms, projects and reforms are time-bound. The PMC project status reports provide a positive picture of compliance with the targeted deadlines, but the ground reality is otherwise. None of the infrastructure projects planned have been delivered fully in the two years of the mission. Several reasons have been stated for this delay: delays in approval of development work by the standing committee of the PMC, constant re-tendering of projects, non-availability of material, political interventions and difficulty in land acquisition. The State Government's monsoon ultimatum for road works was not respected. As Pune plans for the biggest event of the year – Commonwealth Youth Games (CYG) to be hosted by the city in October 2008 – there is increasing pressure on the local authority to fulfil its promises. However, project contractors<sup>13</sup> themselves doubt whether projects would be delivered on time. Ironically, PMC's press statements<sup>xix,xx,xxi</sup> indicate full satisfaction of its works from the Mumbai Metropolitan Region Development Authority (MMRDA) – the State Level Nodal Agency for Maharashtra. For the moment, approaching deadlines, piling work, coupled with traffic and monsoons has created a chaotic situation in Pune.

### b. Pune: Next slum city?

Growing urban population and the consequent shortage of infrastructure and municipal services will tend to increase the number of urban poor. JNNURM has proposed a separate sub-mission for Basic Services to Urban Poor (BSUP) to take up projects to improve their standard of living and provide them opportunities of a dignified life.

Pune has negligible absolute poverty<sup>14</sup>. But measured in terms of income and expenditure patterns, access to good quality housing and sanitation, people living in slums can be called as urban poor. Some facts about Pune's slums:

- Pune's slum population is scattered across the city. According to the 2001 census, 40.38 percent of Pune's population lives in slums. The annual growth rate of slums has been 6.06 percent<sup>15</sup>.
- According to PMC's secondary data collection, the total number of slums in Pune is 564 (353 are declared and 211 are undeclared)<sup>16</sup>. Those areas which comply with PMC's definition of slums are declared. Slums dwellers living in slums prior to 1 January 1995 are considered legitimate slum dwellers.

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<sup>13</sup> As indicated by the site engineer of Valecha Engineering Limited, to whom a road works under the CYG 2008 project has been contracted.

<sup>14</sup> A situation where the population is unable to meet even the bare necessities of life like food, clothing and shelter, thus, failing to maintain a reasonable standard of living.

<sup>15</sup> According to Census 2001.

<sup>16</sup> As per the data from Shelter Associates, an NGO working for slum improvement in Pune, the total number of slums in Pune is 447 (253 declared, 113 undeclared, 9 partly declared, 8 under rehabilitation and 64 unrecorded).

- The total declared slum population occupies only 4 percent of the city's land. Majority of the slums are on private land (52 percent)<sup>17</sup>. Other slums occupy land belonging to government, railways, defence, irrigation and other reserved land. A large number of slums live on riverbeds, hilltops and other environmentally dangerous areas.
- Density of slum population is 749 persons per square kilometre, 6.32 times that of the overall city density of 118 persons per square kilometre.
- Most slum dwellers are daily wage earners (skilled/unskilled workers, vendors, domestic help, etc).
- Almost all slums (declared and undeclared) have access to basic services. The major slum problems are related to security of tenure, good quality housing and access to social infrastructure.

The PMC has given top priority to slum rehabilitation under BSUP and projects worth Rs 381.61 crore have been sanctioned for implementation.

**Table 8**  
**JNNURM FUNDS APPROVED FOR BSUP PROJECTS**

Sr. no	Name of Site/ Project	Amount (Rs Crore)
1	Hadapsar	99.25
2	Lohagaon	34.44
3	Hingne-Kothrud	91.65
4	Kondhwa	44.29
5	Warje	63.09
6	Street Vendors	27.04
7	Dormitories for migrant workers	21.85
	Total	381.61

Housing for rehabilitated slum dwellers is an important affair. The PMC has proposed to construct 40 thousand tenements between 2006 and 2009. But numerous problems have gripped PMC's plans. As of April 2008, construction work at only two sites had started<sup>xxii</sup>. Less than 50 percent of the total tenements planned till 2007-2008 have been constructed. The major obstacles include refusal of land owners to hand over the land identified for slum housing, shortage of labour and restrictions on maximum use of Floor Space Index (FSI), high rise/low rise construction and high density housing. Land under ULC, railways, central and state governments is not transferred to the municipal corporation and local Corporates and politicians are not supportive for fear that they may lose their vote banks. Attention to people's livelihood and occupation during relocation and poor transport facilities in the city make rehabilitation a costly affair.

Apart from these, several NGOs have pointed out that the main problem in the execution of slum rehabilitation projects of the PMC include lack of comprehensive and updated data, inefficient and inequitable planning and allocation of resources, lack of construction standards and maintenance for housing provided, no provisions for security of tenure and lack of monitoring. While BSUP covers only rehabilitation

<sup>17</sup> According to survey conducted by Shelter Associates, an NGO working for slum improvement in Pune.

programmes, others have been taken up under the Slum Rehabilitation Authority<sup>18</sup> (SRA) projects. PMC considers SRA to be better suited to Pune. But SRA has its limitations<sup>19</sup>.

Community participation is a must if slum improvement programmes are to be successful. Slum development especially housing has to be owner-driven. The PMC should actively involve voluntary workers in the task. Pune lacks a good housing policy. Education and sanitation have a small reach out in slums. With better infrastructure and economic growth, migration-led slum proliferation is inevitable. PMC needs to enhance its information system to check the status of migrants, declared slums and undeclared slums and take appropriate measures like dormitory facilities, rental housing and contractor's accountability to check slum proliferation. Slum improvement projects have to be accelerated. Otherwise, given the current slum statistics, it will not take long for Pune to become a slum city.

#### c. Congested city

It has been said that roads are the nerves of a city. Poor road infrastructure and low road coverage is the primary obstacle to Pune's development. On the other hand, vehicular population is increasing exceedingly<sup>20</sup>. This has led to congestion.

The common modes of travel in the city are cycles, two wheelers, cars, buses, three-seater and six-seater autorickshaws and walking. The number of private vehicles is constantly increasing largely because of poor and inadequate public transport. The bus service of Pune Mahanagar Parivahan Mahamandal Limited (PMPML)<sup>21</sup> – an undertaking of the PMC – is used by a large number of citizens but has been criticised for poor service standards, old fleets, shortage of fleet, overloading of passengers. Mere growth of road infrastructure is not the solution to the problem. The National Road Transport Policy (NUTP) clearly points out that good reliable transport must be developed in tandem with roads. The augmenting number of private modes of transport will lead to a draconian problem of congestion in Pune.

To avoid such a scenario, a step in this direction has been taken by the PMC through the Bus Rapid Transit System (BRTS). But right from its *mis en route*, the BRTS has drawn a lot of flak.

#### d. The BRTS dilemma

The Bus Rapid Transit System (BRTS) is a nation-wide agenda. It is a mode of mass urban transport offering practical and affordable public transport through dedicated bus lanes, simple route layouts, frequent service, limited stops, intelligent transport system (ITS) and adjoining cycle and pedestrian lanes. The BRTS is an effort to provide safe, rapid, economic and environmentally-friendly public transport service and liberate urban areas from congestion.

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<sup>18</sup> Authority created by the Government of Maharashtra for facilitating slum rehabilitation and housing schemes. The Pune and Pimpri-Chinchwad Corporation areas including areas of the Maharashtra Industrial Development Complex (MIDC) are covered by the SRA.

<sup>19</sup> SRA is applicable to only private lands.

<sup>20</sup> In the previous decade, vehicle population increased 87 times and road length increased 5 times.

<sup>21</sup> Earlier Pune Municipal Transport (PMT).

The inauguration of the BRTS system in Pune was done with great pomp, with the city being the first in India to bring it in operation. Two BRTS projects have been undertaken in Pune: BRTS Pilot project and BRTS (CYG) Phase I project, which are being funded under JNNURM. Of these, the BRTS on the pilot route has become operational. But the celebrations have been short-lived. The BRTS has hit against many road blocks – hasty and poor implementation, improper lane enforcement, lane encroachment, shortage of buses and untrained drivers. Experts and civic activists though wholly supportive of the BRTS, blame the PMC's lack of planning and hasty execution for the chaos; they had warned the municipal body in advance. It has been pointed out that despite the right intentions, the entire approach to the BRTS in Pune was inappropriate. Proper traffic surveys for identified routes were not conducted and plans for execution standards, project supervision were not prepared. Proposals for public awareness and publicity were not paid heed to. The police authorities fail to enforce the lane system.

The BRTS can cure many problems in Pune: congestion, pollution and slow transport. But it should not be blindly implemented. The PMC can possibly take a cue from another developing city, Indore<sup>22</sup>.

e. How planned is the Planning?

An important question to be asked is, 'Is the planning really planned?' This is mainly in light of the failure to explain why projects get unduly delayed, why projects fail after implementation or why costs escalate to unexpected figures. The municipal body itself accepts that there is a rush of DPRs from the various departments for sanctioning. There is a lack of co-ordination between the different departments of the PMC. In this hasty affair, planning is undermined. Some intellectuals<sup>23</sup> believe that partial fault lies with JNNURM itself. DPRs are mere proposals and not detailed reports of projects. JNNURM should ask the ULBs to first send proposals and then detailed plans answering critical questions like how to implement the project, what are the risks involved and what shall be the risk mitigating measures. Only then, funds should be released. The BRTS and river improvement projects in Pune are classic examples of insufficient planning.

JNNURM aims at urban expansion. With further physical growth of the city, PMC will need to work in greater co-operation with the other agencies<sup>24</sup> existing in the Pune Metropolitan Region. A strong need for metropolitan planning is felt. On the other hand, a regional metropolitan development authority risks the autonomy of local bodies and provisions made under the 74<sup>th</sup> CAA. Officials and urban planners are involved in finding the best way out.

f. Mission Monitoring

Project monitoring is perhaps the crux of an initiative like JNNURM, not only for the successful implementation of projects but to ensure municipal accountability which is

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<sup>22</sup> Indore has a unique and efficient bus system operated and managed by a public limited company with private sector participation to overcome financial difficulties.

<sup>23</sup> Ranjit Gadgil, Programme Director of Janwani, an autonomous NGO supported by the Maharashtra Chamber of Commerce, Industries and Agriculture.

<sup>24</sup> Pimpri-Chinchwad Municipal Corporation (PCMC), Cantonment Boards, MIDC and private township developers.

the much highlighted agenda. The institutional framework of JNNURM provides for the State Level Nodal Agency (SLNA) at the state level and the Central Sanctioning and Monitoring Committees (CS&MCs) under each sub-mission at the national level to monitor projects. The SLNA for Maharashtra is the MMRDA. Data provider to these authorities is the local municipal authority. But the level at which the work is undertaken – local/city level – does not have any mandated monitoring authority. The PMC monitors its own works in Pune. Herein lays a serious flaw. NGOs and RTI activists have to constantly chase the PMC to get an overview of the work. Many citizens – at an organisational or individual level – are monitoring JNNURM progress. But the absence of an official monitoring agency causes much to be left under the carpet. The voluntary monitors have not had access to quarterly reports that the PMC has to submit to the SLNA. Thus, despite several projects being stuck up, Pune receives an A grade in its progress report card.

g. Public Awareness about JNNURM

The objective of decentralised or grass-root level development to be achieved under JNNURM has another dimension to it apart from greater municipal autonomy and accountability. Public awareness and community participation provide as much leverage to such initiatives as other factors. Projects will be successful if they are appreciated, accepted and enjoyed by the people. Project monitoring by the people can establish better interaction between citizens and the local authorities to direct the city's development.

Although this need was considered in the CDP, public awareness about JNNURM in Pune is low. The findings of a sample survey for this paper may substantiate this claim.

The Survey

A total of 52 people were surveyed from different age groups and professional backgrounds. These also included individuals from local welfare groups and student organisations. The questionnaire for the survey consisted of six questions (see Annexure 3). The objective of the survey was to know:

1. Whether the respondents have heard of JNNURM.
2. Alternatives were provided to choose which definition fit the description of JNNURM. This questioned aimed at giving the respondent a slight idea of JNNURM in case of unawareness about the mission.
3. What are the priority concerns in Pune, according to the respondent?
4. Who do the respondents feel can best bring about the development of Pune?
5. The respondent's vision for making Pune a developed and efficient city.

Findings of the survey (see Annexure 4)

- More than half the respondents surveyed had not heard about JNNURM (54 percent).
- Awareness about the mission was highest among people between 18 to 35 years (60 percent) and lowest among the age group 36-55 years (29 percent).
- 75 percent of the respondents feel that road infrastructure and traffic are the most important concerns in Pune and should be given priority attention.
- According to 73 percent of respondents PMC, Private enterprises, NGOs and citizens should work together to develop Pune. 17 percent think that private enterprises alone can best bring about the development of Pune.

A general opinion of the respondents for developing Pune included non-corrupt municipal body, well-educated and vigilant citizens with a good civic sense, voluntary citizen participation and a dynamic youth force.

The failure<sup>25</sup> to assimilate citizen's participation has led to low public awareness. Conversely, low awareness has restricted voluntary participation. Participatory development is directly linked to state accountability, empowerment of local groups and transparency in decision making because programmes and policies that aim at creating decision-making processes in which local groups have a presence allows civic society to exert influence over public decisions and open that public process to more scrutiny<sup>xxiii</sup>. Participatory approaches in urban areas not only makes information-collection easier and faster but allows local residents to fully realise and appreciate the value of their knowledge and capacity as agents of development<sup>xxiv</sup>. Especially for slum improvement projects, community participation is indispensable. The Kamgaar Putala slum rehabilitation<sup>26</sup> in Pune is an excellent illustration of rehabilitation through slum dweller's participation.

## **CONCLUSION**

All these issues concerning JNNURM in Pune naturally leave doubts about the management and allocation of funds and resources. Irrespective of the PMC score card, projects undertaken have not been delivered and money amassed has not been spent. In June 2008, a national newspaper's local edition<sup>27</sup> reported that out of crore of rupees budgeted, no money had yet been spent on at least five road sub-projects under the CYG 2008 project since October 2007. The impression this has left on the citizens is that the municipal body is swindling with their money.

Pune needs to yet exploit private sector efficiencies for JNNURM projects, in terms of their financial capacity and operational efficiency, but with adequate scrutiny. Particularly for solid waste management, private sector participation is essential for the financial, human and technical resources. The only area where PMC-private partnership is clearly evident is consultancy services. Consultancy fees have been hiked from 2.25 percent to 4.25 percent of the total project cost in May 2008; just below the maximum limit of 5 percent permitted by JNNURM.

In a more optimistic vein, progress should not go unnoticed and has to be appreciated. JNNURM addresses much of the infrastructure and service delivery needs of Pune. But monitoring mechanisms should be strengthened and decentralised to confirm that projects are taken up and executed responsibly. There is great scope for improvement. It is the responsibility of the PMC to rectify its mistakes, undertake improvements and bring about clean execution of the mission. Equal responsibility rests with the citizens to be not mere urban protestors but workers for development. JNNURM is only a stepping stone towards attaining the vision envisaged for Pune.

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<sup>25</sup> The PMC website [www.punecorporation.org](http://www.punecorporation.org) does not provide any information about the status and progress of JNNURM in Pune.

<sup>26</sup> The Kamgaar Putala slum was hit by one of the worst floods in Pune in 1997. The slum dwellers have been rehabilitated with the help of Shelter Associates and Bandhani, NGOs working for slum improvement, in consultation with the PMC. Slum dwellers themselves participated in the construction work.

<sup>27</sup> Pune Mirror (Times of India).

## AN END NOTE ON JNNURM

JNNURM marks a comprehensive strategy for urban development. It calls for the ULB's/ Parastatal agencies to be dynamic, accountable, transparent, financially self-sustaining and development-oriented. There have been many imperfections in the actual implementation of the mission which critics point out as ad-hoc planning process of CDP's, forced (neo liberal) reform agenda, weak monitoring arrangement, absence of a policy for urban poor and centre's infringement on the freedom of states and cities violating the 74<sup>th</sup> CAA<sup>xxv</sup>.

However, every good policy comes with its baggage of problems. It would be pertinent to quote Ramesh Ramanathan, member of the Technical Advisory Group (TAG)<sup>28</sup> for JNNURM who responds, "Challenges of urbanisation in India cannot be solved exclusively by city and state governments. With JNNURM, the Government of India answers the tricky question of the Centre's involvement, given that urban issues are a state subject, especially with limited resources and large rural demands. JNNURM is our best hope for Urban India."<sup>xxvi</sup>

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<sup>28</sup> The Technical Advisory Group (TAG) is a group of experts for advisory assistance and support provided under the institutional framework of JNNURM.

## ANNEXURES

### ANNEXURE 1

#### LIST OF ELIGIBLE CITIES UNDER JNNURM<sup>xxvii</sup>

SR. NO.	CATEGORY A Mega Cities/Urban Agglomerations	CATEGORY B Million plus Cities/UAs	CATEGORY C* Cities/UAs with less than one million population
1	Delhi	Patna	Guwahati
2	Greater Mumbai	Faridabad	Itanagar
3	Ahemadabad	Bhopal	Jammu
4	Bangaluru	Ludhiana	Raipur
5	Chennai	Jaipur	Panaji
6	Kolkata	Lucknow	Shimla
7	Hyderabad	Madhurai	Ranchi
8		Nashik	Thiruvananthapuram
9		Pune	Imphal
10		Cochin	Shillong
11		Varanasi	Aizawl
12		Agra	Kohima
13		Amritsar	Bhubaneshwar
14		Vishakhapatnam	Gangtok
15		Vadodara	Agartala
16		Surat	Dehradun
17		Kanpur	Bodhgaya
18		Nagpur	Ujjain
19		Coimbatore	Puri
20		Meerut	Ajmer-Pushkar
21		Jabalpur	Nainital
22		Jamshedpur	Mysore
23		Anasol	Pondicherry
24		Allahabad	Chandigarh
25		Vijayawada	Srinagar
26		Rajkot	Mathura
27		Dhanbad	Haridwar
28		Indore	Nanded

\* The National Steering Group (NSG) may consider addition or deletion of cities/ UAs/towns under Category C (other than State capitals) based on the suggestions received from State Governments. The total number of cities under the Mission shall, however, remain around 60.

## ANNEXURE 2

### **OPTIONAL REFORMS COMMON TO STATES, ULB's AND PARASTATAL AGENCIES<sup>xxviii</sup>**

The following optional reforms are expected to be undertaken by ULB;s, parastatal agencies and State governments:

1. Revision of bye-laws to streamline the approval process for construction of buildings, development of site etc.
2. Simplification of legal and procedural frameworks for conversion of land from agricultural to non-agricultural purposes.
3. Introduction of Property Title Certification System in ULB's.
4. Earmarking at least 20-25 per cent of developed land in all housing projects (both public and private agencies) for EWS and LIG category with a system of cross subsidisation.
5. Introduction of computerised process of registration of land and property.
6. Revision of byelaws to make rain-water harvesting mandatory in all buildings and adoption of water conservation measures.
7. Byelaws for reuse of recycled water.
8. Administrative reforms i.e. reduction in establishment costs by adopting the Voluntary Retirement Scheme (VRS), not filling posts falling vacant due to retirement etc., and achieving specified milestones in this regard.
9. Structural reforms.
10. Encouraging PPP.

ANNEXURE 3  
**QUESTIONNAIRE**

**SURVEY**

1. Age:      18-35 years                       36-55 years                       55 years and above

2. Have you heard of JNNURM (Jawaharlal Nehru National Urban Renewal Mission)?

Yes            No

3. What according to you is JNNURM?

- Project of Pune Municipal Corporation (PMC) for urban development.
- Joint venture of PMC and the State Government for urban development.
- Government of India initiative along with the State Government and Municipal Corporation for urban development.

4. Which of the following, do you think, needs the most urgent attention in Pune?

(Please rate from 1 to 7 ... indicating 1 as having most priority & 7 as least priority)

- Road Infrastructure and Traffic
- Water Supply
- Sewage Disposal and River Pollution
- Transport Facilities
- Slums
- Poverty
- Environmental Up gradation
  
- Any Other. Please specify: \_\_\_\_\_

5. Who do you think can bring about the development of Pune in a better way?

- The Municipal Corporation.
- Private enterprises.
- NGOs
- The Municipal Corporation, private enterprises and the NGOs along with the citizens of Pune

6. How according to you, can Pune become a highly developed and efficient city? (50 words)

**Thank You!**

**ANNEXURE 4  
FINDINGS OF THE SURVEY**

Number of people surveyed: 52

Number of people surveyed between the age group 18-35 years: 25

Number of people surveyed between the age group 35-55 years: 17

Number of people surveyed in age group 55 years above: 10

1. Have the respondents heard about JNNURM?

## Awareness About JNNURM

Age Group	Yes	No
18-35 years	15	10
35-55 years	5	12
55 and above	4	6
Over All Summary	24	28

2. Which areas need priority attention according to the respondents?

For each area, the table indicates the number of people giving highest priority and lowest priority.

## Area Needing Priority Attention

Age Group	A		B		C		D		E		F		G	
	Highest	Lowest												
18-35 years	15	0	0	12	4	0	2	2	1	1	1	5	2	5
35-55 years	15	0	0	2	1	1	0	2	0	2	1	4	0	6
55 and above	9	0	0	2	0	0	1	0	0	1	0	5	0	2
Over All Summary	39	0	0	16	5	1	3	4	1	4	2	14	2	13

A:- Road Infrastructure and Traffic

B:- Water Supply

C:- Sewage Disposal and River Pollution

D:-Transport Facilities

E:-Slums

F:-Poverty

G:-Environmental Upgradation

3. Who do the respondents think can best bring about the development of Pune?

## Best Responsible For Development Of Pune

Age Group	PMC	Private En	NGOs	All Three Group
18-35 years	1	3	0	21
35-55 years	1	4	3	9
55 and above	0	2	0	8
Over All Summary	2	9	3	38

**STATEMENT OF OBJECTS AND REASONS**

In many States, local bodies have become weak and ineffective on account of a variety of reasons, including the failure to hold regular elections, prolonged super sessions and inadequate devolution of powers and functions. As a result, Urban Local Bodies are not able to perform effectively as vibrant democratic units of self-government.

**PROVISIONS OF THE ACT (relating to)**

1. Constitution of Municipalities.
2. Composition of Municipalities.
3. Constitution and Composition of Ward Committees.
4. Reservation of seats.
5. Duration of Municipalities.
6. Disqualification of Membership.
7. Powers, authorities and responsibilities of Municipalities.
8. Powers to impose taxes.
9. Finance Commission.
10. Audit of Accounts of Municipalities (elections, committee for district planning).

**ADDITION OF TWELFTH SCHEDULE (Article 243W: Powers, Authorities and Responsibilities of Municipalities)**

1. Urban Planning including Town Planning.
2. Regulation of Land-use and Construction of buildings..
3. Planning of social and economic development.
4. Roads and bridges.
5. Water supply for domestic, industrial and commercial purposes.
6. Public health, sanitation conservancy and solid waste management.
7. Fire Services.
8. Urban forestry, protection of the environment and promotion of ecological aspects.
9. Safeguarding interests of the weaker sections of the society.
10. Slum improvement and up gradation.
11. Urban poverty alleviation.
12. Provision of urban amenities and facilities as parks, gardens, playgrounds.
13. Promotion of cultural, educational and aesthetic aspects.
14. Burials and burial grounds; cremation, cremation grounds and electronic crematoriums.
15. Cattle pounds; prevention of cruelty to animals.
16. Vital statistics including registration of births and deaths.
17. Public amenities including street lighting, parking lots, bus stops and public conveniences.
18. Regulation of slaughter houses and tanneries.

**ANNEXURE 5  
PHOTO GALLERY**



Figure 1: BRTS Pilot route – satara Road



Figure 2: Lane encroachment on the BRTS route due to lack of lane enforcement



Figure 3: Delayed road works are causing much inconvenience to residents and commuters



Figure 4: Work on the University road has been going on since many months. Traffic bottlenecks and accidents have increased.

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