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GREATER HYDERABAD MUNICIPAL CORPORATION

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GOVERNMENT OF TELANGANA

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CITIESFORALL
XI METROPOLIS WORLD CONGRESS
Hyderabad, 6-10 October 2014

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Hyderabad
Telangana

METROPOLIS
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CITIES FOR ALL

Dr. Rajiv Sharma
Chief Secretary
Government of Telangana

It gives me immense pleasure to host the XI METROPOLIS World Congress on the overall theme "Cities for All" with sub themes "Urban Equity, Governance, Urban Financing and Urban India" at Hyderabad from 7th – 10th October 2014. The theme is of tremendous relevance in the light of improving the urban life. I am confident that the conference will bring together on a single platform, a kaleidoscope of vibrant ideas and healthy deliberations on challenges before the civic bodies in a fast changing and fluid global economic scenario. I am hopeful that the conference will turn out to be an enriching experience for the participants and wish it all success.

Somesh Kumar

Director METROPOLIS World Congress, Hyderabad 2014

"THE EQUITY IN DEVELOPMENT OF INDIAN CITIES WOULD LARGELY RELY ON THE RESOURCES ALLOCATION AND INGENUITY OF URBAN POOR. THIS WOULD LEAD TO THE MOST SUSTAINABLE URBAN DEVELOPMENT MODELS FOR THE GLOBAL CITIES TO FOLLOW."

**11th METROPOLIS World Congress
HYDERABAD, October 2014**

CITIES FOR ALL

Today, more than half of human population lives in cities and the United Nations[1] predicts that over six billion inhabitants would live in urban areas by the year 2050. The majority of this urban population would live in less developed regions of the world. Thus, Cities become epicenter of human development, growth and sustainability[2]. Cities provide opportunities for social equity, economic growth and innovation and yet, we are least prepared, both at local and global level, to face these major urban challenges ahead of us and our future generations and in the context of the climate change. This compels all city stakeholders from leadership to users, to start adopting Inclusive, Innovative and Integrated solutions for their metropolitan regions and cities - Cities for All.

METROPOLIS focuses its international engagement with cities and metropolitan regions by examining the cultural, economic, social and political influence on the growth and development of cities around the world. Today, cities around the world grapple with severe challenges of **governance, social equity, resilience, finance and sustainability**. The future sustainable development of the world depends widely of the capacity of local governments and specially those of big cities and metropolitan regions to develop a new governance capable to face the forthcoming challenges of urbanization and climate change.

As the world enters the century of cities, the massive urbanisation is taking place in the developing nations. The spread of urban inequality, including rich & poor, is fast reaching the developed countries and even in traditional egalitarian nations[3], which brings the dialogue of social equity in cities at the forefront of the developed world. In European cities, the modern definition of poverty, like infrastructure - poor, immigrant poverty, vulnerable elderly, is framed in the notions of relative deprivation and social exclusion[4].

Hyderabad – City for All

The City of Hyderabad, host city of the 11th World Congress of METROPOLIS, presents the virtues of a democratic city – A City for All. It's rich culture, tradition, social equity, economic prosperity and demographic dividend makes it a reference among the future cities. The vast experience, learning and challenges of the host city and urban India provides an excellent opportunity for the 11th World Congress of METROPOLIS to gather, engage, debate and share the global dialogue on urbanisation with stakeholders of the cities around the world.

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[1] http://esa.un.org/unup/pdf/WUP2011

[2] http://www.unesco.org/new/en/culture/themes/creativity/creative - cities - network/why - cities

[3] UN Habitat, WUF7, Medellin. Urban Equity in Development – Cities for Life - http://wuf7.unhabitat.org/wuf7theme

[4] López M E (2010), Insights from EU Research, European Commission, Addressing New Forms of Poverty and Exclusion in Europe. World and European Sustainable Cities.
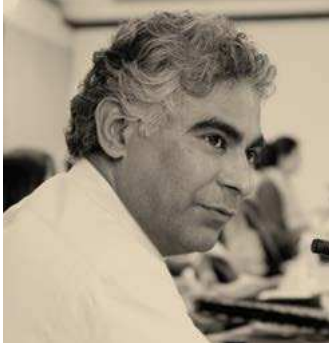
Sunil Dubey
Metropolis Adviser (Asia)

"WHAT HAPPENS IN ASIAN CITIES WOULDN'T ONLY EFFECT THE REGION BUT THE ENTIRE WORLD OF ECONOMY, POLITICS AND ENVIRONMENT. SO THE REGION OF ASIA LEADS THE RESPONSIBILITY OF NEXT PHASE OF URBANISATION IN THE WORLD."

Democracy – rule by the people, is one of the ultimate ideals of the modern civilisation and represents, probably, one of the greatest gift to the human kind. It symbolises extensive representation and inclusiveness towards a fair and just society. Our modern cities are living demonstration of these values and aspirations, where collective efforts can take thousands of people out of adjunct poverty and provide them with an opportunity to grow and prosper. And yet, our cities and urban regions are going through unprecedented challenges in this century. It's first time in human history when urban population exceeds the rural population and cities are becoming the epicentre of the economic growth, largely after the industrial revolution. This unprecedented urban growth is now one of biggest challenges of the century, where human footprints in the cities are the biggest environmental and physical concern for us and future generations. It is the single largest phenomenon in human history, where the delicate balance between human and nature is absolutely out of sync. Preserving our cities in not a regional or national debate but a global concern, where cities need to be working together on a connected and collaborative platform. Global cities network is not a concept but a dire necessity for all the cities around the world.

When addressing urbanisation, the region of Asia poses the biggest global challenges and yet, it isthe region where future urbanisation patterns would be set for cities around the world. Examples include Seoul, Singapore and Songdo, where these cities have developed an efficient urban systems and inclusive society in a very short period of time. It is anticipated over 1.1 billion people would move to Asian cities in next 20 years and by year 2030 more than 55% of the population of Asia would be Urban. This poses an enormous challenges and opportunities at the same time. Cities in Asia would face enormous challenges in equity, inclusiveness and basis infrastructures, whereas the economic prosperity and advancement of technology would shift the major urban focus in this region. One may argue that the century of Asia is in fact, the century of Asian Cities where the focus may not be entirely on the economic progress but to ensure the larger urban population has basic infrastructure and urban services. Hence Cities for All is an absolute reality for major Asian cities and regions.

In addressing rapid urbanization the largest association of major cities, Metropolis World Association, strongly advocates that "*Capacity Building*" among the cities are the most effective, engaging and immediate requirement for global cities leaders. Time and time it's proven that cities flourish economically and politically, if they have strong capacity among the administration and government to face the challenges of rapid urbanization. Cities like Seoul, a member city of Metropolis, have successfully demonstrated that investment in developing capacity among the city managers have long term and sustainable prospects for the city. The Korean development story is one of the most aspiring urbanization and development stories of last fifty years, where a nation moves from a large recipient of multilateral donations to one of the largest development donors in less than forty years. The larger portion of the development and economy of South Korea is supported by the engines of growth – Cities, like Seoul. The highly skilled workforce and internationally trained city managers have largely contributed towards the success of Seoul. Metropolis is actively working with city of Seoul to take the important learning and knowledge from Seoul to other developing cities of the World. This is a true Metropolis contribution to the international family of cities.

We welcome all cities to the XIth Metropolis World Congress 2014 Hyderabad, India – Cities for All

INTRODUCTION

Debolina Kundu
Editor

IN RECENT YEARS, THE GAP
BETWEEN THE RICH AND
POOR HAS WIDENED IN
DEVELOPING COUNTRIES
AND INDIA IS NO EXCEPTION.
'CITIES FOR ALL' PUTS
PEOPLE IN THE CENTRE OF
DEVELOPMENT BASED ON
THE PRINCIPLES OF EQUITY,
JUSTICE, SUSTAINABILITY,
SOLIDARITY AND
RESPECT FOR HUMANITY.
GOOD GOVERNANCE,
ACCOUNTABILITY AND
FINANCIAL AUTONOMY
OF URBAN LOCAL BODIES
WITHIN THE FRAMEWORK
OF BALANCED REGIONAL
DEVELOPMENT ARE THE
KEY TO THE SUCCESS OF
INCLUSIVE CITIES.

In India, about 377 million Indians comprising about 31 percent of the country's population, live in urban areas[1]. According to the Twelfth Five Year Plan (2012-2017), urbanisation will be central to India's strategy of achieving faster and more inclusive growth. With rapid growth of the Indian economy in recent years, the rate of urbanisation is expected to increase. Projections are that by 2031, about 600 million Indians will reside in urban areas, which would account for an increase of over 200 million in just 20 years.

Cities are the foci of development and economic growth providing opportunities for social equity, economic growth and innovation. However, most of the cities, especially those in the developing world, face major challenges in the context of governance, financing and equitable provision of urban services. In the present era of Smart Urban Governance, economic linkages are sought to be strengthened in urban areas by making cities more competitive and investor friendly. In such a situation, the concerns for equity should also be recognised and addressed to ensure balanced development of the country.

This publication aims to highlight the current situation of Urban India as regards urbanisation, governance, equity and finance with specific reference to the state of Telangana. Telangana is a newly formed state with Hyderabad as its capital and it is going to be a challenge to integrate the city with the wider urban settlement pattern of the hinterland of the state. This monograph also has a few case studies, which illustrate measures of tackling poverty and bringing about sustainable growth in the country.

The paper on 'Urban India: A Demographic Analysis' by Debolina Kundu shows that there has been slowing down in the pace of urbanisation in

India during the past three decades, especially of the class I cities, which have less than million population. The past decade showed slight improvement in the pace of urbanisation basically due the addition of 2532 new Census Towns. The author further adds that there is a strong positive correlation between urbanisation and economic development as Indian cities account for about two-thirds of the GDP. The author concludes by emphasising that future urbanisation should increase avenues for entrepreneurship and employment compared to what is possible in dispersed rural areas and, thereby, enable faster inclusivity in the process of economic growth.

The paper on urban governance by Dr. M Ramachandran titled, 'Urban Governance in the Context of Telangana' takes an overview of some case studies of how metropolitan governance issues have been addressed in the global context citing examples of emergence of city regional governance arrangements in England. The author emphasises the fact that fragmented governance structure and multiplicity of authorities does not seem to be a phenomenon characteristic of Indian urban governance only. He highlights the major impediments in governance of metropolitan cities with a particular emphasis on Hyderabad. The paper concludes with emphasising the fact that mega city governance is at a critical stage in India wherein third tier of governance still needs to be strengthened.

The paper on urban equity by C. Ramachandraiah titled 'Urban Equity and Gobalisation: Reflections on Hyderabad in the Context of Changing Political Geographies' highlights that though there has been a significant economic growth in the last two decades in India but at the same time there has been a rise in inequalities both in the economy and society. The author adds that the trajectory of growth and positioning of Hyderabad appears to continue on

[1] According to Population Census 2011

the same path even in the new state of Telangana with the renewed thrust being given by the new government in this direction. A bigger challenge would be to orient the policies and governance of the city towards a more equitable one especially in terms of basic amenities.

The paper on urban finance by Sandeep Thakur titled 'Urban Finance – A case study of Greater Hyderabad Municipal Corporation' highlights that the ability of a city to function effectively is directly linked with its fiscal health. The author has analysed the financing mechanism of Greater Hyderabad Municipal Corporation and states that the fiscal health is closely tied to the fiscal regimes available. He adds that property tax is one of the most important sources of income and there is a need to address the issues related to revenue leakages due to unassessed new properties and under assessment of the properties. He concludes by emphasising the fact that the newly introduced (late nineties) non-tax measures would improve the fiscal health of the city.

The paper on 'Urbanisation Trends and Projections in India - Challenges in Building Inclusive Cities and Reshaping Economic Geography' by Amitabh Kundu busts the myth of southward shift of the urbanisation and that of urban explosion in India with some empirical evidences. The author under-

lines the need to examine the pattern of urbanisation in India and other BRICS countries to assess the validity of projections made and determine whether there are indications of urban geography in these countries being reshaped, as envisioned by the World Bank and United Nations Population Division, and analyse their developmental implications.

G.S.V. Suryanarayana Murthy and Abdul Bari in their paper 'Sense and the City: Dynamics of Economics and Culture' have tried to highlight that the difference in perception of city managers and citizens about the historic precincts of cities often hinders redevelopment due to a deficiency in understanding the cultural economics and evolution of the city core. Apart from physical intervention, regulatory and planning tools can offer solutions for sustainable redevelopment of historic core of cities.

R. Mani Murugan in his paper 'Paradigm for Urban Landscaping of States as Eco-regions: India's Road Map for Sustainable and Inclusive Development' presents a regional urbanisation model that can be used to manage both existing and future infrastructure projects. The model aims to create a 'level playing field' for all sections of society by providing the most appropriate, distributed social and economic environment and offer all people the

freedom to strike out on their own path to economic prosperity. This study presents a case for 'Distributed Urbanisation' across all areas of an Indian state/region and not confined to cities. The study claims that such a strategy can mitigate the problems of lopsided urbanisation of metros and large cities, and create an inclusive development initiative.

Prasanna Desai in his paper 'In-situ Slum Upgradation under JNNURM' details out the case study of community driven in-situ slum upgradation project under Basic Services to Urban Poor under the Jawaharlal Nehru Urban Renewal Mission in Pune Municipal Corporation. The project adopted community driven approach and provided secure tenure for the slum dwellers that could be replicated elsewhere to address the shelter problem of the slum population.

This publication is undertaken jointly by the Greater Hyderabad Municipal Corporation, Metropolis and the National Institute of Urban Affairs. It focuses on Urban India and aims to capture national policy and programmatic initiatives to achieve sustainable and inclusive urban growth with specific reference to Telangana.
I am confident that readers will find the articles in this monograph very interesting.

1.21
BILLION PEOPLE LIVE
IN INDIA (2011)

INDIA'S POPULATION
WILL SURPASS CHINA'S BY
2030

BY 2030, INDIA WILL
BE HOME TO **18%** OF THE
WORLD'S POPULATION

TWO OUT OF THE FIVE
WORLD'S LARGEST
CITIES ARE IN INDIA

SOURCE : WORLD URBANISATION PROSPECTS, 2014

INDIA IS **FOURTH** IN TERMS OF GDP (PPP)

INDIA IS THE LARGEST DEMOCRACY IN THE WORLD

INDIA

Fact Sheet
INDIA

2011 POPULATION
1.21
BILLION

2013 GDP
US$ **1.55**
TRILLION

URBAN POPULATION
31.2%

2013 GDP PER CAPITA
US$ **1276**

RATE OF URBANISATION
2.76%

RATE OF INFLATION
8.10%

% OF WORLD POPULATION

17.5%

UNDER THE POVERTY LINE

21.9%

INTERNET USERS

7.7

MILLION HOUSEHOLDS

RAILWAYS

64,000

KMS

MEDIAN AGE

27

YEARS

LIFE EXPECTANCY IN YEARS

66.1

**ONE IN EVERY 3 PERSONS
IS A MIGRANT IN INDIA**

**52 URBAN AGGLOMERATIONS HAVE
POPULATION MORE THAN ONE MILLION**

**HIGHEST PROPORTION OF
URBAN POPULATION IS IN NATIONAL CAPITAL
TERRITORY OF DELHI**

**EVERY SIXTH PERSON IN
URBAN INDIA LIVES IN SLUM**

**EVERY EIGHTH PERSON IN A
SLUM IS A CHILD (0-6 YEARS)**

**EVERY THIRD PERSON IN URBAN INDIA IS
ENGAGED IN ECONOMIC ACTIVITY**

**EVERY FOURTH PERSON
IN INDIA IS POOR**

EVERY NINTH PERSON IN URBAN
INDIA IS A CHILD (0-6 YEARS)

43% OF THE URBAN POPULATION
LIVES IN 52 MILLION PLUS CITIES

64% HOUSEHOLDS
HAVE MOBILE TELEPHONES

THE AVERAGE HOUSEHOLD
SIZE IN INDIA IS FIVE

93% OF HOUSEHOLDS USE TAP,
TUBE WELL, HAND PUMP AND COVERED WELL
AS SOURCE OF DRINKING WATER

EVERY EIGHTH HOUSEHOLD
HAS DRAINAGE FACILITY

THREE-FIFTHS OF THE HOUSEHOLDS IN INDIA
AVAIL BANKING FACILITIES

SOURCE: CENSUS OF INDIA

20 Largest Urban Agglomerations in India

URBAN AGGLOMERATION	PERSONS IN MILLION
1 GREATER MUMBAI	18.41
2 DELHI	16.31
3 KOLKATA	14.11
4 CHENNAI	8.70
5 BENGALURU	8.50
6 HYDERABAD	7.75
7 AHMEDABAD	6.35
8 PUNE	5.05
9 SURAT	4.59
10 KANPUR	2.92
11 LUCKNOW	2.90
12 NAGPUR	2.50
13 GHAZIABAD	2.36
14 INDORE	2.17
15 COIMBATORE	2.15
16 KOCHI	2.12
17 PATNA	2.05
18 KOZHIKODE	2.03
19 BHOPAL	1.88
20 THRISSUR	1.85

SOURCE : CENSUS OF INDIA, 2011

20 Fastest Growing Cities of India

	CITY*	STATE	AEGR
1	VASAI-VIRAR CITY (M CORP.)	MAHARASHTRA	23.30
2	MALAPPURAM (UA)	KERALA	23.00
3	FATEHPUR (NPP)	UTTAR PRADESH	18.63
4	AKBARPUR (NPP)	UTTAR PRADESH	18.58
5	KAYAMKULAM (UA)	KERALA	18.31
6	THRISSUR (UA)	KERALA	17.30
7	OTTAPPALAM (UA)	KERALA	15.75
8	GURGAON (UA)	HARYANA	13.72
9	GANGTOK (M CORP.)	SIKKIM	12.29
10	KANNUR (UA)	KERALA	11.92
11	DHULIAN (UA)	WEST BENGAL	11.88
12	CHERTHALA (UA)	KERALA	11.69
13	BHIWADI (M)	RAJASTHAN	11.30
14	KOTHAMANGALAM (UA)	KERALA	11.26
15	RAIPUR (UA)	CHHATTISGARH	10.84
16	HOSUR (UA)	TAMIL NADU	10.01
17	KASARAGOD (UA)	KERALA	9.32
18	UDHAGAMANDALAM (UA)	TAMIL NADU	9.10
19	CHANGANASSERY (UA)	KERALA	9.01
20	GHAZIABAD (UA)	UTTAR PRADESH	8.98

NOTE : * THIS INCLUDES CITIES WITH POPULATION ABOVE 0.10 MILLION
UA : URBAN AGGLOMERATION, M. CORP : MUNICIPAL CORPORATION, M : MUNICIPALITY, NPP : NAGAR PANCHAYAT
AEGR : ANNUAL EXPONENTIAL GROWTH RATE
SOURCE : CENSUS OF INDIA, 2011

State Profile
Telangana
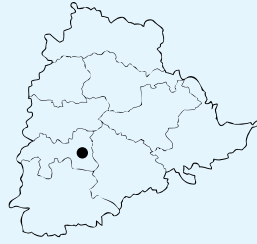
TELANGANA, THE 29TH STATE OF INDIA
WAS FORMED ON JUNE 2, 2014

AREA
114,840
SQ. KM

POPULATION
35.19
MILLION

URBAN POPULATION
38.7%

GSDP (2012-13)
US$ 32.7
BILLION

PER CAPITA INCOME
US$ 796
IN 2012-13

ROAD LENGTH
24,733
KM

IMR
41

Telangana is the 12th largest state in India

Telugu is the most commonly spoken language of the state

The state is surrounded on the North by Odisha
and Chhattisgarh, on the West by Maharashtra and Karnataka,
on the South and East by Andhra Pradesh

It consists of 10 districts viz Adilabad,
Hyderabad, Karimnagar, Khammam, Mahbubnagar, Medak,
Nalgonda, Nizamabad, Rangareddy, Warangal

There are 988 females for every 1000 males

66.5% people are literate

The average annual GSDP growth of Telangana between 2004-05
and 2012-13 was 10.24% and India was 8.01%

The growth in GSDP is mainly driven by the industry and services
sectors contributing to 54% to the GSDP (at current prices)

38.7% of the urban population
resides on 3% of the urban land

Every sixth person in Telangana is a child (0-6 years)

3643 persons reside in every sq. km

1 doctor for every 7692 people

SOURCE: DISTRICT STATISTICAL PROFILE 2013

City Profile
Hyderabad

POPULATION OF GHMC (2011)

6,731,790

AVERAGE HOUSEHOLD SIZE

4

PER CAPITA INCOME (2004–05)

US$ 629
BILLION

INTERNET USERS

0.27
MILLION HOUSEHOLDS

LITERACY RATE (2011)

73%

MOBILE/TELEPHONE CONNECTION

1.2
MILLION HOUSEHOLDS

Hyderabad is now the fourth
most populous city in India

Capital of Telangana and erstwhile
capital of Andhra Pradesh

The Greater Hyderabad Municipal Corporation (GHMC)
was formed on April 16, 2007 by merging 12
municipalities and 8 gram panchayats with
the erstwhile Municipal Corporation of Hyderabad

The GHMC
has grown from 175 sq. km to 650 sq. km in 2007

The area of GHMC is spread in three districts
Hyderabad, Rangareddy and Medak

Every ninth person in Hyderabad is a child (0-6 years)

Every sq. km holds 2345 persons

955 females per 1000 males

Every third person is engaged in economic activity

SOURCE: CENSUS OF INDIA, 2011

URBAN INDIA

A DEMOGRAPHIC ANALYSIS

Debolina Kundu
Associate Professor, National Institute of Urban Affairs, New Delhi

INTRODUCTION

India, the largest democracy in the world, is a country with a long history, incredible geographical diversity together with a mosaics of language, religion, culture and ethnicity. The 36 States and Union Territories of India vary on almost every dimension, viz, demography, religion, culture, degree of urbanisation and levels of development. Each of the Indian states and Union Territories has its own profile in terms of size and mix of social communities.

Religion provides a kaleidoscope of the country's rich social composition, as many religions have originated in the country and few religions of foreign origin have also flourished here. India has the distinction of being the land from where important religions namely Hinduism, Buddhism, Sikhism and Jainism have originated and at the same time the country is home to several indigenous faiths, tribal religions which have survived the influence of major religions for centuries. A little over 80 percent are Hindus and 13 percent Muslims or the followers of Islam. Christians and Sikhs constitute 2 percent each, and Buddhists and Jains together constitute 1 percent of the total population[1]. The Scheduled Castes and Scheduled Tribes together form a quarter of the total population of the country with Scheduled Castes comprising of 16.6 percent and Scheduled Tribes comprising 8.6 percent.

The diversity is also visible in the sphere of language as well which makes India unique. There are in total 122 languages in India and more than 1,600 dialects. Hindi is the official language and the most commonly spoken. Twenty-two[2] languages are legally recognized by the constitution for various political, educational, and other purposes. Numerous other languages are recognized by individual states but not officially recognized by the central government.

Following the introductory section, this paper attempts to bring out the world urbanisation trends in the second section. The third section looks at the interdependencies between urbanisation and economic development in India. The fourth section discusses the pattern of urbanisation in India. The final section summarizes the findings of the various sections and delineates a policy perspective for balanced urban development of the country.

WORLD URBANISATION TRENDS

It is a generally accepted notion that urbanization accompanies economic development. As countries witness sectoral diversification, that is move from primarily agrarian economies to industrial and service sectors, they are also expected to urbanize. This is because urban areas provide the agglomeration benefits that the industrial and service sectors need. Due to this factor, for the first time in the history of mankind, more people live in urban areas than in rural areas if we take into account the global population. Compared to several other parts of the world, the Indian urbanization level is still low. China is urbanised over 50 percent , several countries in Africa have 40 percent of their population living in urban areas and many countries in Latin America are over 70 percent urban. The developed countries are urbanised in the range of 75 percent to 80 percent.

According to McKinsey Global Institute (2011) estimates, 80 percent of the world's gross domestic product (GDP) is being generated in the urban areas. It is also estimated that the top 600 cities produce about 60 percent of the global GDP; and the top 100 contributing about 38 percent of the global GDP. Historically, urbanization and economic growth have been mutually reinforcing. This phenomenon is noticeable across the globe. In both developed as well as developing nations, urban growth has been rapid where economic growth rates have been high. This may be explained for by the forward and backward linkage effects of agglomeration economies.

As per the World Urbanization Prospects: The 2011 Revision, major disparities exist among group of countries in the level of urbanization. Thus, whereas the proportion urban in the more developed regions was already nearly 54 percent in 1950, it

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[1] Census of India, 2011

[2] Assamese, Bengali, Bodo, Dogri, Gujarati, Hindi, Kannada, Kashmiri, Konkani, Maithali, Malayalam, Manipuri, Marathi, Nepali, Oriya, Punjabi, Sanskrit, Santhali, Sindhi, Tamil, Telugu, and Urdu.

will still take another decade for half of the population of the less developed regions to move to urban areas. The UN projects the world urban population to increase by 72 percent by 2050, from 3.6 billion in 2011 to 6.3 billion in 2050. By mid-century the world urban population will likely be the same size as the world's total population was in 2002. Virtually all of the expected growth in the world population will be concentrated in the urban areas of the less developed regions, whose population is projected to increase from 2.7 billion in 2011 to 5.1 billion in 2050. Over the same period, the rural population of the less developed regions is expected to decline from 3.1 billion to 2.9 billion. In the more developed regions, the urban population is projected to increase modestly, from 1 billion in 2011 to 1.1 billion in 2050.

The rate of growth of the world urban population is slowing down. Between 1950 and 2011, the world urban population grew at an average rate of 2.6 percent per year and increased nearly fivefold over the period, increasing from 0.75 billion to 3.6 billion. During 2011-2030, the world urban population is projected to grow at an average annual rate of 1.7 percent, which, if maintained, would lead to a doubling of the urban population in 41 years. During 2030-2050, the urban growth rate is expected to decline further to 1.1 percent per year, implying a doubling time of 63 years.

Globally, the level of urbanization is expected to rise from 52 percent in 2011 to 67 percent in 2050. The more developed regions are expected to see their level of urbanization increase from 78 percent to 86 percent over the same period. In the less developed regions, the proportion urban is likely to increase from 47 percent in 2011 to 64 percent in 2050 as per the UN projections.

The world urban population is not distributed evenly among cities of different sizes. Over half of the world's 3.6 billion urban dwellers (50.9 percent) lived in cities or towns with fewer than half a million inhabitants. Such small cities account for 55 percent of the urban population in the more developed regions and for 50.2 percent of that in the less developed regions.

In 2011, cities with less than 500,000 inhabitants accounted for about half of the world urban population, amounting to 1.85 billion. Cities with populations ranging between 500,000 and 1 million were home to a further 365 million people, equivalent to 10.1 percent of the world urban population. Taken together, cities with less than 1 million inhabitants account for 61 percent of the urban population.

THE INTERDEPENDENCIES BETWEEN URBANISATION AND ECONOMIC DEVELOPMENT

Like any other cities, Indian cities too are integral to the country's growth and development, accounting for about two-thirds of its GDP. The links between urbanization and per

capita income have grown stronger in the Indian economy (the fitted trend line for the level of urbanization and PCGSDP for 2001 and 2011 are upward sloping, with R^2, or the explanatory power, being 0.549 and 0.614 respectively), indicating that cities hold the key to economic growth (Chart 1 and 2). But, the correlations are still low by international standards. The impact of economic growth on urban centres in India needs to be strengthened.

Density of population in urban areas and per capita gross state domestic product across the Indian states are also positively inter-correlated with each other. This could be attributed to the agglomeration economies that arise from the clustering of economic activities like manufacturing and services. In France, the United Kingdom, and the United States, 75 to 95 percent of industry is localized. As economies develop, agriculture disperses but manufacturing activities form agglomerations. Industry and services are concentrated in cities where these sectors grow more rapidly than other sectors. This is because economies of scale in cities reduce transaction costs. High densities in cities allow both workers with differentiated skills and firms with specific needs to reduce their costs.

It is a fact that urban areas contribute a higher share of the GDP than rural areas. The share of the GDP from urban areas in India has been growing consistently in India. Both Eleventh and Twelfth Five-Year Plans have argued that urbanisation should be seen as a positive factor in over all development as the urban sector contributes about 62 percent of the Gross Domestic Product (GDP). There is also a growing realisation that an ambitious goal of 9-10 percent growth of GDP depends upon a vibrant urban sector (Planning Commission 2008, 2013).

TRENDS AND PATTERNS OF URBANISATION IN INDIA

In India, urban areas are defined on the basis of two criteria. First, the state government grants municipal status, viz, corporation, municipal council, notified town area committee or nagar panchayat, etc. to an existing settlement. Such settlements are known as statutory or municipal towns in the census definition of urban areas. Second, if a settlement does not have an urban civic status, but satisfies demographic and economic criteria, like a population of more than 5,000, a density of 400 persons per square kilometre and 75 percent male workforce in the non-agricultural sector, it can be declared urban. Such urban areas are termed as census towns.

India is urbanizing at a very moderate pace. Urban India saw a deceleration in the growth of population during the last three decades, dismissing the spectre of over-urbanization or urban explosion. This made policy-makers at national and state levels concerned about the slow pace of urban growth, particularly at a stage of rapid economic growth that accentuated rural-urban (RU) disparities in economic and social spheres. The annual exponential growth rate of urban population in the country

CHART 1:
INTERLINKAGE EFFECTS OF PER CAPITA INCOME AND
URBANIZATION LEVELS ACROSS STATES: 2001
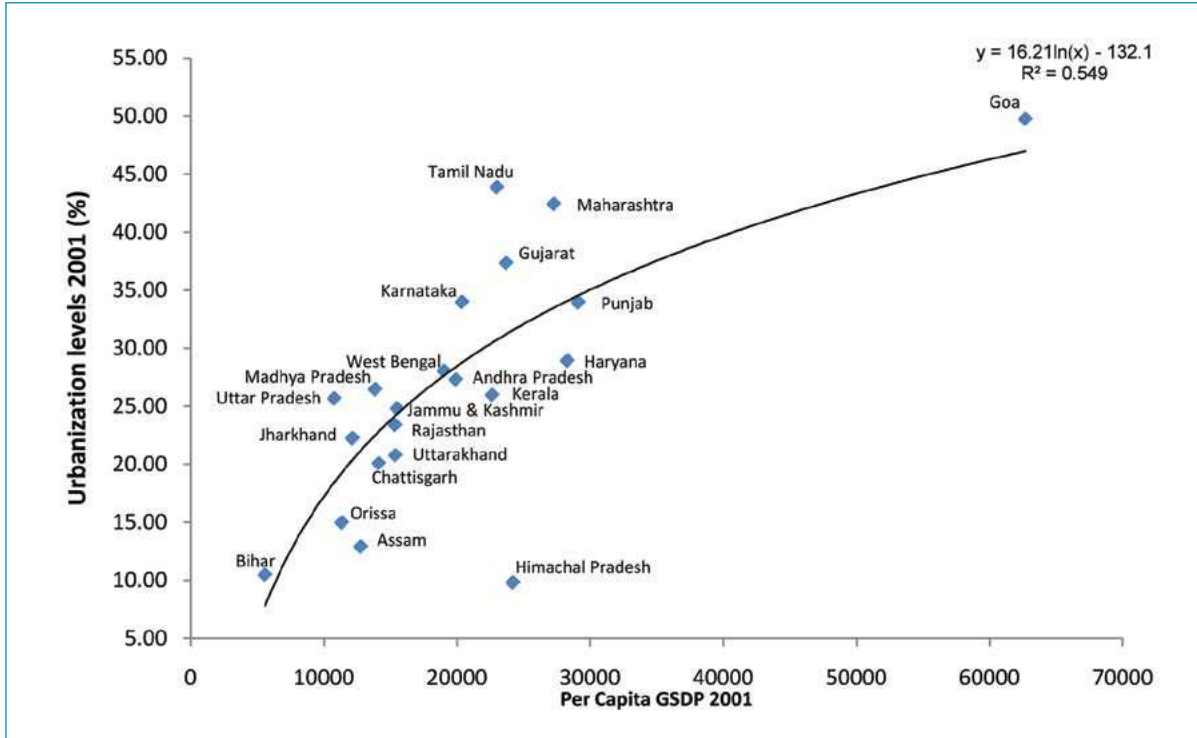
CHART 2:
INTERLINKAGE EFFECTS OF PER CAPITA INCOME AND
URBANIZATION LEVELS ACROSS STATES: 2011
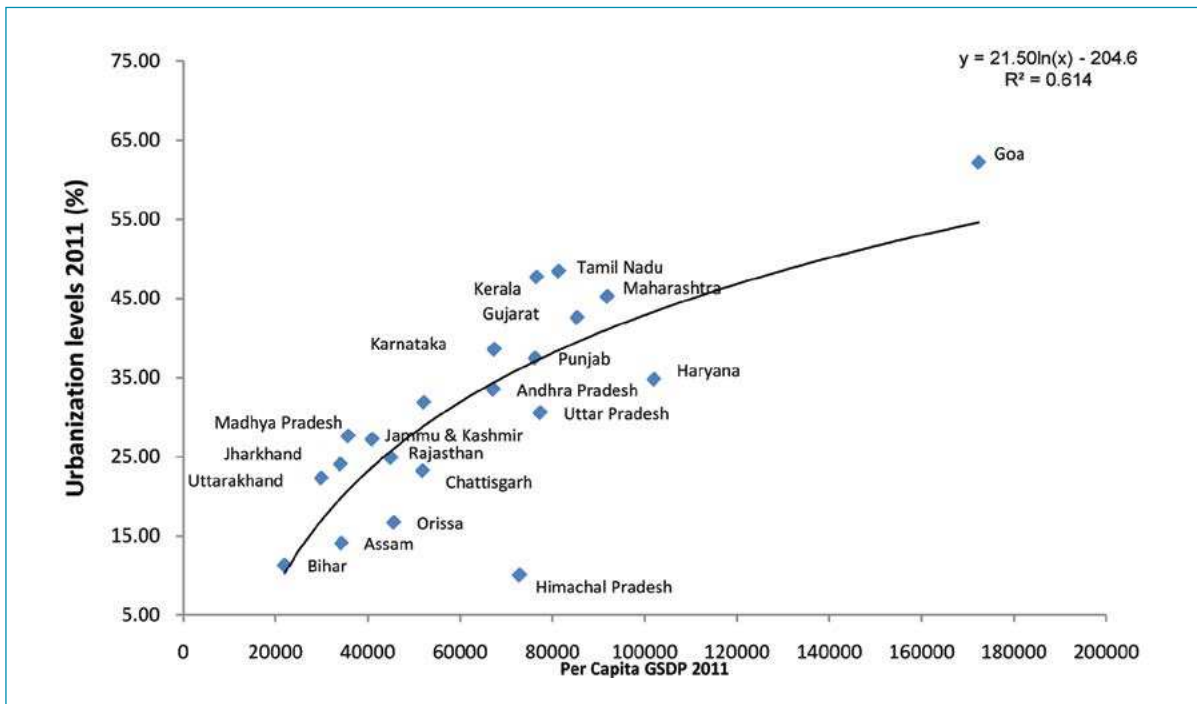
Source: Calculations based on Census of India and Central Statistical Organisation data

during 1950s was 3.5 percent . This was the highest the country had seen until that time which led to the emergence of theories of 'over urbanization'. Formalization of the criteria for identifying urban centres in the 1961 Census resulted in a dramatic decline in urban growth figures in the sixties. The 1970s, however, following the same methodology for identification of urban centres, saw a very high urban growth of 3.8 percent . The growth rate, however, came down to 3.1 percent in the 1980s. It went down further to 2.73 percent in the 1990s. Correspondingly, the percentage of population in urban areas has gone up from 17.3 in 1951 to 23.3 in 1981 and then to 27.78 in 2001.

The level of urbanization in the country increased to 31.16 percent in 2011 and the urban population recorded an annual growth rate of 2.76 percent during 2001-11. The 2011 Census reported a dramatic increase in the number of urban agglomerations (UAs), 91 new UAs came up in the past one decade. The Class I UAs/towns accounted for 70 percent of the urban population, their number increasing by 74 during 2001-11, from 394 in 2001 to 468 in 2011. Furthermore, the 2011 Census also recorded an increase of million-plus UAs/cities from 35 in 2001 to 52 in 2011. These accounted for 42.6 percent of the urban population. The largest UA in the country is Greater Mumbai followed by Delhi UA. Kolkata UA which held the second rank in 2001 Census has been replaced by Delhi UA. It is important to note that the economically developed states have registered the highest level of urbanization in the country in 2011 (Table-1). These states have also registered the highest growth rates and also the maximum increase in the number of Census towns, with the exception of Uttar Pradesh (Table-2).

Size Class Distribution

India has 7933[3] urban settlements with total urban population of 377.1 million (2011). The number of towns increased from 5161 in 2001 to 7933 in 2011. As per census 2011, about 60 percent of the total urban population resides in 496 Class I cities (Table 3). It may be noted that the number of urban agglomerations has increased from 35 to 52 during the past decade. The new urban agglomerations are basically formed by a combination of an existing statutory town/city with newly formed census towns which basically belong to lower order size class of towns. If we take into account urban agglomerations instead of individual cities, then the size class distribution changes, with over 70 percent of cities falling in Class I category.

The proposition of a possible slowdown of urban growth received empirical backing from the population figures of predominantly urban Union Territories and select metro, released for 2011 Census. Most of the cities with population of a hundred thousand-plus for which data are available have recorded a significant decline in their population growth, more so for the million plus cities, suggesting that they have become less welcoming to migrants. A process of sanitisation and formalisa-

[3] There are 4093 Statutory towns and 3892 Census towns.

tion seems to be discouraging the inflow of rural poor in these cities.

Delhi and Chandigarh, for example, have recorded population growth rates less than half that of the nineties. Mumbai district, comprising the island city, has also reported a decline in population in absolute terms during 2001-11. The story is similar for Delhi where the present population growth is less than that of any decade in the last century. Here, New Delhi zone and central Delhi have lost one quarter and one tenth of their population respectively. Among the large states, Maharashtra, where the percentage of the urban population is over forty and where an influx of migrants is an explosive political issue, too, has recorded a significant reduction in its total and urban population growth.

Computation of population growth rate of class I cities keeping common towns for both the initial and terminal years, reveals an interesting pattern, as presented below. The population of the cities/towns (municipal corporations and municipalities) have been considered only. The growth rate of 300 cities in 1991-2001 and 441 in 2001-2011 has been calculated by grouping the cities in size class of one lakh to one million, one to four million and four million plus. Table 4 indicates that the growth rate has in general come down for all classes of cities in 2011 compared to the previous decade. However, the size class of one to four million has recorded the highest growth rate for both the decades. Importantly, the growth rate in the category of 1-4 million is in consonance with the high growth rate in the category of 1-5 million as indicated by the High Powered Expert Committee projection for the same period. Greater Mumbai Corporation recorded the highest population in both the decades followed by Delhi. Kolkata was the third populous city in 2001. In 2011, the Bangalore Municipal Corporation occupied the third position displacing Kolkata to the fifth position. In fact, the Corporation underwent an increase in its municipal limits, which explains the increase in the share of urban population.

It is important to note that many cities reported a negative growth during 2011, indicating a decline in the population in 2011 as compared to 2001 (Table 4). This trend is most obvious in the state of Kerala, which has reported an increase in the level of urbanization from 25 percent to 47.74 percent and a corresponding increase in the number of Census towns. In fact, all the Class I cities have reported a decline in their growth rates when growth rate of individual citis are calculated. However, UAs have reported substantial increase in their growth rate which is due to the merger with Census Towns.

The total number of urban centres in the country has increased at a rate much slower than the urban population during the last century. The number had gone up by about 2,500 in the entire 10 decades. However, it has now gone up by 2,774, in just one decade, against the prediction of an increase of only 1,000

**TABLE 3 :
SIZE CLASS DISTRIBUTION OF INDIAN
CITIES/TOWNS IN 2011**

Size Class	No. of towns	% to total
Class I (One Lakh +)	496	59.34
Class II (50001-100000)	600	10.86
Class III (20001-50000)	1912	15.71
Class IV (10001-20000)	2238	8.70
Class IV (10001-20000)	2188	4.50
Class VI (Less than 5000)	499	0.89
All Classes	7933	100.00

Source: Primary Census Abstract, 2011

**TABLE 4:
GROWTH RATE OF CLASS I CITIES IN INDIA
BY COMMON TOWNS (1991-2011)**

Size Class of City	AEGR	
	1991-01	2001-11
All India	2.74	2.76
(4 Million Plus)	2.35	1.35
(1 Million - 4 Million)	3.17	2.18
(1 Lakh - 1 Million)	2.78	1.31

Source: Provisional Population Totals, Urban
Agglomerations and Cities Class I and above 2011 and 2001

during 2008-30 by McKinsey Global Institute (MGI, 2010).

The proposition that urban growth has not decelerated during 2001-11, thus, goes against past trends and recent evidence. The important question is whether urban growth has remained high despite a decline in urban fertility because of the existing urban centres receiving migrants. Or alternately, is it due to a reclassification of rural settlements resulting in increase in the number of new towns? The increase in the level of urbanization in the country is not a result of acceleration in the growth rate of small and medium towns but because of an increase in the number of Census towns.

An important feature of urbanisation in India in the past few decades was the relatively small contribution of migration to the increase in urban population in India. Net migration from rural areas contributed about 21 percent to the increase in urban population in the 1990s, a little less than its contribution of 22.6 percent in the 1980s. Importantly, natural increase has been by far the largest source of increase in urban population (62.7 percent in the 1980s and 59.2 percent in the 1990s). The 2011 Census would mark a significant departure, as a substantial amount of increase in the level of urbanization would be accounted for by reclassification of rural areas into Census towns.

India's heavily protectionist trade policy regime until the nineties had encouraged capital-intensive industrialization in the country. This may be one of the reasons for the decline in the share of migrants. Rigid labour laws and reservation for small scale units in production also encouraged capital- intensive industrialization by restricting labour- intensive industrialization. There was much slower growth in employment in the industrial sector in the past decade. As per the latest employment round (66th round), the share of regular employment in the public sector has registered a decline. The low share of manufacturing, no sizable shift in workers moving out of agriculture and the phenomenon of jobless growth has serious implications for

migration in India and partly accounts for the decline in the pace of migration.

Urbanization is a consequence of economic development and hence it is quite natural that as a country develops, certain activities are better carried out in settlements with agglomerations of people. Depending upon the kinds of economic activities, certain activities are located in urban areas. Activities that can substitute inputs, especially capital for land are most likely to be concentrated spatially (Mohan, 1985). Activities with a high elasticity of substitution between land and non-land activities

mostly lead to urban concentration. Hence, modern industries that require ample land for production are generally situated on the peripheries of major cities, where the availability as well as the price of land is low.

Structural transformation is typically associated with reduced dependence of the population on agriculture and increased migration from low-productivity agriculture to high-productivity sectors of industry and services in search of employment. Since these sectors are based in urban areas, rapid economic growth is normally associated with urbanization. It may be noted that in India, the decline in the agricultural sector's share in employment in the last decade was small.

Also, the industrial sector failed to attract the workforce from agriculture. Indeed, the share of industry in total employment in the economy actually declined as mentioned earlier. The service sector recorded a sharp increase in the share of total employment. Since growth in GDP took place in highly skilled services such as information technology (IT), telecom, and banking, or in sophisticated manufacturing industries like engineered goods

and pharmaceuticals, it did not draw much labour from rural areas (HPEC, 2010). This may explain the decline in the growth of urban population in the recent decades.

The share of the agricultural sector and associated activities in GDP as well as the share of these sectors in the level of employment has declined. The recent survey conducted by NSSO in 2011-12 showed that there has been a drop in the agricultural workforce. There are both "push" and "pull" factors that have caused the workers to shift away from agriculture. Workers have pushed out of low productivity agriculture because of low returns. Similarly, increase in the number of public works created by various national employment schemes, such as the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), and also higher enrolment of the younger population in education are the pull factors which resulted in workers shifting away from agriculture. With the rise in per capita income, the demand for non-food items accelerates. This increases the demand for labour in non-agricultural activities. But unexpectedly, India has not experienced "urban explosion" as compared with trends in various other parts of the world.

TABLE 1:
LEVEL OF URBANISATION

S.No	States/UTs	% of urban population		AEGR
		2001	2011	2001-11
0	INDIA	27.82	31.16	2.76
1	Jammu & Kashmir	24.81	27.21	3.05
2	Himachal Pradesh	9.80	10.04	1.45
3	Punjab	33.92	37.49	2.29
4	Chandigarh	89.77	97.25	2.38
5	Uttarakhand	25.67	30.55	3.50
6	Haryana	28.92	34.79	3.66
7	NCT of Delhi*	93.18	97.50	2.36
8	Rajasthan	23.39	24.89	2.57
9	Uttar Pradesh	20.78	22.28	2.53
10	Bihar	10.46	11.30	3.01
11	Sikkim	11.07	24.97	9.30
12	Arunachal Pradesh	20.75	22.67	3.19
13	Nagaland	17.23	28.97	5.15
14	Manipur	26.58	30.21	3.56
15	Mizoram	49.63	51.51	2.42
16	Tripura	17.06	26.18	5.66
17	Meghalaya	19.58	20.08	2.70
18	Assam	12.90	14.08	2.44
19	West Bengal	27.97	31.89	2.62
20	Jharkhand	22.24	24.05	2.80
21	Orissa	14.99	16.68	2.37
22	Chhattisgarh	20.09	23.24	3.49
23	Madhya Pradesh	26.46	27.63	2.28
24	Gujarat	37.36	42.58	3.06
25	Daman & Diu*	36.25	75.16	11.58
26	Dadra & Nagar Haveli*	22.89	46.62	11.53
27	Maharashtra	42.43	45.23	2.12
28	Andhra Pradesh	27.30	33.49	3.09
29	Karnataka	33.99	38.57	2.72
30	Goa	49.76	62.17	3.01
31	Lakshadweep*	44.46	78.08	6.24
32	Kerala	25.96	47.72	6.56
33	Tamil Nadu	44.04	48.45	2.40
34	Puducherry*	66.57	68.31	2.71
35	A&N Islands*	32.63	35.67	1.54

Source: Census of India 2001, 2011.

TABLE 2:
NO. OF CENSUS TOWNS ADDED IN 2011

	India/State/UT	No. of Census Towns		No. of CTs added
		2001	2011	2011
1	Jammu & Kashmir	3	36	33
2	Himachal Pradesh	1	3	2
3	Punjab	18	74	56
4	Chandigarh	-	5	5
5	Uttarakhand	12	42	30
6	Haryana	22	74	52
7	NCT of Delhi	59	110	51
8	Rajasthan	38	112	74
9	Uttar Pradesh	66	267	201
10	Bihar	5	60	55
11	Sikkim	1	1	0
12	Arunachal Pradesh	17	1	-16
13	Nagaland	1	7	6
14	Manipur	5	23	18
15	Mizoram	-	-	-
16	Tripura	10	26	16
17	Meghalaya	6	12	6
18	Assam	45	126	81
19	West Bengal	252	780	528
20	Jharkhand	108	188	80
21	Orissa	31	116	85
22	Chhattisgarh	22	14	-8
23	Madhya Pradesh	55	112	57
24	Gujarat	74	153	79
25	Daman & Diu	-	6	6
26	Dadra & Nagar Haveli	2	5	3
27	Maharashtra	127	279	152
34	Puducherry	-	4	4
35	Andaman & Nicobar Islands	2	4	2
30	Goa	30	56	26
31	Lakshadweep	3	6	3
32	Kerala	99	461	362
28	Andhra Pradesh	93	228	135
29	Karnataka	44	127	83
33	Tamil Nadu	111	376	265
	India	1362	3894	2532

Source: Provisional Population Totals, Urban Agglomerations and Cities Class I and above 2011 and 2001

The rate of growth of urban population in India is also among the lowest in the world.

Recent slowdown in the industrial sector and increase in the non-agricultural employment, mostly in construction jobs located in rural areas causing the rate of migration from rural to urban cities to decrease. Urban males account for 77 percent of all jobs in information technology (IT) and related activities in 2011-12 and more than 60 percent of the incremental employment between 2004-05 and 2011-12 was in manufacturing, finance and real estate services. The situation for the rural people is quite different. Construction jobs are the only source of non-agricultural employment accounting for 70 percent of the net increase in non-agricultural employment during 2004-05 and 2012.

The rural-urban differentials in productivity have widened since 1993-94 in the country, indicating that there is considerable scope for migrants to take advantage of the higher-productivity non-agricultural sectors. This, however, would demand the higher skills and education level of the migrants in urban areas. The economy seems to be far from reaching saturation point in migration and it is reasonable to expect a hastening in the pace of urbanisation. The McKinsey Report (2010) on India's urbanisation prospects estimates that over the period 2010-2030, urban India will create 70 percent of all new jobs in India and these

urban jobs will be twice as productive as equivalent jobs in the rural sector. These would, however, require higher educational level and higher skills for the migrants. In fact, the latest round of the NSSO (64th round) shows that migration has gone up for the educated and better off sections of the population or those who have attained at least certain degree of skills.

CONCLUSION

It is important to realise the strong economic linkages between urbanisation and economic development. In the present era of Smart Governance, economic linkages are sought to be strengthened in urban areas by making cities more competitive and investor friendly. In such a situation, the concerns for equity should also be recognized and addressed to ensure balanced development of the country.

Importantly, the Twelfth Plan envisages that urbanisation will be central to India's strategy of achieving faster and inclusive growth because agglomeration and densification of economic activities and habitations in urban conglomerations stimulates economic efficiencies and provides more opportunities for earning livelihoods. Thus urbanisation would increase avenues for entrepreneurship and employment compared to what is possible in dispersed rural areas and, thereby, enable faster inclusivity in the process of economic growth.

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URBAN GOVERNANCE

IN THE CONTEXT OF TELANGANA

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INTRODUCTION

With a rapid pace of urbanisation and 31.6 per cent of India's population living in urban areas, there is considerable focus on India's cities and towns. According to census data, the urban population in India increased from 286 million in 2001 to 377 million in 2011 and is expected to reach 600 million by 2031. The share of the urban sector in the country's gross domestic product (GDP) will increase from the present level of 66 per cent to 75 per cent during the next 15-17 years. Already the urban areas contribute a large percentage of tax revenue which is expected to rise to 80 - 85 per cent in the near future. A substantial percentage of the additional employment generation is taking place in the urban areas. India has approximately 8000 cities and towns and both in terms of population and governance, the scenario is complex.

There are three mega cities with a population of more than ten million, five cities with a population between five to ten million, 11 with a population between two to five million, 34 with one to two million, 42 with a population between half million to one million and another 372 with population between one hundred thousand to five hundred thousand. Little over 70 per cent of the country's urban population lives in these 468 cities and towns with 1, 00,000 or more population and the rest in the 7000 plus towns. Since urban development is a subject constitutionally mandated to the state governments (India has 29 states now), all initiatives relating to improvement of management of cities are left to state governments. The central government provides direction and facilitates resource availability and mobilisation.

The city of Hyderabad is located in the newly created state of Telangana, the 29th state of India that came into existence on the June 2, 2014. This new state was carved out of the existing state of Andhra Pradesh (AP); ten districts of AP now form part of the new state. Telangana has a total of 68 urban local bodies (ULBs) divided into six municipal corporations, 37 municipalities and 25 nagar panchayats. Hyderabad is the capital of the new state but this city will remain a joint capital of the new state as well as the remaining state of Andhra Pradesh for a period of ten years though all the administrative action concerning the city will be by the newly created state's government. The Greater Hyderabad Municipal Corporation (GHMC) was formed in 2007 by merging 12 municipal bodes and 8 village bodies, known as gram panchayats (village governance bodies). The metropolis' (GHMC) land area is 650 sq km. The metropolitan area of 7100 sq km , including the area of the Hyderabad Municipal Corporation (HMC) is covered for all planning purposes by the Hyderabad Metropolitan Development Authority (HMDA) constituted under a legislation in 2008 with a comprehensive mandate for planning, development coordination, implementation of infrastructure and other related projects. The Chief Minister is the Chairman of this body thereby highlighting the political and economic significance of this state capital area. The jurisdiction of HMDA is the second largest in the country, next to Bengaluru. The population density is 18,480 persons per sq km. According to the census 2011, The Hyderabad Urban Agglomeration (UA) is the sixth largest city in India with a population of 7.7 million and is set to become a mega city over the next decade. Urban Agglomeration is a statistical creation of the census system in India and does not have any administrative implication but has planning implications. The predecessor of the HMDA, created in 2008, is the Hyderabad Urban Development Authority.

Before taking stock of the problems, challenges and issues facing a mega city like Hyderabad, it would be appropriate to have a brief look at some examples of how metropolitan area governance issues have been addressed globally. Fragmented governance structure and multiplicity of authorities does not seem to be a phenomenon characteristic of Indian urban governance only. Multiple governance structures across large urban areas in England have led to policy coordination problems. National, regional, subregional and local levels of government have led to confusing array of policy interventions. This led to the emergence of city regional governance arrangements in England. The city regional concept gained traction because a number of the underlying factors that shape the urban economy have changed. The ongoing effects of globalisation, increases in long distance commuting and expansion of the service and knowledge based economy have widened the scale at which urban economies function. Local authorities were unable to tackle housing, transport and training issues within their own boundaries. The sub- National Review of Economic Development and Regeneration (SNR, July 2007) set up the policy framework for the new arrangement and it also provided for the creation of Multi Area Agreements (MAAs). These voluntary

partnerships allow local authorities to pool targets and funding to pursue city regional housing, skills transport and regeneration priorities. The agreements are made between groups of authorities and the central government. This new arrangement becomes relevant for cities like Cairo, Sao Paolo, Mahila and Mumbai which face extraordinary challenges in harmonising and linking policies, planning, infrastructure investments and services within a single economic market that stretches across multiple municipal jurisdictions or spills over into institutionally undefined peri-urban areas. The English experience of city regions offers three lessons:

• City region agreements are important policy instruments that encourage optimal outcomes in the delivery of services and in enabling collaboration of cities with their hinterland.

• Power sharing arrangements in the form of MAAs become the first step towards achieving an appropriate institutional model for territorial development.

• Cities alone cannot fulfil their role as engines of growth for the national economy and national governments have to be involved in defining an appropriate enabling environment for the same.

The trend across nations seems to be for national governments to experiment and go through a trial and error process of working out a relevant process of metropolitan governance structure. The newer version of the Greater London Authority (GLA) came into existence in 2000 with a directly elected mayor and a set of functions distinct from the 32 boroughs. The GLA has a primarily strategic function and is responsible for the London Plan and the boroughs are responsible for the most operational service delivery. It is a strong mayor model, very powerful within the GLA and having statutory powers over the boroughs. The mayor and boroughs are working together to get more resources for London

Metropolitan Toronto opted for a regional arrangement for six cities and boroughs first but subsequently amalgamated all of them into a single municipality in 1999. Brazil is experimenting with an elaborate set of laws and federal programmes to help establish metropolitan regional bodies for Sao Paulo, Rio de Janeiro and Brasilia. South Africa has modified the idea of the Johannesburg metropolitan government to a larger region with a larger role for the provincial government. Seoul and Tokyo have long established two-tier federative metropolitan governments. In Seoul, the central government retains control of local development and there is considerable bias towards the capital city of Seoul. Provincial and municipal finance remains highly centralised. In Tokyo, like in London there is an attempt to apply the principle of subsidiarity which has led to mergers among municipalities. South Africa's Constitution provides for three separately elected spheres of government : national, provincial and local; a combination of eight single-tier metro-

politan municipalities and 53 district municipalities which share power with 226 local municipalities. While local government is mainly responsible for basic services and spatial planning it has also been given a developmental function. Large authorities like Johannesburg remain mainly self funded through property taxes and service charges.

What are the major governance issues before the city of Hyderabad? Like many other cities in the country, this city also has key fundamental issues such as: (i) inequitable distribution of water; (ii) problems in properly managing solid waste, drainage and sewerage; (iii) problems of easy connectivity; and (iv) inadequate presence of public transport, proliferation of slums and the like. However, Hyderabad is considered advanced in terms of municipal reforms of various kinds but does not offer a strong example of political decentralisation. Among other programmes, the high profile, centrally driven National Urban Renewal Mission (JNNURM) has provided funds through projects undertaken in the basic infrastructure area and has also moved the agenda of the much needed urban reforms forward. But there are still a number of key issues to be addressed if the city is to gradually move towards being a mega city in the near future. The issues common to all the mega cities of India and equally applicable to Hyderabad are:

a. Administrative multiplicity in the form of districts, municipal authorities, rural entities and other bodies like the special economic zones (SEZs).

b. Multiplicity of legislation represented by Town and Country Planning Acts, Metropolitan Development Authority Acts, specific acts for Municipal Corporations, state acts for urban areas, State Panchayati Raj Acts, Industrial Promotion and Environmental Regulations.

c. Multiple service providers for water supply, transport and power.

d. Multiplicity in the planning arrangement with HMDA as the planning authority, land revenue administration, industrial infrastructure corporations, slum clearance authorities and housing boards.

e. Jurisdiction of multiple authorities like Industrial Area Local Authority and the SEZs.

Though the AP Metropolitan Committee Act 2007 has been enacted, a Metropolitan Planning Committee, a standard requirement for the million plus population cities, is yet to be formed for the area.

The political and economic significance of the city region for the state and the country can be understood from some basic figures. The city region has 27 per cent of the state's urban population and its share in the state's GDP is 14 per cent. Manu-

facturing activity in the region contributes 25 per cent to the state's GDP and 40 per cent of employment is in trade, transport and community, social and personal services. Like other mega cities, this city has also developed a knowledge economy such as ICT software, biopharma and biotechnology. There is a clustering of higher education centres with 9 universities, 45 colleges and 25 public research system laboratories. Among the city level initiatives to make life easy for the common man, the Off Site Real Time Monitoring System (OSRT) is worth mentioning. It is a mobile based initiative, using a combination of GPs and GPRS technologies through cell phones for managing civic amenities. The GPRS technology enables citizens to capture real time images of public servants at work or public sites under inspection with date and time recorded and linking with latitude and longitude of the site. The OSRT works in managing solid waste removal. The building permissions programme was also brought under OSRT which has made decisions time bound and transparent. Now real time images of work in progress at sites on regular periodicity is possible. Public private partnership (PPP) is the medium through which the city corporation brings in innovative ways of delivering public services. The Hyderabad Metropolitan Water Supply and Sewerage Board, tasked with supplying potable water to the Greater Hyderabad Municipal Corporation
and its surrounding areas took the initiative to provide online billing and collection through a fleet of meter readers

with the help of handheld machines. The Board also introduced a SCADA system which enables better water management by assessing the unaccounted for water (UFW) from source to master balancing reservoirs and taking remedial measures.

There have also been some significant initiatives in improving mobility. Andhra Pradesh is the first state in the country that decided to act on the concept of having a Unified Metropolitan Transport Authority for the city region of Hyderabad, chaired by the Chief Secretary of the state. A legislation was brought into operation to oversee implementation of various traffic and transportation measures undertaken by various agencies in the Hyderabad Metropolitan Region and to ensure effective public transport systems are in place. A Metro rail project on a PPP basis covering a length of 72 km at a total cost of Rs 14,132 crore is in progress. Hyderabad's 158 km outer ring road helps reduce travel distance between the suburbs of Greater Hyderabad and with a planned 33 radial connectivity to the inner ring road and satellite townships planned along the one kilometre stretch on either side of the road; this road is a trend setter as far as the development of outer parts of the city is concerned. The outer ring road criss crosses five national highways, five state highways and five district roads and connects new urban nodes outside the city, the Hi Tech city, National Games Village, Hardware park, IT park, Nano park and the Indian School of Business. A

Special Purpose Vehicle (SPV) called the Hyderabad Growth Corridor Limited was set up to be the executing agency of the project. While the first part of the total project was executed through loans from a consortium of banks, the second part is to be implemented through a PPP.

The city development of Hyderabad must ensure a well-integrated transit and land development system to create urban forms and spaces that reduce the use of private vehicles. According to the authors of the conference edition of 'Transforming Cities With Transit', achieving effective land use and transport planning integration requires a cogent, forward looking strategic vision of the future city, an enabling institutional framework and sustainable financial models. Cities need to envisage their long-term futures, crafting visions that are eventually articulated into spatial plans and specific land use initiatives. The channelling of higher urban densities along high-capacity transit corridors is of particular importance. Cities like Hong Kong SAR, China and Tokyo reveal that successful transit and land use integration can generate revenue and capture value through the development of property and air rights. Greater Tokyo's private railways is an example of how historically transit value capture was practised on a grand scale, building massive new towns along rail served corridors and cashing in on the construction, retail and household service opportunities created by these investments. But successful land value capture could depend considerably on the supportive institutional environment. The example cited is that of the Washington Metropolitan Area Transit Authority that was formed and given the resources needed to leverage Transit Oriented Development (ToD). The examples of cities such as Ahmedabad in India and Bogota, Colombia, both of which have high population densities, provide lessons as to how the BRTS system can be a game changer for better mobility but also how the objective of integrated transit could be impeded mainly because of lack of proper regional coordination at the metropolitan level thereby preventing the use of smooth integration of transit and land use in a larger area.

Hyderabad is in a sense considered to be a 'smart' city because it has leveraged the IT hub status to turn e-governance in a big way. Andhra Pradesh was a pioneer in using e-governance to facilitate better administration. After a pilot scheme implemented in the twin cities of Hyderabad and Secunderabad, a larger project titled, 'eSeva' was launched in 2001. Centres under eSeva provided basic services online and by the year 2010, 55 such centres provided these services to the citizens in different parts, with another 400 kiosks located in the twin cities and adjoining district. In November 2011, the state government extended the e-governance project to cover rural areas also and the service was titled, ' Mee-Seva' which means 'at your service' in the local language. The service centres, which work on a PPP basis, provide a wide variety of citizen services such as issuing birth and death certificates, voter ID cards, bus passes, passport applications, money transfers and accepting payments of utility

bills. This available platform could be a smooth facilitator for moving towards the smart city concept as a variety of activities could be added such as delivery of services, managing hospitals, providing better healthcare, managing schools, managing utilities, mapping underground utilities, managing assets, managing disasters, electricity management, mobility improvement, and so on.

The central government has announced some key urban initiatives in the 2014-15 budget that would set the pace for further development of India's cities and also be relevant for the path that Hyderabad would like to take to make it a workable mega city and a resident friendly smart city. The initiatives announced are:

a. Developing 100 smart cities as satellite towns of larger cities and modernising the existing mid-sized ones.

b. Modifying the requirements of conditions stipulated by foreign direct investment (FDI) so as to encourage investment in smart cities.

c. Providing support for improving basic services in at least 500 city habitations (this could be the successor programme of the earlier JNNURM).

d. Enhancing the corpus of the Pooled Municipal Debt Obligation facility so as to support provision of good infrastructure in the urban areas.

e. Encouraging urban metro projects including light rail systems in the PPP mode, which will be supported by the central government through VGF.

f. Setting up a New Mission on Low Cost Affordable Housing and the government's commitment to ensure housing for all by 2022.

g. Including slum development in the list of activities under Corporate Social Responsibility (CSR) of companies.

h. Covering every household by total sanitation by 2019.

The state Government of Telangana could take advantage of all these programmes to attract additional investment for the city area and bring about improvements in the infrastructure of the area. Facilitative and supportive policies that encourage the private sector to actively and effectively participate in the mega city development process will be a critical step.

In conclusion it must be stated that mega city governance is at a critical juncture in India. On the one hand state governments have not yet taken a serious call on the key issue of empowering the third level of governance by having funds, functions and functionaries fully transferred to that level and about having

directly elected mayors who are in command of the city and who can provide the required leadership and be held accountable. Pending this, which seems to be an issue which is not likely to be addressed too soon, what needs to be taken into account is how the multiplicity of authorities and levels at the city level can be made to function in an integrated manner. For that the city along with its adjoining areas should have a vision, there should be mechanisms which integrate the city schemes with the larger metropolitan area requirements and a seamless connectivity and economic interaction as well as integration is ensured. Since manufacturing activities cannot get located in the core area of the city, appropriate earmarking of land and both flow of benefits as well as sharing of resources will have to be structured. With the Chief Minister chairing the HMDA, and with the HMDA occupying a commanding place in the set up for metropolitan development, while decision making gets centralised, at the same time this could be converted into an advantage as well. But for this to happen, as the Indian experience generally shows, political complexions and leadership at the two levels matter a lot.

As far as service delivery is concerned, both the city corporation and the areas outside it would do well to constantly take stock as to where they stand with regard to Service Level Benchmarks (SLBs) for the six key areas of water supply, solid waste management, drainage, sewerage, city transport and e-governance and continuously strive to upgrade them and be transparent about levels and action to bring about improvements with the public. The National Urban Sanitation Policy had enjoined upon states and cities to come out with city sanitation plans and strategies and this could be a target-oriented approach now that the central government has mandated 'Toilets for All 'by 2019. The 'Housing for All' scheme should be leveraged to ensure total slum rehabilitation and also bring in systems whereby the migrants to cities can afford to have a proper shelter for themselves. Provisions of the National Urban Transportation Policy need to be taken up actively by the UMTA so that public transport gets promoted gradually and systems like what Transport for London on the basis of professional planning gets implemented for the city and the larger metropolitan area. A focussed effort needs to be made now to define what the smart city concept for Hyderabad and the metropolitan area would be and a single coordinating authority with the required mandate has to get on with the task. A well-stated public private partnership policy will be a must for private investors to be encouraged to participate in the process of development. It is time to have Municipal Regulator in position so that among others such participants also have the assurance of fair play and timely redressal of grievances. Also the mechanism of the State Finance Commission will have to be actively relied upon to ensure that adequate fund flow materialise from the state to the local authorities so that the increasing dimension of the huge task in hand can be better handled. And for all this sufficient strengthening of capacities of the local bodies and parastatal organisations would be another primary requirement. These are some of the larger issues to be addressed but this is not a complete listing of the various governance issues which have larger dimensions to be handled if Hyderabad has to be taken to higher levels and it can claim to be one among the prominent mega cities of the world.

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URBAN EQUITY AND GLOBALISATION

REFLECTIONS ON HYDERABAD IN THE CONTEXT OF CHANGING POLITICAL GEOGRAPHIES

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INTRODUCTION

Hyderabad has been the fourth largest city in India. It has a population of 6.7 million (Census, 2011). The Greater Hyderabad Municipal Corporation (GHMC) extends over an area of 650 sq. km. The city has been growing at a faster rate in the peripheries during the last three decades than in the metropolitan core. A number of new activities are emerging in the periphery with the active participation of both the state and private sector. The city has emerged as an important centre for software and information technology sector in India and has attained global recognition.

The city is now the capital of the newly formed state of Telangana with effect from 2 June, 2014. Until then, it was the capital city of the undivided state of Andhra Pradesh since 1 November, 1956 for nearly six decades.[1] The city occupies a pre-eminent position in the economic, political and cultural life of the state of Telangana. An attempt is made in this paper to briefly analyse the urban inequalities in the global context with reference to India during the period of economic liberalisation. Intra-city inequities in basic amenities in Hyderabad have been briefly discussed in this context.

GLOBAL URBAN INEQUALITIES

Urban inequality reflects both the unequal distribution of skills and unequal returns to skills. Inequality is positively related to crime, slow growth and unhappiness. Yet there are only a limited set of policies that can effectively reduce inequality (Glaeser et al., 2009). Inequalities in income have tended to be associated with inequalities in welfare and human development, and these coincide with spatial inequalities (Kilroy, 2007). Intra-urban inequality seems to be a widespread phenomenon in major cities across the world – in developed as well as developing countries as per the United Nations Report on World Cities. Very high levels of inequality exist in major cities of the United States. This is similar to the situation in Abidjan, Nairobi, Buenos Aires, and Santiago. In the United States, there is more inequality today than existed 26 years ago, and the nature of urban inequality does seem to have changed. While in 1980, the status of inequality was driven by the poorest, today it is also driven by the numbers of the very rich because the rich have become even richer over the past 25 years, and therefore the ability of the rich to drive local inequality has also become greater (Glaeser et al., 2009). There is increasing evidence to show that the process of economic liberalisation and globalisation is accentuating inequalities in the cities of India and China, though Beijing is considered to be the city with least inequalities in the world. Western Europe, however, has the most egalitarian cities in the world (UN Habitat, 2009).

Extreme inequalities within cities are reflected in the mortality and stunting rates of young children. These are unambiguous indicators that manifest deprivation on multiple fronts. In much of Latin America and in parts of Asia, there has been progress in reducing inequalities in the provision of basic services, as a growing proportion of the urban population has gained access to water, sanitation, schools and health care. But in most of the world's urban centres, large inequalities in income and wealth remain and are matched by serious deprivation on other fronts. Inequalities in different domains are strongly correlated and mutually reinforcing (Bartlett et al., 2012). Inequity in Asia is slightly below the inequality threshold of 0.4 (with the urban Gini coefficient at 0.39) above which levels of inequality are considered unacceptably high. Inequalities in Asian countries are generally higher in urban than in rural areas. However, China seems to be an exception with higher Gini coefficients in rural than in urban areas. Some countries in Latin America and Africa are exhibiting exceptionally high levels of urban inequality (eg., Brazil, Colombia, Kenya, Namibia, South Africa, and Zimbabwe). Inequalities are also relatively low in cities of some developed countries, such as Japan, Australia and Canada (UN Habitat, 2009).

Urban inequalities are also expressed through highly stratified spatial realities, structured both by the market and by government. There can be stark contrasts in urban housing quality, density and levels of provision, with significant implications for health and the quality of life. In most cities, informal or illegal settlements house a large proportion of the population, often on a small fraction of the available land. The spatial boundaries concentrate privileged areas and reinforce inequalities, fragmenting the city and undermining any sense of solidarity among urban dwellers (Bartlett et al., 2012).

INDIA: RISING INEQUALITIES

While India has enjoyed significant improvement in economic growth in the last two decades, a troubling issue has been

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[1] In this paper, any reference to the state of Andhra Pradesh denotes the erstwhile state prior to the division.

the rise in inequality in the economy and society as a whole, and more particularly, in the urban areas of the country. That distributional aspects of development are not faring well has been highlighted in India's falling rank in recent Human Development reports. High and rising inequality is "a serious social blight" (Bardhan, 2009) that takes away the developmental gains made from increasing economic growth. Inequality, manifested via increasing differences in levels of earning and consumption, levels of living and access to basic amenities, levels of health and education, is much more marked in the urban areas.

Urban Poverty

The extent of urban poverty, its characteristics and pervasiveness have been reflected in the Urban Poverty Report of 2009. As per the Planning Commission's estimates, the head count ratio of urban poverty has fallen from 31.8 per cent in 1993—94 to 25.7 per cent in 2004—05, and it has further gone down to 13.7 per cent in 2011—12. Panagariya and More (2013) reported that urban poverty declined by 6.2 and 12.0 per cent during the periods 1993—94 to 2004—05 and 2004—05 to 2011—12, whereas rural poverty decreased by 8.5 and 16.4 per cent respectively in the same periods. Thus, there has been a slower rate of decline of urban poverty compared to that of rural poverty, despite a higher rate of income growth in urban areas.

The absolute numbers of poor in urban areas has increased from 74.5 million in 1993—94 to 80.8 million in 2004—05 but decreased to 52.8 million in 2011-12. However, in 19 out of 35 states/UT (Union Territories) there has been an increase in the number of urban poor between 2004—05 and 2011—12, the increases being high in the states of Assam, Bihar, Uttarakhand and West Bengal (GOI, 2007 and 2013).

Urban Inequality at State Level

The Government of India's National Human Development Report, 2001 (GOI, 2002) published Gini coefficients for per capita consumption expenditure for the states and UTs for the years 1983, 1993—94 and 1999—2000. These Gini coefficients were estimated using Household Consumer Expenditure data provided by the National Sample Survey (NSS) in its 38th, 50th and 55th Rounds.[2] The NSS Reports 508 and 555 covering the years 2004—05, 2011—12 provide Urban Ginis based on per capita consumption expenditure in the 61st and 68th Rounds. This extends the availability of more recent inequality measures as provided by the government for the different states of the country for a period of 21 years (Table 1). From Table 1 it may be noticed that the all-India urban Gini ratio rose from 0.33 in 1983 to 0.340 in 1993—94 to 0.341 in 1999—2000, then to 0.373 in 2004—05 and further to 0.385 in 2011—12. Thus, urban inequality in India has been continuously on the rise. It is alarming to note that the urban inequality has risen from 0.373 to 0.385 between 2004—05 and 2011—12, a period during which

there was a decrease in the absolute number of poor in urban areas.[2]

The three decade period covered by the data was characterised by a gradually rising urban Gini ratio for most of the states till 1999—2000; then there was a rather sharp rise by 2004—05. States such as Andhra Pradesh, Goa and Kerala which had declining Gini values since 1983 have, in the last period, experienced a sharp rise. On the other hand, states such as Maharashtra, Tamil Nadu and Delhi which have shown higher than average Gini values for the three years, 1983, 1993—94 and 1999—2000 but have shown less rise in Gini values in 2004—05. By 2011—12, however, 21 states/UT (out of 35) have shown increases in the Gini ratio over 2004—05. Chandigarh, Arunachal Pradesh, Karnataka, Jammu &Kashmir, Dadra &Nagar Havaeli, Uttar Pradesh, Uttarakhand have shown an increase in Gini ratios by more than 0.05.

One of the few studies that goes back to the 1950s is that by Jha (2004) who has covered the period 1957—58 till 1997. He has noted that growth has generally been more unequal in India's urban areas and the urban Gini has always been higher than the rural Gini. His work covered a period of almost 40 years after independence and his conclusion after comparing inequality before the 1990s with what has happened after is that "the reforms have led to a sharp rise in urban inequality" (Jha,
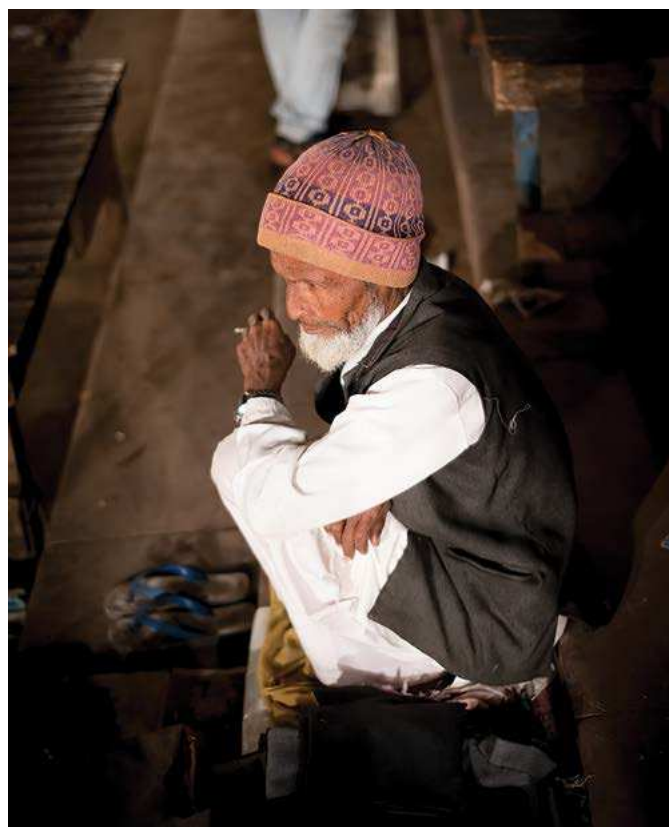
[2] The data and analysis on urban Ginis in India upto 2004-05 are drawn from Shaw and Ramachandraiah (2012).

URBAN GINI RATIOS FOR PER CAPITA CONSUMPTION EXPENDITURE IN INDIA: STATE/UT LEVEL

Sl.No.	States	1983	1993-94	1999-2000	2004-05*	2011-12
1	Andhra Pradesh	0.327	0.321	0.310	0.370	0.336
2	Arunachal Pradesh	-	0.275	0.298	0.243	0.342
3	Assam	0.276	0.285	0.311	0.314	0.350
4	Bihar	0.301	0.309	0.318	0.339	0.297
5	Chattisgarh	-	-	-	0.439	0.387
6	Goa	0.297	0.273	0.271	0.405	0.291
7	Gujarat	0.172	0.285	0.288	0.304	0.290
8	Haryana	0.313	0.280	0.285	0.361	0.401
9	Himachal Pradesh	0.312	0.435	0.298	0.318	0.350
9	Jammu & Kashmir	0.238	0.282	0.223	0.244	0.312
10	Jharkhand	-	-	-	0.354	0.387
11	Karnataka	0.334	0.315	0.321	0.365	0.445
13	Kerala	0.374	0.340	0.320	0.400	0.436
14	Madhya Pradesh	0.306	0.326	0.312	0.397	0.407
15	Maharashtra	0.337	0.350	0.345	0.371	0.366
16	Manipur	0.169	0.153	0.216	0.175	0.202
17	Meghalaya	-	0.239	0.205	0.258	0.233
18	Mizoram	0.187	0.174	0.237	0.244	0.252
19	Nagaland	-	0.195	0.206	0.233	0.262
20	Orissa	0.296	0.304	0.292	0.355	0.358
21	Punjab	0.319	0.276	0.290	0.393	0.333
22	Rajasthan	0.304	0.290	0.281	0.367	0.333
23	Sikkim	0.332	0.249	0.256	0.257	0.220
24	Tamil Nadu	0.348	0.344	0.398	0.358	0.334
25	Tripura	-	0.279	0.294	0.338	0.290
26	Uttar Pradesh	0.319	0.327	0.327	0.370	0.423
27	Uttaranchal	-	-	-	0.320	0.400
28	West Bengal	0.327	0.335	0.328	0.376	0.406
29	Delhi	0.332	0.376	0.342	0.326	0.371
30	A&N islands	-	-	-	0.349	0.371
31	Chandigarh	-	-	-	0.343	0.476
32	Dadra& Nagar H	-	-	-	0.295	0.371
33	Daman &Diu	-	-	-	0.257	0.277
34	Lakshadeep	-	-	-	0.383	0.305
35	Pondicherry	-	-	-	0.313	0.265
All India		0.33	0.34	0.341	0.376	0.385

Source: National Human Development Report 2001, Table 2.3, page 148, for 1983, 1993-94 and 1999-2000; for 2004-05, NSSO (2006), Report.508, p.45; and for 2011-12, NSSO (2014), Report No 555, p.43;

2004: 21). One explanatory factor leading to the extent of urban inequality is the level of urban poverty. Table 2 shows Pearson's correlation between the urban Gini ratios and the urban head count ratio of poverty for various years. It may be noted that the correlation between urban inequality and urban poverty is getting stronger over the years from 1993–94 to 2004–05 where the correlation coefficient is positive and significant. States with higher poverty are thus also those with higher inequality in this phase. But by 2011–12, the correlation has turned out to be negligible. It appears that the increased growth might have created conditions of low poverty with higher inequalities across the states. This is somewhat similar to the Kuznets proposition that inequality in distribution increases while poverty decreases in regions when economic growth accelerates.

The urban Gini is showing increasing correlation with the size of urban populations of the states/UTs and was positively and significantly correlated with it in 1999–2000, 2004–05 and 2011–12 (Table 3). But it is not correlated with the level of urbanisation in the state/UT. This can be explained by the fact that many of the smaller states and some of the UTs have a relatively high percentage of urban population to total population, for instance, states such as Goa and Mizoram and UTs such as Pondicherry and Lakshadweep. But these places do not have a single very large city and their urban inequalities have been moderate. In the case of Goa, as noted above, the urban Gini had fallen between the years 1983 and 1999–2000, rose sharply by 2004–05 and again fell. The urban Gini has crossed the threshold dangerous level of 0.4 in several states/UTs such as Haryana, Karnataka, Kerala, Madhya Pradesh, Uttar Pradesh, Uttarakhand, West Bengal and Chandigarh in 2011-12.

Given that several of the small states and UTs have relatively high levels of urbanisation and higher per capita incomes and yet account for a very small proportion of the total urban population, perhaps a different picture could emerge if the same correlations were done with only the major states. The same correlations done with data for the 16 largest states however, gave similar results. The one difference was the lack of significance of the large city effect (Shaw and Ramachandraiah, 2012).

Intra-urban Inequality or Place Inequality

There is increasing evidence that relative differences among urban areas of better-off and poorer states and between towns and cities of different sizes within the state, have increased after liberalisation. A matter of equal concern is the way certain pockets within larger cities have remained backward and excluded from broader opportunities in an absolute sense. These areas indicate deprivation in multiple ways and their existence within the larger city points to a kind of socio-spatial exclusion best captured in the term 'place inequality'. This term, used widely by geographers and political scientists in the West, refers to the advantages/disadvantages of being located

in certain parts of the larger metropolitan areas as compared to others.

Being located in a well-serviced area versus being located in a poorly serviced one can confer absolute advantages to the former and the opposite to the latter, which in turn would intensify advantages/disadvantages arising from other sources. Slum populations in our cities thus are disadvantaged not only from the fact of being poor and having less education and low earning jobs, but also from being residentially located in the slum itself. Place inequality in urban India can be seen at various levels. The level of access to basic amenities, especially drinking water and, by and large, other facilities also, has a lot to do with the level of development of the state concerned, with a positive correlation between them. Within the states, the level of facilities decreases with the size class of towns with slight exceptions here and there. Analysing the state of basic amenities in backward states, Kundu (2009) argues that in smaller towns of these states, about 20 per cent of the population lives in totally dehumanised conditions as it has to do without safe drinking water, electricity and toilet facilities. Even in larger towns in these states the level of services is less than satisfactory.

While there is considerable heterogeneity within urban slums in India, slum dwellers are more disadvantaged when it comes to the availability and quality of local services. According to the census of 2011, 65.5 million people or 17.4 per cent of India's total urban population live in slums, and this population has grown at 25.1 per cent during the decade of 2001–11. The slums are divided into notified, recognised and identified categories. Notified slums recognised by local governments generally have better access to basic amenities. More slum populations live in non-notified categories and are thus denied many basic entitlements. This distinction also reinforces the inequity in access to basic amenities within the same city.

HYDERABAD: FROM A HISTORIC TO A GLOBALISING CITY

Hyderabad was founded on the banks of the Musi River over 400 years back. It was the capital city of the princely state of Hyderabad which covered a large area in the Deccan plateau of the Indian subcontinent. It was ruled by the Quli Qutub Shahi and Asaf Jahi dynasties. The successors of Asaf Jahis ruled as Nizams (Governors) of the kingdom till the Hyderabad state merged with the Indian Union in 1948. In November 1956, Hyderabad became the capital city of the state of Andhra Pradesh. The Telugu speaking districts in Telangana region of the erstwhile Hyderabad state were merged with Andhra state to form Andhra Pradesh.[3] By 1961, the city was the fifth largest in India with over one million population. The city currently has about 8 million people and is located in the heart of the region.

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[3] Hyderabad state had two other regions which were merged with Karnataka and Maharashtra on linguistic basis.

TABLE 2:
CORRELATION BETWEEN URBAN GINI AND HEAD COUNT RATIO OF POVERTY USING STATE/UT LEVEL DATA

Year	Pearson's Correlation	Significance (2-tailed)	Number
1983	0.29	0.169	24
1993-94	.368*	0.038	32
1999-2000	.424*	0.016	32
2004-05	.621**	0.000	35
2011-12	-0.006	0.971	35

*= correlation is significant at the 0.05 level (two tailed)
**= correlation is significant at the 0.01 level (two tailed)

TABLE 3:
CORRELATION BETWEEN URBAN GINI AND URBAN POPULATION OF THE STATE/UT

Year	Pearson's Correlation	Significance (2 tailed)	N
1983	0.136	0.555	21
1993-94	0.35	0.050	32
1999-2000	.678**	0.000	32
2004-05	.416*	0.013	35
2011-12	.385*	0.022	35

*= correlation is significant at the 0.05 level (two tailed)
**= correlation is significant at the 0.01 level (two tailed)

During the 1960s and 1970s, a number of industries were set up in the public and private sectors. A number of scientific and educational institutes of national and international importance, and corporate hospitals were also set up.However, the districts surrounding the city are still highly backward in development in the Telangana region. Despite being located in such a backward region, the city has been well integrated with other cities in the country. It was observed that Hyderabad has been both a primate and parasitic city, for it is linked more strongly with large urban centres outside the state than with settlements in its own region (Alam, 1991). The city is distinguished for its history and cultural heritage to the south of the Musi River. This part of the city has been numerically dominated by Muslim communities, and is also a very backward area. In the 1960s, Muslims constituted 45 per cent of Hyderabad's population and in the Old City they were about 60 per cent. This area has "begun to conform to the popular image of the ghetto, consisting increasingly of one community, and that too, of its most deprived classes" (Naidu, 1990).

In the 1990s and later, the city emerged strongly on the global scenario with the growth of the information technology (IT) sector. It has undergone spatial restructuring very significantly in the peri-urban areas where the city has grown rapidly in the last three decades.

Within the planning area of Hyderabad Urban Development Authority (HUDA), specialised planning zones have been earmarked, such as Cyberabad Development Authority (CDA), Hyderabad Airport Development Authority (HADA), and Buddha Purnima Project Authority (BPPA). Huge infrastructure projects have come up such as the HiTec City, the international airport are some are ongoing for example, Outer Ring Road and Hyderabad Metro Rail.

As a fall-out of the spatial expansion of the city, its legal boundaries have also undergone expansion. The Municipal Corporation of Hyderabad (MCH) was expanded as Greater Hyderabad Municipal Corporation (GHMC) on 16 April, 2007

by merging the 12 municipalities surrounding the MCH (10 in Rangareddy district and 2 in Medak district). As a result, the area has increased from 175 sq. km (of MCH) to 650 sq. km for GHMC. The Hyderabad Urban Development Authority (HUDA), which had an area of about 2,000 sq. km was replaced by Hyderabad Metropolitan Development Authority (HMDA) in 2008. The HMDA has a much larger area of about 7,100 sq. km of jurisdiction and is now considered the second largest metropolitan region in India.

In the decade of 2001—11, the core city of Hyderabad (i.e., Hyderabad district) recorded a very low growth of only 4.44 per cent. Rangareddy district, on the other hand, into which much of the GHMC extends, recorded a very high growth rate of 70.71 per cent. The primacy of Hyderabad city (GHMC) is very high over the urban settlement pattern in the state. The next biggest city in Telangana is Warangal, which has about 6 lakh population, but is one-sixteenth or so of the size of Hyderabad.

Despite conscious efforts at restructuring and an image make-over of the city, sections of the city and population have continued to get marginalised. It is widely felt that the spatial restructuring of Hyderabad and its emerging global ambitions have by-passed the older part of the city south of the Musi. The Quli Qutub Shahi Development Authority (QQSDA) was formed in 1981 for planning and development of this part of the city. But it did not have a statutory authority, and it always lacked sufficient funds and skilled manpower. On the other hand, the erstwhile HUDA and the present HMDA have been backed by a law passed by the state legislature with sufficient powers, funds and manpower. Even within the newly emerged areas of high technology zones, the local population continues to struggle for basic services of drinking water and sanitation facilities, whereas the exclusive high-tech enclaves get preferential treatment (Ramachandraiah and Prasad, 2008).

Inequity in Access to Water Supply and Sanitation

The Hyderabad Metropolitan Water Supply and Sewerage

TABLE 4:
LOCATION OF SOURCE OF DRINKING WATER IN GHMC (TOTAL AND SLUMS)

Location of source of drinking water	Total Number of House-holds	Tapwa-ter from treated source	Tapwater from un-treated source	Covered well	Un-covered well	Hand-pump	Tubewell/ Borehole	others
GHMC Total	100	93.20	2.53	0.13	0.09	0.42	1.75	0.00
Within the premises	100	96.93	1.77	0.10	0.07	0.11	1.01	
Near the premises	100	67.92	10.35	0.36	0.24	2.13	5.46	0.00
Total	100	100	100	100	100	100	100	100
Within the premises	90.39	94.01	63.33	67.56	71.17	23.23	52.17	
Near the premises	5.63	4.10	23.00	15.29	14.35	28.50	17.51	40.80
In Slums								
Total	100.00	94.94	1.77			0.56	2.08	0.66
Within the premises	100.00	97.00	1.09			0.07	1.84	
Near the premises	100.00	95.98	2.90			0.45		0.67
Away	100.00	36.67	10.00			13.33	23.33	16.67
Total	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Within the premises	74.28	75.89	45.71			9.09	65.85	
Near the premises	22.68	22.93	37.14			18.18		23.08
Away	3.04	1.17	17.14			72.73	34.15	76.92

Source: Census of India, 2011, Household Amenities, Andhra Pradesh.

Board (HMWSSB) is the main agency providing water supply and sewage services. Its operations have been largely confined to the MCH area. In recent years, it has started supplying water to the expanded areas which are now part of GHMC.

In the GHMC, 90.39 per cent of the households have their main source of water supply within the house premises while it is 74.28 per cent in slums (Table 4). It may be noted that about 25 per cent of the population in GHMC live in slums. This macro level scenario hides the fact that there is a significant intra-urban inequity in water supply and sanitation facilities.

One of the starkest realities of Hyderabad is the contaminated water supply in poor localities and deaths caused because of this. Information available at the Ronald Ross Institute of Tropical Diseases, popularly known as Fever Hospital, in the city indicates that diarrhoea and viral pyrexia/fever are the two major causes of hospitalisation of the poor. Both these diseases are related to lack of clean drinking water and poor sanitation

(Prasad and Ramachandraiah, 2007). One example that became headlines in May 2009 occurred in Bholakpur, a locality with nearly 2.5 lakh population, in which 16 people died and several hundreds were hospitalised due to contaminated water. Most of the Cyberabad area of about 52 sq. km was constituted out of the Serilingampally municipality in 2001. This area, though lying on the periphery of Hyderabad, had a rural character then. A number of software companies, including the 'HITEC City' came up later on. In 15 rural settlements in Cyberabad, the most acute problem was related to drinking water as revealed in a survey during December 2003 and January 2004 by one of the present authors.

The status of sanitation facilities suggests that 97.92 per cent of the households in GHMC have a latrine facility within the premises (Table 5). But the percentage of the households connected to a sewer system is only 82.12. As we look at the sub-districts in the city, there are significant variations. The percentage of households connected to a sewer system varies from

TABLE 5:
STATUS OF SANITATION FACILITIES IN GREATER HYDERABAD MUNICIPAL CORPORATION AREA – 2011

Sl. No.	City/Mandal	Total House-holds	Percent of households having latrine facility within the premises	Latrine connected to Piped sewer system			Pit, Night soil	No latrine facility within the premises
				Piped sewer system	Septic tank	Other system		
1	GHMC	100.00	97.92	82.12	11.52	0.68	3.60	2.08
2	Hyderabad core city	100.00	98.49	91.42	4.32	0.56	2.19	1.51
3	Shaikpet	100.00	96.27	86.51	6.73	1.13	1.89	3.73
4	Ameerpet	100.00	99.79	97.18	0.99	0.81	0.81	0.21
5	Secunderabad	100.00	97.30	90.67	5.00	0.75	3.60	2.70
6	Tirumalagiri	100.00	96.99	81.03	13.86	0.75	2.19	3.01
7	Maredpalle	100.00	98.63	90.17	4.20	0.17	1.89	1.37
8	Musheerabad	100.00	99.17	93.65	3.11	0.06	0.81	0.83
9	Amberpet	100.00	99.80	95.68	2.98	0.63	0.87	0.20
10	Himayathnagar	100.00	99.56	92.28	5.17	0.61	1.36	0.44
11	Nampally	100.00	98.38	90.89	5.80	0.47	4.09	1.62
12	Khairatabad	100.00	99.26	92.74	3.83	0.53	2.34	0.74
13	Asifnagar	100.00	98.53	89.85	4.56	1.28	3.60	1.47
14	Golconda	100.00	99.44	92.23	4.53	0.78	2.19	0.56
15	Bahadurpura	100.00	99.34	93.39	1.89	0.35	1.89	0.66
16	Bandlaguda	100.00	98.97	90.39	4.77	0.36	0.81	1.03
17	Charminar	100.00	99.71	97.19	1.40	0.26	0.87	0.29
18	Saidabad	100.00	96.17	92.66	1.94	0.17	1.36	3.83
19	Serilingampally	100.00	95.83	54.63	32.40	2.00	2.34	4.17
20	Balanagar	100.00	97.84	84.93	9.08	0.48	0.51	2.16
21	Qutubullapur	100.00	97.09	70.82	19.26	0.98	1.49	2.91
22	Malkajgiri	100.00	97.92	63.44	30.10	0.48	1.23	2.08
23	Uppal	100.00	97.52	75.83	16.92	1.19	2.17	2.48
24	Hayathnagar	100.00	92.19	64.57	18.78	0.48	2.84	7.81
25	Saroornagar	100.00	97.73	83.06	10.01	0.47	1.91	2.27
26	Rajendranagar	100.00	96.64	67.26	19.48	0.58	3.71	3.36

Source: Census of India, 2011, Household Tables.

as low as 54.63 per cent in Serilingampally and 63.44 per cent in Malkajgiri. The percentage of households without a latrine facility may appear small in percentage terms but its impact is adverse on the environmental health of the people.

Intra-Urban Inequity in School Education

School education in Andhra Pradesh has become increasingly privatised and expensive since the mid-1980s. The quality of education imparted to poor children in government schools leaves much to be desired due to overcrowding, poor infrastructure, and lack of adequate teaching staff, which results in high drop-out rates. This situation pushes poor children into a vicious trap of low quality education. Even as Hyderabad has emerged as an important city for the software sector in India and in the global scenario, the government schools catering to the poor have not received adequate attention, resulting in social exclusion and marginalisaton of the poor. Further, several schools have been closed down in the city in the last ten years due to either lack of basic facilities or dwindling attendance.

There are 820 government schools in the city. Of these, 267 have own buildings and 211 are functioning from rented buildings. A large number, 342 schools, are run in community halls (called 'rent-free buildings') by the education department. Most of these community halls are single-room structures built in slum areas. They are in cramped conditions with neither proper lighting nor ventilation, leave alone drinking water and toilet facilities. In more than 75 per cent of schools, the student-teacher ratio exceeded the prescribed limit (1:40) and was as high as 1:120. Most of them are located in slums. Several schools are run in dilapidated buildings putting the lives of the children at risk (Ramachandraiah, 2009).

Conclusion

The trajectory of the growth and positioning of Hyderabad appears to continue on the same path even in the new state of Telangana with the renewed thrust being given by the new government in this direction. A bigger challengewould be to orient the policies and governance of the city towards a more equitable one especially in terms of basic amenities. It is also going to be a challenge to integrate the city with the hinterland of the Telangana region and into the wider urban settlement pattern in the state.

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URBAN FINANCE

A CASE STUDY OF GREATER HYDERABAD MUNICIPAL CORPORATION

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INTRODUCTION

In the context of metropolitan areas and cities, it is a well known fact that these cities have larger responsibilities. In addition to provision of municipal services, there are other important responsibilities such as health and welfare, trade and economic links. These cities have to cope with problems of excessive concentration of population and unprecedented increase in the demand for infrastructure, services and amenities. This has led to problems of land shortage, housing shortfall, transportation bottlenecks and management of essential infrastructure such as water supply, sewerage, drainage, solid waste disposal that pose tremendous challenges.. Metropolitan cities have to be planned beyond the municipal limit covering a vast region with due emphasis on fast transport and communication linkages. On account of this in some countries metro areas are treated as provinces/states; for example Canberra in Australia, Bangkok in Thailand, Beijing and Shanghai in China, Tokyo in Japan, Seoul and Busan in South Korea, Berlin, Bremen and Hamburg in Germany, Helsinki in Finland and others.

Infrastructural services in most of the metropolitan cities in India is provided through various institutional arrangements and these institutions may differ substantially in the level of autonomy, scope, organisational structure, functional and financial domain and also in dependency on state government subsidies and grants. Whether it is Mumbai or Bengaluru, Chennai or Hyderabad, they all are regarded as a mere collection of municipalities. The responsibilities for their upkeep, growth and development are highly fragmented. State governments tend to view them as mere extensions of their domain.

The ability of a city to function properly, however, is critically linked with its fiscal health. Fiscal health is closely tied to the fiscal regimes available; in particular, the fiscal powers and other financing options such as intergovernmental transfers and municipal bond financing. The sources of finances available to municipalities are diverse. These largely include municipal taxes, fees and user charges, intergovernmental transfers, municipal borrowings and others.

"Metropolitan areas generally have a typically larger revenue base and greater tax autonomy and therefore greater potential for self-finance. If fiscal powers are adequately decentralised, there may in fact be no need for grant financing of operating expenditures of metro areas as demonstrated by Tokyo and Seoul. This, however, is not the case for most metropolitan areas. They lack autonomy in taxing powers. They have limited access to dynamic productive tax bases. Existing tax bases, especially property tax bases are overtaxed to finance municipal and education services e.g. in USA and Canada, leaving little room to grow "(Shah, 2012)

The municipal bond market in India is in a nascent stage whereas in most of the developed countries, it is very vibrant. The Indian municipal bond market has a limited 14-year history. Although a beginning in the direction of mobilising additional resources by issuing municipal bonds was made in the late 1990s, the momentum was not maintained. In little over a decade, only 23 municipal bonds have been issued for a total investment of Rs.1353 crore. In case of Hyderabad, a decade ago, two municipal bonds were raised in the year of 2003: first, by the Hyderabad Municipal Corporation of Rs. 82.5 crore for road construction and widening projects; and second, by the Hyderabad Metropolitan Water Supply and Sewerage Board of Rs. 50 crore for a drinking water project.

Importantly, the Greater Hyderabad Municipal Corporation (GHMC) has got an AA rating along with nine other cities. The AA rating means that the cities in this category exhibit robust debt coverage ratios, have strong finances, adequate managerial, technical and institutional abilities, healthy economic base and generate consistent revenue surpluses. As per the World Bank suggestion, the GHMC is also considering to raise Rs. 300 crore by issuing tax-free bonds. Table A.1 in the Annexure summarises the key credit factors across the rating spectrum for the 43 cities rated under the JNNURM initiative.

The objective and scope of this research paper is to see the overall perspective of urban finance and urban governance in Hyderabad with special emphasis on the finance of the GHMC during 2009-10 to 2013-14 compared to the finances of Municipal Corporation of Hyderabad (MCH) for the earlier period of 2000-01 to 2004-05.

BRIEF PROFILE OF
HYDERABAD METROPOLIS
Demography

The level of urbanisation has been increasing over the past decades. There has been growing imbalances in the size-class distribution of urban population, the concentration of urban population has consistently been rising in class I cities i.e. cities or towns with a population of over one lakh. Moreover, there is a high concentration of urban population in million plus cities and metropolitan cities with a population of over 10 million. The number of million plus cities has increased from 35 to 53 in 2011 and the population share of these cities has also increased from 37.9 per cent to 42.6 per cent.

The level of urbanisation in the state of Andhra Pradesh for 2011 is slightly higher than the all India level and it is 33.5 per cent compared to 31.2 per cent for India. In growth terms also, Andhra Pradesh (urban) has posted a higher annual exponential growth rate of 3.1 per cent compared to urban India's 2.76 per cent. In 2011 the population of Hyderabad urban agglomeration was 77.49 lakh out of which Hyderabad city (the GHMC) population was 68.10 lakh. Currently, Hyderabad is the fourth most populous city of India.

Administrative structure

The Greater Hyderabad Municipal Corporation (GHMC) was formed in April 2007 by merging the Municipal Corporation of Hyderabad (MCH) with 12 municipalities of the Hyderabad, Ranga Reddy and Medak districts covering a total area of 650 sq.km. The GHMC oversees the civic infrastructure of the city's 18 "circles", which together encompass 150 municipal wards. Each ward is represented by a corporator, elected by popular vote. The corporators elect the Mayor, who is the titular head of GHMC; executive powers rest with the Municipal Commissioner, appointed by the Government of Telangana. The expansion of city limits and formation of the GHMC was to make sure that the surrounding areas around Hyderabad are also developed and have better facilities similar to the citizens in the core city.

In addition there are two other important institutions which are involved in planning and provision of services. These include (a) Hyderabad Metropolitan Water Supply and Sewerage Board (HMWSSB); and (b) Hyderabad Metropolitan Development Authority (HMDA). The HMDA is an urban planning body formed in 2008 by merging erstwhile Hyderabad Urban Development Authority (HUDA), Buddha Purnima Project Authority (BPPA), Hyderabad Airport Development Authority (HADA), and Cyberabad Development Authority (CDA). The HMDA presently covers the second largest urban development area of 7,100 sq.km. compared to the Bangalore Metropolitan Region development (8,022 sq. km.).

Recent changes with bifurcation of Andhra Pradesh

The Andhra Pradesh Reorganization Act, 2014 proclaims the

bifurcation of the Andhra Pradesh state into Telangana and the residuary Andhra Pradesh. The two new States have come into existence with effect from June 2, 2014. At the center of this bifurcation is the capital city of Hyderabad, which has been declared as the common capital of the two new States for 10 years.

The bifurcation of Andhra Pradesh will have significant implications on the transfer of resources from the centre to the two new state governments. These transfers shall take place under the aegis of three main channels viz. (a) The Central Finance Commission; (b) The Planning Commission; and (c) The Central Ministries. Central Finance Commissions as well as State Finance Commissions have no separate mechanism to address the problems of large metropolitan cities and generally share revenues on population criteria.

The state of Andhra Pradesh is facing a huge loss on account of urban local bodies (ULB's) share of the Thirteenth Finance Comission grant to the tune of Rs. 1899 crore for the period of 2010-11 to 2014-15, because elections in the ULBs of the state were not conducted. However, now that the elections have been conducted in the ULBs, the Ministry of Finance is considering releasing these grants even for the share of previous years. The total allocated amounts for the period of 2010-11 to 2014-15, will be Rs. 1899 crore, out of which the share of general basic grant and general performance grant will be Rs. 1243 crore and Rs. 656 crore. So far a sum of Rs. 409.59 crore has been released on account of general basic grant and no amount has been released on account of general performance grant. There are two major reasons for non-release of further amounts: first, conditions for next release is based on utilisation certificate which the state of Andhra Pradesh has not been able to provide because the use of Rs. 409.59 crore in a short duration is difficult; and second, the issue of bifurcation of the state of Andhra Pradesh which requires a new formula for distribution , which is not yet ready.

GOVERNANCE IN
HYDERABAD METROPOLIS

In the Hyderabad Metropolitan Area (HMA), apart from the GHMC, a number of government institutions are associated with the city level governance. These are: (a) Hyderabad Metropolitan Water Supply and Sewerage Board (HMWSSB); (b) Hyderabad Metropolitan Development Authority (HMDA); (c) Municipal Administration and Urban Development Department (MAUD); (d) Directorate of Municipal Administration (DMA); (e) Directorate of Town and Country Planning (DTCP); and (f) Public Health Engineering Department (PHED). The GHMC is now governed by the Greater Hyderabad Municipal Corporation Act, 2008. However, there is no change in the functional or fiscal assignment of the newly formed Corporation. It specifies the governance framework, the spatial jurisdiction, and the functional domain of local bodies. The Act provides for a majority of the functions listed in the 12th Schedule of the Constitution. However, in actual practice, there is inadequate clarity

regarding what functions or what aspects of functions are to be performed. Incorporation of these functions requires a serious attempt from the state government and it can only be effective if these functions are transferred along with sufficient funds and functionaries.

On issues of coordination between these authorities, it is instructive to quote from a 2005 paper: "Inter-jurisdictional, inter-institutional and inter-personal conflicts between public service planners and providers are common in metropolitan administration. The sheer large number of departments, institutions, local authorities, and agencies undertaking similar, related or overlapping functions or functions that are not clearly defined lead to conflicts in operation. The various agencies are not in a position to fully understand or evaluate the backward and forward linkages associated with these functions. Inter-institutional externalities which occur in metropolitan economies account for most problems of metropolitan management" (Mohanty P. , 2005)

More recently, the Government of Telangana is drawing up mega plans for the city of Hyderabad viz. New Master Plan (NMP). Interestingly, already, half-a-dozen master plans have been notified for different areas in the Hyderabad Metropolitan Region (HMR). These include the Metropolitan Development

Plan 2031 for HMR notified in 2013, development plan for erstwhile MCH, development plan for erstwhile HUDA, master plan for Hyderabad airport development authority (HADA), master plan for Cyberabad development authority (CDA) and master plan for outer ring road growth corridor (ORRGC) notified earlier. The NMP will be the seventh master plan for Hyderabad.

In addition to it, the erstwhile Andhra Pradesh government had enacted the Andhra Pradesh metropolitan planning committee (MPC) Act envisaging a MPC for HMR in the year 2007. This enactment was done under JNNURM in compliance with the 74th CAA. However, over the last seven years, the MPC for HMR has not been constituted. While the MPC remained only on paper, the Hyderabad Metropolitan Development Authority (HMDA) had been merrily formulating and notifying the development plans for different components of HMR. It is a hard task and a new challenge for the new Government of Telangana in not delaying the constitution of MPC which is mandated to draw up and notify development plans.

Hyderabad is a globalising city region and cannot be controlled simply by "localist" agenda. As can be seen, very little thought has been given to the status of the city region and the structure for its governance. This requires a paradigm shift and calls for

a new governance structure for a global city which can build upon local and regional aspirations, national expectations and global responsibilities.

FINANCIAL PROFILE OF GHMC
Background

The GHMC has been making significant efforts for improving its resources effectively and recovering costs. The steps include property tax reforms, including introduction of the scheme of self-assessment of property tax, revamping of advertisement tax, trade license fee system, etc. with emphasis on self-declaration and self-filing of returns, use of land as a resource and adoption of polluters pay principle. The Corporation is making all-out effort to identify direct and indirect users of services/beneficiaries and levy user charges and benefit taxes.

Functional Domain and Fiscal Powers

The GHMC is now governed by the Greater Hyderabad Municipal Corporation Act, 2008. However, there is no change in the functional or fiscal assignment of the newly formed Corporation. It specifies the governance framework, the spatial jurisdiction, and the functional domain of local bodies. The Act provides for a majority of the functions listed in the 12th Schedule of the Constitution (see Table A.3)

The GHMC's main source of tax income is from property tax and non-tax income is derived from fees and charges which include development charges, betterment and external betterment charges, road cutting charges, advertisement fee, building permit fee, and impact fees. Hyderabad is one of the few large corporations which rely as much on non-tax sources as it does on tax sources of revenues. Assigned revenues are an extremely important component of the revenue structure of the GHMC. It consists of profession tax, entertainment tax, and most importantly surcharge on stamp duty for transfer of immovable properties. Capital grants has been observed on JNNURM schemes, Hyderabad Metro project, in addition to building penalisation scheme and layout regularisation scheme realised under capital income.

In addition to the levy of betterment charges to meet the costs of internal infrastructure and services in the case of development projects, the Government of Andhra Pradesh in the late nineties also introduced external betterment charges. Under this concept, the municipal authority is empowered to collect external betterment charges at the time of according approval to layouts or subdivisions of plot or issue of building permit for the laying of trunk water lines, development of freeways/major roads, regional parks, etc.

The Government of Andhra Pradesh in late nineties had also permitted Hyderabad Municipal Corporation to levy Impact Fees to mitigate the impacts of construction of commercial buildings which lead to increase in traffic and necessitates decongestion measures. This is meant to address city-wide problems emanating from high-density commercial development and is expected to be utilised for the Capital Improvement and Decongestion Plan, i.e., for works such as road widening, link roads, slip roads, parallel roads, junction improvements including traffic signals, flyovers, rail over-bridges, rail under-bridges, modern lighting on major roads, development of major storm water drains, river-front and parks and for Geographic Information System (GIS) applications.

Revenue Structure and Municipal Income

Revenue receipts of the GHMC can be divided in two broad categories: (a) receipts from own resources (tax receipts and non-tax receipts); and (b) receipts from governmental transfers (assigned revenues and revenue grants). Looking at the percentage composition of total income and revenue income, revenue receipts as a percentage of total income stands close to 84 per cent while own income constitutes 80 per cent of the revenue receipts for the year of 2013-14 (Table 1). The overall percentage share of own income in total revenue income remained above 75 per cent during 2009-10 to 2013-14, which represents a fairly high state of finances for any local body. Dependency on state transfers is much lower compared to all India average of municipalities and was only 20 per cent for the year of 2013-14.

The present performance of own revenue receipts shows dramatic improvement as compared to the period of 2000-01 to 2004-05 (Table 2) before the constitution of GHMC, when it ranged between 60 - 69 per cent only and dependency on state transfers was fairly high (between 31 - 40 per cent).

In per capita terms, for the year of 2013-14, revenue receipts, own revenue receipts and state transfers stood at Rs. 3008.34, Rs. 2400.85 and Rs. 607.49 respectively and have shown a high growth of around 18 per cent per annum during 2009-10 to 2013-14 (Figure 3). The relative per annum growth was roughly 9.5 per cent during the period of 2000-01 to 2004-05 for MCH.

Looking at the percentage composition of own revenue receipts, tax and non-tax receipts as a percentage of own revenue receipts stands close to 58 and 42 per cent respectively for the year 2013-14 and was more or less same during the period of 2000-01 to 2004-05 also. Property tax per capita being a single major contributor to tax receipts generates Rs. 1393.37 for the year 2013-14 with an annual growth of 19.30 per cent during 2009-10 to 2013-14. Importantly, just before the merging of surrounding municipalities, in 2004-05, per capita property tax was much higher in MCH compared to its surrounding municipalities and it stood at Rs. 416.94 and Rs. 289.56 respectively. On adding up the property tax receipts and population of surrounding municipalities with MCH, average per capita property tax receipts were merely Rs. 373.23 for 2004-05.

Looking at the impact of property tax rate revisions which were implemented with effect from October 1, 2007 and 2012, it clearly shows enthusiastic results in improved collections of
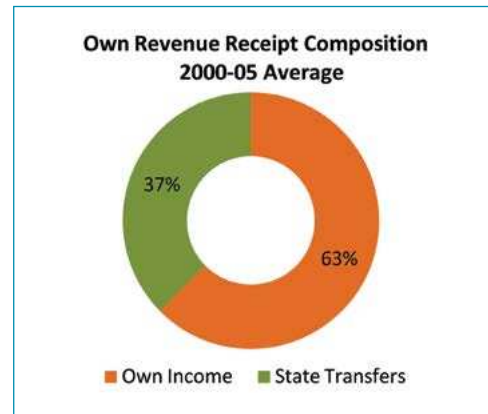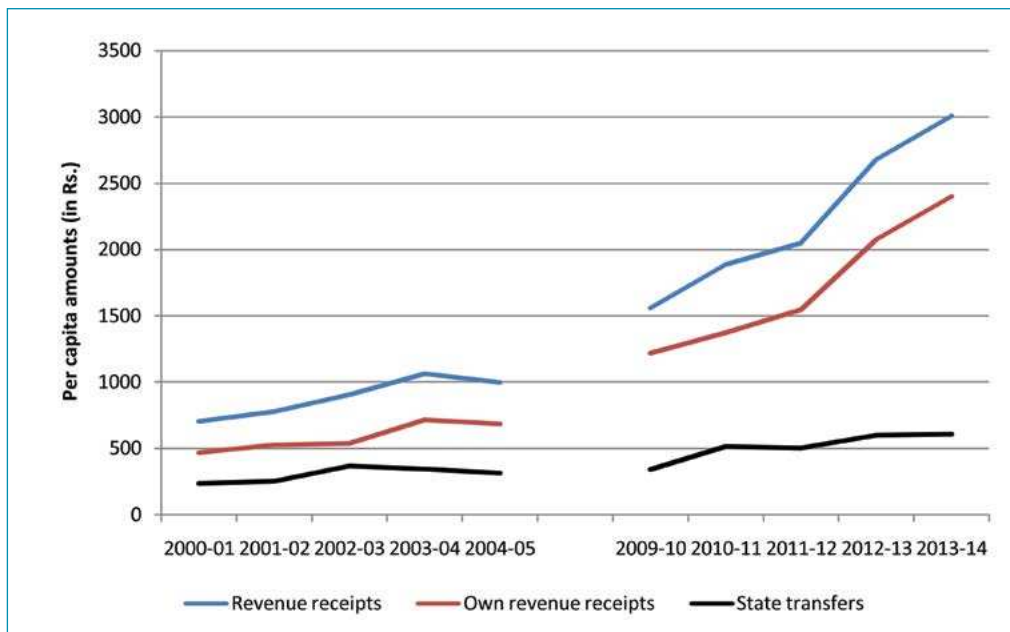
FIGURE 1:
OWN REVENUE RECEIPT-2013-14

Own Revenue Receipt Composition - 2013-14

20%

80%

■ Own Income ■ State Transfers
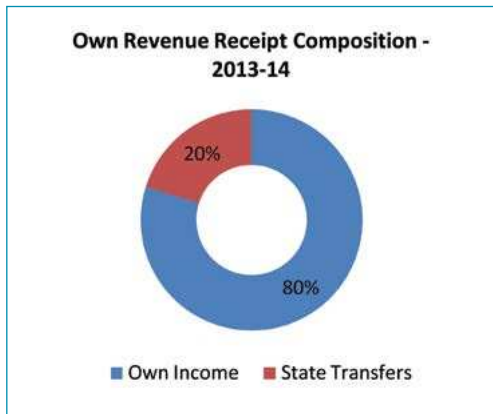
Source of data: Author's computation

FIGURE 2:
OWN REVENUE RECEIPT 2000-05

Own Revenue Receipt Composition 2000-05 Average

37%

63%

■ Own Income ■ State Transfers

Source of data: Author's computation

FIGURE 3: **GROWTH OF REVENUE RECEIPTS (2000-14)**

— Revenue receipts — Own revenue receipts — State transfers

Source of data: CDP of Hyderabad, 2006; GHMC; Author's own computations.

FIGURE 4:
PER CAPITA PROPERTY TAX OF MCH, SURROUNDING MUNICIPALITIES, AND GHMC

■ MCH ■ Surrounding MCs ■ GHMC
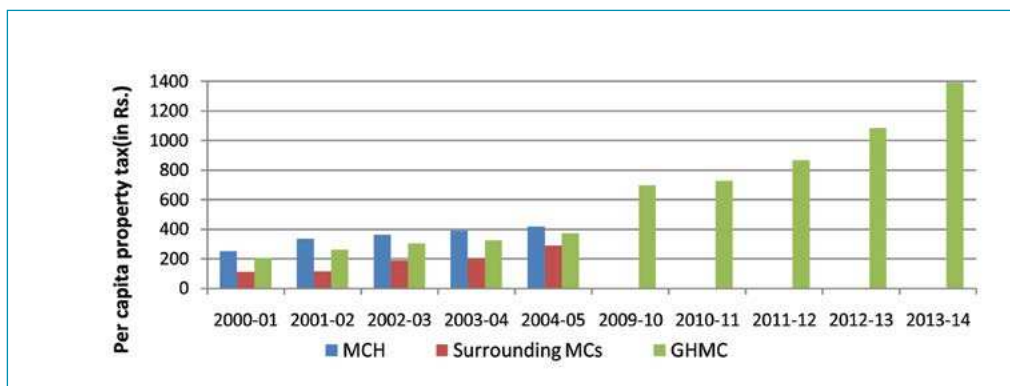
Source of data: CDP of Hyderabad, 2006; GHMC; Author's own computation.

TABLE 1: INCOME OF GHMC FOR 2009-14 (IN %)

Heads of receipt	2009-10	2010-11	2011-12	2012-13	2013-14
(a) Revenue Income (i+ii) (as % of total income)	57.85	62.60	75.33	75.59	83.95
(i) Own Income (as % of rev income)	78.23	72.65	75.51	77.58	79.81
Tax Revenue (as % of own income)	57.17	53.03	56.05	52.38	58.38
Property Tax (as % of own income)	57.13	52.94	55.99	52.18	58.04
Non tax revenue (as % of own income)	42.83	46.97	43.95	47.62	41.62
(ii) State Transfers (as % of rev income)	21.77	27.35	24.49	22.42	20.19
Assigned Revenue (as % of state transfers)	74.55	94.08	96.94	95.01	19.08
Revenue Grants (as % of state transfers)	25.45	5.92	3.06	4.99	1.12
(b) Capital Income (as % of total income)	42.15	37.40	24.67	24.41	16.05
Capital Grants (as % of capital income)	64.33	64.92	42.41	56.32	35.81
Capital Receipts (as % of capital income)	35.67	35.08	57.59	43.68	64.19

Source of data: GHMC; Author's own computations.

property tax. The average annual growth of property collections for a two-year period immediately after revision in property tax rates was found to be 16.3 per cent during 2005-06 to 2007-8 and 30.4 per cent during 2011-12 to 2013-14 (Figure 4). Property tax is one of the most important sources of income which GHMC has managed to realise fairly well. There are three major reasons behind it, which are: (a) periodic revisions in property tax rates which were revised with effect from October1, 2007 and October 1, 2012; (b) expansion in number of properties in 2007 due to adding the surrounding municipalities in the GHMC; and (c) by improving its coverage as well as demand and collection ratios of property tax, erstwhile and as a part of mandatory reforms under JNNURM.

However, there are certain issues in the implementation of property tax reforms in the area of the GHMC and newly merged surrounding municipalities. It has recently been observed that almost 25 per cent of the total 12 lakh tax payers have been paying Rs. 500 or less as property tax, a factor that has been defined as revenue leakage. It has been shared by a senior official of the GHMC, "Owners of most of these under-assessed properties are paying less tax either by reducing the plinth area or rental value." In addition to it, approximately Rs. 1000 crore are the dues from state government departments in the city. Most of the buildings owned by the government that have been listed in the defaulters category belong to HMWS & SB, APCPDCL, APSRTC, AP Tourism, HMDA, AP Home department, AP Housing Society and others. Withholding of property tax arrears by the government only leads to delay in the implementation of the ongoing projects and taking up of new initiatives. Also only 10 per cent of the newly built properties were coming forward to pay property tax in the GHMC area which has made a huge dent in the revenue collection. There are around 3, 00,000 unassessed properties; the GHMC has recently announced the Voluntary Disclosure Scheme for property

owners who have not got their properties assessed so far. However, the scheme has received a poor response since only less than 100 owners have come forward. The GHMC is now planning to start a survey to bring unassessed properties within the tax net by using the geographical information system.

Recently, the Thirteenth Finance Commission has recommended setting up a Property Tax Board in each state for establishing a proper system of property assessment and valuation. State governments must put in place a state-level Property Tax Board that will assist all municipalities and municipal corporations in the state to put in place an independent and transparent procedure for assessing property tax. The Board (a) shall or cause to, enumerate all properties within the jurisdiction; (b) shall review the present property tax system and make suggestions for a suitable basis for assessment and valuation of properties; and (c) shall make recommendations on modalities for periodic assessment.

From the above mentioned facts, it can be concluded that there is greater scope of enhancing coverage of properties and of higher collection of property tax return from unassessed properties as well as from under assessed properties which can more effectively be used on operation and maintenance of infrastructural services.

Important single components that contributed a major portion of non-tax are building permission fee, building betterment charges (including external betterment charges), building development charges and impact fee which stand for 23.6 per cent, 12 per cent, 8.7 per cent, and 17.4 per cent respectively for 2013-14 (Figure 5). In per capita terms, for 2013-14, non-tax receipts stood at Rs. 999.27 with an annual average growth of around 19 per cent during 2009-10 to 2013-14. Importantly, just before the merging of surrounding municipalities, in 2004-05, per capita

FIGURE 5:
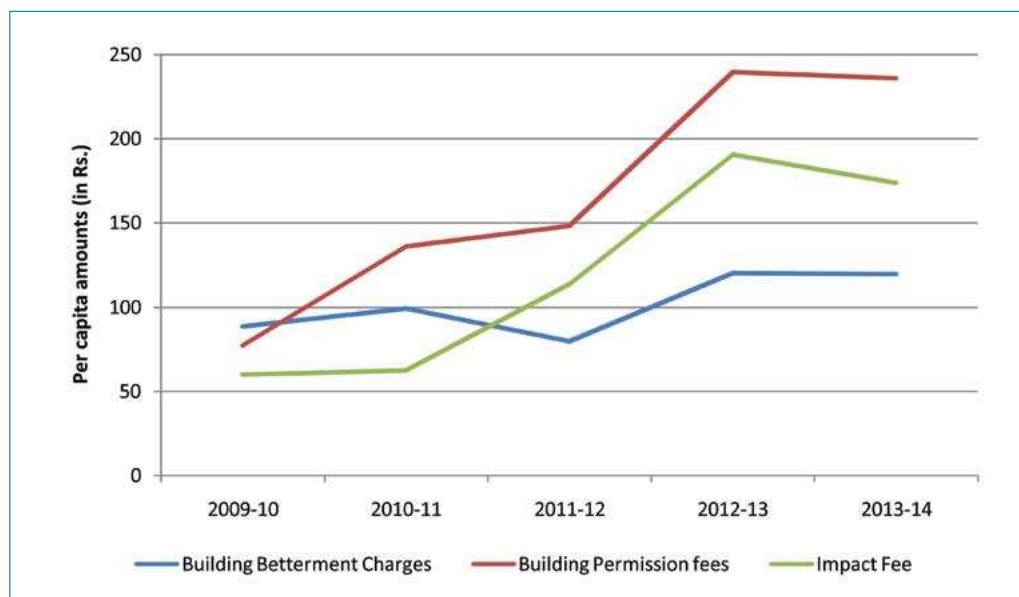## COMPOSITION OF NON TAX RECEIPTS PER CAPITA (2013-14)
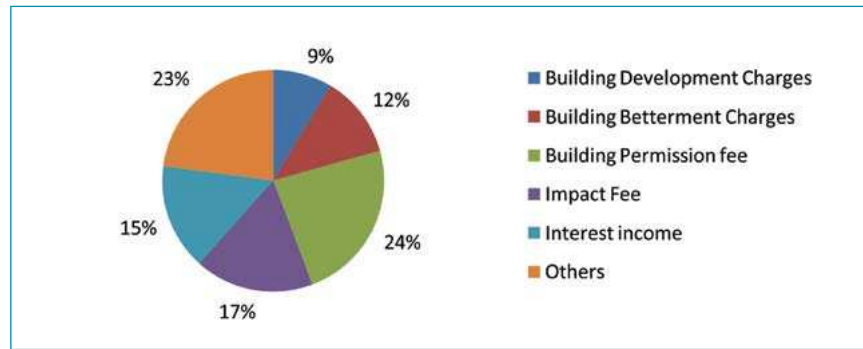
Source of data: Author's own computation

FIGURE 6:
PER CAPITA NON TAX RECEIPTS OF MCH, SURROUNDING MUNICIPALITIES, AND GHMC
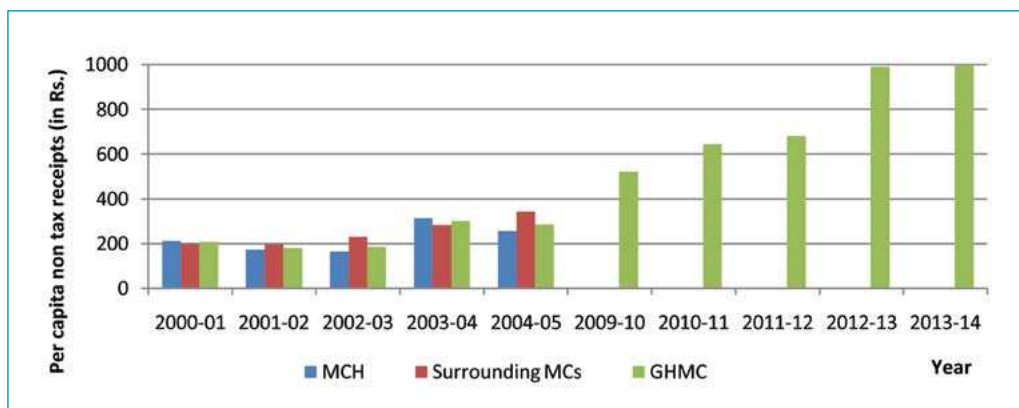
Source of data: CDP of Hyderabad, 2006; GHMC; Author's own computation

FIGURE 7: GROWTH TREND OF TYPES OF PER CAPITA NON TAX RECEIPTS

Source of data: GHMC; Author's own computation

non-tax receipts was much lower in MCH compared to its surrounding municipalities and it stood at Rs. 255.68 and Rs. 343.32 respectively. On adding up the non-tax receipts and population of surrounding municipalities with MCH, on an average, per capita non-tax receipts amounted to merely Rs. 285.34 for 2004-05. The relative per annum growth was around 12 per cent during the period 2000-01 to 2004-05 (Figure 6). An important feature of the surrounding smaller municipalities was higher per capita non-tax receipts compared to tax receipts.

The reflection of revision in property tax rates and of expansion of number of properties due to adding up of surrounding municipalities can be seen in the increase in building permission fee, impact fee, and building betterment charges. Looking at just one year's growth during 2011-12 to 2012-13, per capita building permission fee, impact fee, and building betterment charges have risen by 61 per cent, 67.7 per cent, and 50.8 per cent respectively, whereas, the per capita amounts for 2013-14, stand at Rs. 235.95, Rs. 173.72, and Rs. 119.72 respectively (Figure 7).

TABLE 2: REVENUE RECEIPTS OF MCH FOR 2000-05 (IN %)

Heads of receipt		2000-01	2001-02	2002-03	2003-04	2004-05
(a)	Revenue Income (i+ii) (as % of total income)	75.45	64.78	77.37	92.09	75.40
(i)	Own Income (as % of rev income)	66.57	67.57	59.68	67.50	68.67
	Tax Revenue (as % of own income)	54.80	66.83	69.60	56.48	62.71
	Property Tax (as % of own income)	53.46	63.79	67.08	54.13	60.81
	Non tax revenue (as % of own income)	45.20	33.17	30.40	43.52	37.29
(ii)	State Transfers (as % of rev income)	33.43	32.43	40.32	32.50	31.33
	Assigned Revenue (as % of state transfers)	98.85	96.99	91.23	99.01	97.42
	Revenue Grants (as % of state transfers)	1.15	3.01	8.77	0.99	2.58
(b)	Capital Income (as % of total income)	24.55	35.22	22.63	7.91	24.60

Source of data: CDP, 2006

TABLE 3: PER CAPITA INCOME OF MCH AND GHMC (2000-13)

Heads of receipt		MCH PER CAPITA INCOME (IN RS.)					GHMC PER CAPITA INCOME (IN RS.)				
		2000-01	2001-02	2002-03	2003-04	2004-05	2009-10	2010-11	2011-12	2012-13	2013-14
Total Income (a+b)		935	1202	1172	1157	1324	2694	3016	2722	3544	3583
(a)	Revenue Income (i+ii)	705	779	907	1066	999	1559	1888	2050	2679	3008
	(i) Own Income	470	526	541	719	686	1220	1372	1548	2078	2401
	Tax Revenue	257	352	377	406	430	697	727	868	1089	1402
	Property Tax	251	336	363	389	417	697	726	867	1084	1393
	Non tax revenue	212	175	165	313	256	522	644	680	990	999
(ii)	State Transfers	236	253	366	346	313	339	516	502	601	607
	Assigned Revenue	233	245	334	343	305	253	486	487	571	574
	Revenue Grants	3	8	32	3	8	86	31	15	30	34
(b)	Capital Income	230	423	265	92	326	1136	1128	671	865	575
	Capital Grants	NA	NA	NA	NA	NA	730	732	285	487	206
	Capital Receipts	NA	NA	NA	NA	NA	405	396	387	378	369

Source of data: CDP of Hyderabad, 2006; GHMC; Author's own computation

Intergovernmental Transfers

As mentioned above, the dependency on state transfers is much lower compared to the all India average of municipalities. Compared to the period 2000-01 to 2004-05, when the dependency of MCH on state transfers ranged between 30-40 per cent, presently it is only 20 per cent for 2013-14. In addition to assigned revenues and revenue grants, the GHMC also receives grants on capital account. However, the amounts are not significant. These are JNNURM contributions from central and state governments, grants for Hyderabad metro rail project, grants for H-TRIMS (Hyderabad Traffic Integrated Management System), grants under Central Finance Commissions and others.

It is to be noted that just before the merging of surrounding municipalities, in f 2004-05, per capita state transfers were much higher in surrounding municipalities compared to the then MCH and it stood at Rs. 441 and Rs. 312.81 respectively. On adding up the state transfers and population of surrounding municipalities with MCH, average per capita state transfers were Rs. 312.81 for 2004-05. Interestingly, the per capita state transfers of the GHMC were only Rs. 339.33 during 2009-10 which shows that the dependency was on a declining trend. Only recently per capita state transfers have increased which is mainly because of the change in rate structure of assigned revenues such as surcharge on stamp duty, profession and entertainment tax, especially since 2010-11. Per capita state transfers increased from Rs. 339.33 in 2009-10 to Rs. 516.49 in 2010-2011 with an incremental rate of 52 per cent. At present for the year 2013-14, it stands at Rs. 607.49, out of which the assigned revenues and revenue grants are Rs. 573.94 and Rs. 33.55 respectively. Per capita capital grants for 2013-14 are Rs. 205.90 (Table 3).

Functions and Expenditure

The GHMC carries out the city's infrastructural work, such as building and maintenance of roads and drains, town planning including construction regulation, drains and culverts, maintenance of municipal markets and parks, sanitation, solid waste management, street lighting, and various activities taken by the public health and engineering department.

The GHMC's expenditure is mainly on: the Revenue Account and the Capital Account. Looking at the percentage composition of revenue expenditure and capital expenditure as a percentage of total expenditure ranged between 57-66 per cent and 34-43 per cent respectively during 2009-10 to 2013-14. The rise in capital expenditure is because of high expenditure on land acquisition. The percentage share on account of land acquisition for 2013-14 is 32.42 per cent (Table 4).

On the other hand, revenue expenditure of the GHMC can be divided in two broad categories: first, establishment and salaries; and second as operation and maintenance. Looking at the percentage composition of revenue expenditure, establishment and salaries as a percentage of revenue expenditure ranged between 34-38 per cent during 2009-10 to 2011-12 and its share suddenly jumped to 57 and 55.4 per cent for 2012-13 and 2013-14 respectively. The share of operation and maintenance head has slipped down quite recently to 39.4 per cent and 43.5 per cent for 2012-13 and 2013-14 respectively. The main reasons for hike in establishment and salaries head are: (a) minimum wages have been enhanced to Rs. 6700 per month per employee which earlier was approximately Rs. 5000 per month per employee; (b) EPF contributions have also been introduced and arrears dues have been paid recently; and (c) there were some definitional problems related to the head of establishment and

TABLE 4: COMPOSITION OF EXPENDITURE 2009–14

|	2009-10	2010-11	2011-12	2012-13	2013-14
Revenue Expenditure (% of total exp)	61.23	62.37	66.21	64.34	57.12
Establishment and salaries (% of rev exp)	33.87	37.88	37.31	56.95	55.37
Operation & Maintenance(% of rev exp)	57.33	55.06	57.04	39.36	43.54
Others	8.80	7.06	5.65	3.70	1.09
Capital Expenditure (% of total exp)	38.77	37.63	33.79	35.66	42.88

Source of data: GHMC; Author's own computation

TABLE 5: PER CAPITA EXPENDITURE TREND OF GHMC - 2009-14 (IN RS.)

Heads of expenditure	2009-10	2010-11	2011-12	2012-13	2013-14
Total Expenditure	2113.75	2357.47	2390.94	2739.91	3285.11
Revenue Expenditure	1294.34	1470.33	1583.00	1762.78	1876.30
Establishment and salaries	438.39	556.98	590.63	1003.83	1038.97
Operation & Maintenance	742.04	809.59	902.90	693.77	816.96
Others	113.91	103.76	89.47	65.18	20.36
Capital Expenditure	819.41	887.14	807.94	977.13	1408.81

Source of data: GHMC; Author's own computation

**FIGURE 8:
TREND IN TOTAL INCOME (% SHARE OF REVENUE EXPENDITURE)**
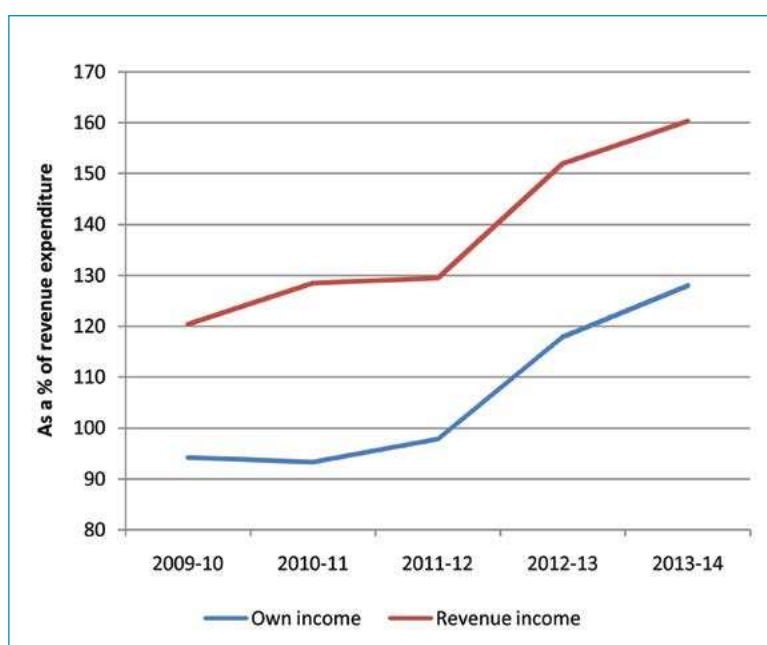
salaries which been rectified more recently following the accrual based accounting procedures.

In per capita terms, for the year 2013-14, total, revenue and capital expenditure is Rs. 3285.11, Rs. 1876.30 and Rs. 1408.81 respectively. Whereas, per capita expenditures on heads of establishment & salaries and operation & maintenance stand at Rs. 1038.97 and Rs. 816.96 respectively. As mentioned above, there is a sudden jump on expenditure on the head of establishment & salaries. It has risen from Rs. 590.63 in 2011-12 to Rs. 1003.83 and to Rs. 1038.97 in 2012-13 and 2013-14 respectively. On the other hand, in the year 2012-13, expenditure under the head of operation & maintenance has fallen in absolute as well as in per capita terms which mainly is due to definitional adjustments of establishment & salaries head and the direct impact is reflected in the operation and maintenance head. In per capita terms, it

has fallen from Rs. 902.90 in 2011-12 to Rs. 693.77 in 2012-13 and increased to Rs. 816.96 in 2013-14 (Table 5).

Comparing available data on revenue and expenditures, a few inferences on the finances of GHMC can be drawn which are noteworthy. First, the GHMC finances are continuously in surplus in terms of total expenditure and total income. Surpluses as a per cent of total expenditure are in range of 9 per cent to 29 per cent during the period 2009-10 to 2013-14. Second, a surplus of higher magnitude is seen in the revenue account also with the revenue income as a per cent of revenue expenditure accounting to 152 per cent and 160.33 per cent for the year of 2012-13 and 2013-14 respectively (Table A.2). These revenue surpluses are being transferred to capital account and developmental activities. Most importantly, the third ratio, own revenue receipts as a percentage of revenue expenditure remained around 95 per cent

during 2009-10 to 2011-12 and which also became surpluses and stands at 117.9 and 128 per cent for 2012-13 and 2013-14 respectively (Figure 8).

By looking at the consistent surpluses over the years, it can be said that the GHMC has a sound fiscal health but at the same time these surpluses are not being used effectively for better infrastructural services. Issues related to infrastructural service gaps could be addressed with these surpluses especially for newly added surrounding areas.

Findings and Conclusion

Urban governance should not be the exclusive domain of a municipal or state government, especially for a global megacity like Hyderabad. Very little thought has been given to the status of the city region and the structure for its governance. This calls for a new governance structure for the global city. There are a multiple number of institutions involved in planning and provision of services in Hyderabad which is the reason for spatial and functional fragmentation and most importantly multiple accountability. Moreover, implementation of the functions listed in the 12th Schedule of the Constitution requires a serious attempt from the state government and it can only be effective if these functions are transferred along with sufficient funds and functionaires.

The Metropolitan Planning Committee (MPC) has not been constituted so far especially when it was a mandatory reform under JNNURM. It is a challenge for the new Government of Telangana in not delaying the constitution of MPC whose mandate is to draw up and notify development plans. Presently, many development plans are existing in Hyderabad which could lead to serious implications while implementing these plans due to overlapping areas and jurisdiction etc. This calls for a better homogenisation and enforcement. Overall, it requires a new governance structure for Hyderabad which can build upon local and regional aspirations, national expectations and global responsibilities.

Property tax is one of the most important sources of income which GHMC has managed to realise fairly well by periodic revisions in property tax rates, expansion in number of properties due to addition of peripheral area, and improved coverage and collection ratios of property tax. However, there is a need to address the issues related to revenue leakages due to unassessed new properties and under assessment of the properties. More recently, the Voluntary Disclosure Scheme was announced, but the scheme has received a very poor response. The main reason for the failure was lack of publicity of the scheme because many property owners were not even aware of it.

Hence, there is greater scope of enhancing coverage of properties especially by the use of geographical information system and higher collection of property tax return from un-assessed

properties as well as from under assessed properties which can more effectively be used on operation and maintenance of infrastructural services. The Constitution of State Property Tax Board is in the right direction provided it functions as per its terms of reference which is to assist municipal corporations and municipalities to put in place an independent and transparent procedure for assessing property tax.

Newly introduced (in late nineties) non-tax measures, such as betterment charge, external betterment charges, impact fee, building permission fee etc. have done well in generating the resources for the GHMC and now these will be applicable for the newly merged area also which will further enhance the revenues of GHMC. The GHMC should continue to impose these measures more effectively.

The CFCs as well as SFCs have no separate mechanism to address the problems of large metropolitan cities and generally share revenues on population criteria. A special formula needs to be built in by the state government or SFC to take into consideration the needs of metropolitan areas like Hyderabad. The grant under Thirteenth Finance Commission (urban share) have not been released fully to the state of Andhra Pradesh because elections in the ULBs were not held and utilisation certificates were not produced for further release of grant. Hyderabad being the largest metropolitan in the state is deprived of CFC's grants which could have been used for improving infrastructural services. The new state Government of Telangana should pursue the matter of non releasing of the Thirteenth Finance Commission grant and provide utilisation certificates on time for timely release of next installments of the grant.

The finances of the GHMC are continuously in surplus especially on the revenue account and financial health of the GHMC can be considered relatively good compared to other large municipalities of similar fiscal powers and functional domain. However, a considerable portion of expenditure is saved by the GHMC since it does not have to provide water supply & sewerage services. The gaps in infrastructural services are reflected in service level benchmarks and surprisingly, these monetary surpluses are not being used effectively for improving infrastructural services.

GHMC has a sound fiscal health but at the same time these surpluses are not being used effectively for better infrastructural services. The GHMC has already got an AA rating in 2010 showing robust debt coverage ratios, strong finances, adequate managerial, technical and institutional abilities, healthy economic base and generation of consistent revenue surpluses. It makes a sound ground for municipal borrowing to undertake the financing of infrastructure gaps especially by issuance of municipal bonds.

ANNEXURE

TABLE A.1: **MUNICIPAL CREDIT RATING AND FACTORS UNDER JNNURM**

Rating Category	No. of Cities	Cities	Key Credit Factors
AAA	Nil		
AA	10	Greater Mumbai, Navi Mumbai, Nashik, Surat, Pune, New Delhi, Hyderabad, Pimpri-Chinchwad, Delhi and Thane	Cities in this category exhibit robust debt coverage ratios, have strong finances, adequate managerial, technical and institutional abilities, healthy economic base and generate consistent revenue surpluses.
A	10	Nagpur, Kalyan, Rajkot, Vadodara, Mira Bhayanadar, Ahmedabad, Kolkatta, Visakhapatnam, Vijaywada and Chandigarh	Cities in this category generally have comfortable financial risk and favourable economic base.
BBB	18	Panaji, Indore, Dehradun, Faridabad, Nanded, Bhopal, Raipur, Bangalore, Bhubaneswar, Cochin, Ajmer, Ludhiana, Trivandrum, Jaipur, Chennai, Coimbatore, Madurai and Mysore	Cities in this category have a weak financial profile, high dependence on government grants/transfers and weak project implementation abilities.
BB	17	Lucknow, Agra, Srinagar, Agartala, Kanpur, Puducherry, Kulgaon-Badlapur, Meerut, Asansol, Guwahati, Ujjain, Shimla, Howrah, Ranchi, Jammu, Jabalpur and Amritsar	Cities possess marginal/ negative operating surpluses thereby limiting ability to borrow and service additional debt
B	7	Bodhgaya, Jamshedpur, Mathura, Allahabad, Shillong, Varanasi and Haridwar	Cities have inadequate and volatile grant support from State Government; poor economic base and adverse financial profile marked by poor collection efficiencies.
C	1	Puri	Cities are in no position to repay debt.

Source: (Sirikumar, 2010)

TABLE A.2: **TREND OF SURPLUS INCOME OF GHMC - 2009-14 (IN %)**

	2009-10	2010-11	2011-12	2012-13	2013-14
Total Income (as % of total exp)	127.47	127.95	113.83	129.34	109.08
Revenue Income (as % of rev exp)	120.44	128.42	129.51	151.97	160.33
Capital Income (as % of cap exp)	138.59	127.17	83.10	88.51	40.82
Own Income (as % of rev exp)	94.22	93.29	97.79	117.90	127.96
Own Income (as % of total exp)	57.70	58.18	64.75	75.85	73.08

Source of data: GHMC; Author's own computation

TABLE A.3: **FUNCTIONS LISTED IN THE GHMC ACT, 2008**

Urban Planning including Town Planning
Regulation of land use and construction of buildings
Roads and bridges
Water supply for domestic, industrial and commercial purposes
Public health, sanitation, conservancy and solid waste management
Slum improvement and upgradation
Provision of urban amenities and facilities such as parks, gardens, play grounds
Burials and burial ground; cremations, cremation grounds and electric crematoriums
Cattle ponds; prevention of cruelty to animals
Vital statistics including registration of births and death
Public amenities including street lighting, parking lots, bus stops and public conveniences.
Regulation of slaughter houses and tanneries
Planning for economic and social development
Urban forestry
Protection of the environment and promotion of ecological aspects
Urban poverty alleviation
Safeguarding the interest of weaker sections including the handicapped and mentally retarded
Promotion of cultural and aesthetic aspects

TABLE A.4: **PER CENTAGE COMPOSITION OF INCOME OF GHMC 2000-14**

Heads of receipt	2009-10	2010-11	2011-12	2012-13	2013-14
(a) Revenue Income (i+ii) (as % of total income)	57.85	62.60	75.33	75.59	83.95
(i) Own Income (as % of rev income)	78.23	72.65	75.51	77.58	79.81
Tax Revenue (as % of own income)	57.17	53.03	56.05	52.38	58.38
Property Tax (as % of own income)	57.13	52.94	55.99	52.18	58.04
Non tax revenue (as % of own income)	42.83	46.97	43.95	47.62	41.62
Building Development Charges (as % of non tax rev)	11.52	10.89	8.88	8.81	8.67
Building Betterment Charges (as % of non tax rev)	16.94	15.41	11.72	12.15	11.98
Building Permission fees (as % of non tax rev)	14.81	21.14	21.78	24.21	23.61
Impact Fee (as % of non tax rev)	11.46	9.68	16.70	19.24	17.38
Interest income (as % of non tax rev)	9.68	10.22	12.13	11.21	15.47
Others (as % of non tax rev)	35.59	32.66	28.79	24.38	22.89
(ii) State Transfers (as % of rev income)	21.77	27.35	24.49	22.42	20.19
Assigned Revenue (as % of state transfers)	74.55	94.08	96.94	95.01	19.08
Revenue Grants (as % of state transfers)	25.45	5.92	3.06	4.99	1.12
(b) Capital Income (as % of total income)	42.15	37.40	24.67	24.41	16.05
Capital Grants (as % of capital income)	64.33	64.92	42.41	56.32	35.81
Capital Receipts (as % of capital income)	35.67	35.08	57.59	43.68	64.19

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URBANIZATION TRENDS AND PROJECTIONS IN INDIA

CHALLENGES IN BUILDING INCLUSIVE CITIES AND RESHAPING ECONOMIC GEOGRAPHY[1]

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INTRODUCTION

A progressive shift of the epicentre of urbanisation from "the predominantly northern latitudes of developed countries to the southern ones of developing countries" (Mohan and Dasgupta, 2005) is being predicted at the global level, based on the trends and pattern observed during the past few decades. The proponents of the globalisation model have noted that economic liberalization and associated structural reform in many of the countries in Asia have resulted in acceleration in the pace of economic growth. India's average rate of GDP has been about 8.0 percent per annum for over half a decade till the global crisis hit them in 2008-09. Even in this year - the worst year of the crisis - its growth rate declined by merely 1.5 percentage points and consequently been credited, along with China, for preventing global economic growth going to sub-zero level. It has the record of having very short turn-round period from the crisis. Much of the growth in income and employment has, however, taken place in industries linked directly or indirectly with global economic system, located within or around the large urban centres. This is expected to result in strong pull factors operating through these cities, resulting in rapid rural urban (RU) migration and high pace of urbanization. Even when the industrial units get located in inland rural settlements or virgin coastal areas, in a few years, the latter are likely to acquire urban status, giving boost to the pace of urbanisation.

A section of the academics and activists critical of the policies of globalisation, however, argue that employment generation within the formal urban economy has not been high in the country due to capital intensive nature of industrialisation. A low rate of infrastructural investment in public sector, necessary for keeping budgetary deficits low, has led to deceleration in agricultural growth. This, coupled with open trade policy has been responsible for "contraction of purchasing power" and destabilisation of agrarian economy, causing high unemployment and exodus from rural areas. Most of the migrants have been absorbed within informal urban economy at low level of productivity, resulting in rapid growth in urban population. The protagonists and the critics of globalization, thus, converge on the proposition that urban growth in the post liberalisation phase would tend to be high.

The continuation of 7 percent growth scenario for India as projected by studies for Asian Development Bank and other international organisations, against the average figure of around 4 percent for the world economy and 2 percent for Europe during the next couple of decades have been put forward to substantiate the claim that the country would experience hyper urban growth (Lin and Petri, 2011) and there will be 'a dramatic shift of the fulcrum of urban populations from Europe and North America' to the developing countries in Asia, particularly India and China (Forbes and Lindfield, 1997). It is argued that this prospect is inevitable as 'no country in the industrial age has ever achieved significant economic growth without urbanization' (UNFPA, 2007). Even when the increase in manufacturing sector is export-based, industrial enclaves developed in rural areas, away from the mega cities, in the long term become an integral part of the urban segment. Projections have been made by United Nations Population Division (UNPD) within this perspective that the pace of urbanisation would go up in Asia so much so that the continent would double its urban population during 2000-30, its share in global urban population going up from 48 percent to 54 percent [2]. After the phase of urban explosion in Africa and Latin America during 1950-80, it is now the turn of Asia, more importantly India and China, to urbanize at a fast pace.

Given these alternate perspectives, the present study begins with an overview of the debate on relationship between market based economic growth and urbanization in the present introductory section. The second section critically analyses the myth of 'southward shift' of the epicentre of urbanization and that of urban explosion in India with some empirical rigour. A detailed analysis of the trends and pattern of urbanization has been attempted, including the projected pattern in 2030 in the next section. The last section puts forward a perspective of future urbanisation in India.

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[1] The paper is based on a presentation made at the Fourth Academic Forum BRICS PARTNERSHIP FOR STABILITY, SECURITY AND GROWTH organized by Observer Research Foundation, The 4 March, 2012, New Delhi

[2] As per this projected figure (United Nations 2005), the implicit annual growth rate of urban population works out to be 2.3 per cent per annum. United Nations (2007) predicts that urban population would double between 2007 and 2050. This apparently impressive urban scenario implies that the growth rate would be only 1.6 per cent per annum, which is not very high as per the historical records. For a critical review of the methodology see Kundu (2012)

URBANIZATION TREND IN ASIA THE HYPOTHESIS OF RESTRUCTURING ECONOMIC GEOGRAPHY

Scholars working on Indian urbanisation often argue that the level and rate of urbanization determined by using the national data sources grossly underestimate the ground reality. The pace of urban growth in Latin America and Africa during the second half of the last century was spectacular while the rates in Asian countries, including India were low and fluctuating. United Nations and other global institutions predict that Asian region now will replicate the experience of these continents. One of the major countries in this region is India which will be in the centre of what is described as 'urban avalanche' and could determine the Asian trend due to its large demographic weight[3], the country accounting for over 17 percent of the world's population.

It is surprising that researchers, planners and administrators have often derived their perspectives of urbanization based on the absolute magnitudes or magnitudes of change in relation to corresponding global figures. This unfortunately has led to sweeping generalizations and erroneous conclusions. The postulates that India is currently experiencing unprecedented urbanization and that this would continue in the next few decades are often based on absolute population figures and the share of the region in global totals that understandably work out to be high because of the high base-year rural and urban populations. Undoubtedly, these absolute magnitudes constitute no basis for drawing inference regarding the strength of the forces behind urbanisation.

It is only recently that the policy makers in India have started questioning the alarmist perspective and with that the measures for discouraging RU migration and decelerating urban growth. The Tenth Plan document noted that "the moderate pace of urbanisation in the country has been a cause of disappointment". The Eleventh Plan had held that "the degree of urbanization in India is one of the lowest in the world." The Twelfth Plan voiced a similar concern and underlined the need to promote distributed urbanisation in a manner "that migration flows aren't unbalanced toward any particular city or cities", for ensuring inclusive growth in the country. It would be important to examine how the new perspective is affecting the policies, programmes and final outcome in terms of emerging urban morphology.

Problem of Data Comparability

Any attempt at cross continental or cross country comparison of the past, present or projected urban scenario in India must begin with an examination of the definition of urban centre to ascertain if it is comparable with that of other countries. Such

comparisons have mostly been made using the data from the United Nations Population Division (UNPD) that report information given by the national level agencies, generally without adjusting for definitional anomalies. It is indeed true that several countries are highly restrictive in defining their urban settlements – a few identifying these at one point of time and keeping them fixed, ruling out the possibility of any rural settlement acquiring urban status over time. Happily, India does not belong to this category. Indian Census takes 5,000 as the population cut off point as the first criterion (a), for defining an urban centre. The other three criteria pertain to the settlements having (b) density of population above 400 per square kilometre, (c) percentage of male non-agricultural workers being above seventy-five percent, and having (d) certain pronounced urban characteristics. While the criteria (a), (b) and (c) are to be satisfied simultaneously for qualifying as an urban centre, the criterion (d) is used in special cases by the Directorate of Census operations, often independent of the other three. The urban centres, thus identified, are known as the census towns. In addition, there are statutory towns that are identified as so by different state governments as per their own legislations or administrative criteria.

The population criterion (a) may be considered as restrictive since a large number of countries like Australia, France, Philippines etc. have specified the limit between 2000 and 3000. It must, however, be pointed out that the list of the countries that have the limit as high as India and even higher is equally impressive, Kenya and the Netherlands keeping it at higher than 20,000. One can argue that it is erroneous to prescribe a uniform population threshold across countries as that must depend on the density of population, topography etc. What is more important is that this cut off point has not stopped the Indian Census from identifying settlements, having urban features but population size below the cut off limit, as towns. Each state government identifies a list of statutory towns, as mentioned above, and these get automatically included as urban units in Census count, a large number of these having population below 5000. The density, non-agricultural worker and the judgmental criterion in the definition of Indian Census are sometimes noted as more stringent for international comparability. However, it is difficult to verify the proposition empirically as these factors have been used by almost all countries in identification of towns[4]. Further, it would be erroneous to propose uniform density or non-agricultural employment criteria across countries with recognizing the wide diversity in geographical and socio-economic conditions.

It is true that lowering the cut off population (or relaxing the density and non-agricultural workforce criteria) would increase the percentage of urban population in India but that would not be the case for the growth rate in urban population. This is because a large number of villages with around 5,000 people or more, that do not meet the other criteria for Census towns, have stagnant economies and therefore tend to be out-migrating in

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[3] Asian Development Bank (1996) and Forbes and Lindfield (1997)

[4] United Nations (2010)

character. Their population growth, therefore, turns out to be below those that get identified as towns, the former's higher fertility due to rural cultural context, notwithstanding. Considering all these, it would be erroneous to propose changes in the definition of urban centres in India as that would only exacerbate the problem of temporal and cross sectional comparability.

## INDIAN PROJECTIONS AND IMPLICATIONS

The *Registrar General of India (RGI)* has brought out the report of the technical group, set up by National Commission on Population (2006a), providing estimates of total population and urban population for every year from 2001 to 2026[5]. Unfortunately the premise underlying the methodology raises more questions than answers. The growth rate of urban population for the period from 2001 to 2010 has been taken as declining, similar to what has been projected in WUP (Graph 1). More importantly, the growth rate is taken to fall in the next decade as well, making a departure from that of WUP. The percentage growth rate goes down from 2.39 in 2001-02 to 1.73 in 2020-21. Although this trend is in line with the past trend of urban growth, as discussed above, it would be considered conservative since the pressure of population in rural areas and the limited opportunities available there is expected to push RU migration

and accelerate urban growth, overwhelming the countervailing forces operating in urban areas. The annual growth rate of the urban population, however, has been let loose after 2021, jumping to 3.23 percent in 2021-22, almost doubling in one year, as per the report of the technical group.

The annual exponential growth rate for the five year period 2021-26 thus works out to be 4.24 percent, shooting up from 1.81 percent during 2016-21. Despite the RGI figures being significantly below those of WUP during the first two decades of the present century, *they catch up and achieve the stipulated magical target of 38 per cent of urban to total population in 2026,* as set by WUP, owing to the methodology changing its gear in 2021. Thankfully, the RGI office became aware of this roller coaster growth scenario immediately after releasing the projections. It revised the figures (National Commission on Population (2006b) and placed these in the public domain.

The assumption of a deceleration in urban growth is, however, not without any empirical basis. There was a declining trend during the preceding decades of the Census, as discussed above. The growth of the urban population was as high as 3.83 percent in the 1970s but came down sharply to 3.09 percent in the 1980s and further to 2.74 percent in the 1990s. The decline of

GRAPH 1:
ANNUAL EXPONENTIAL GROWTH RATE OF PROJECTED URBAN POPULATION IN INDIA BY RGI & UNITED NATION POPULATION DIVISION
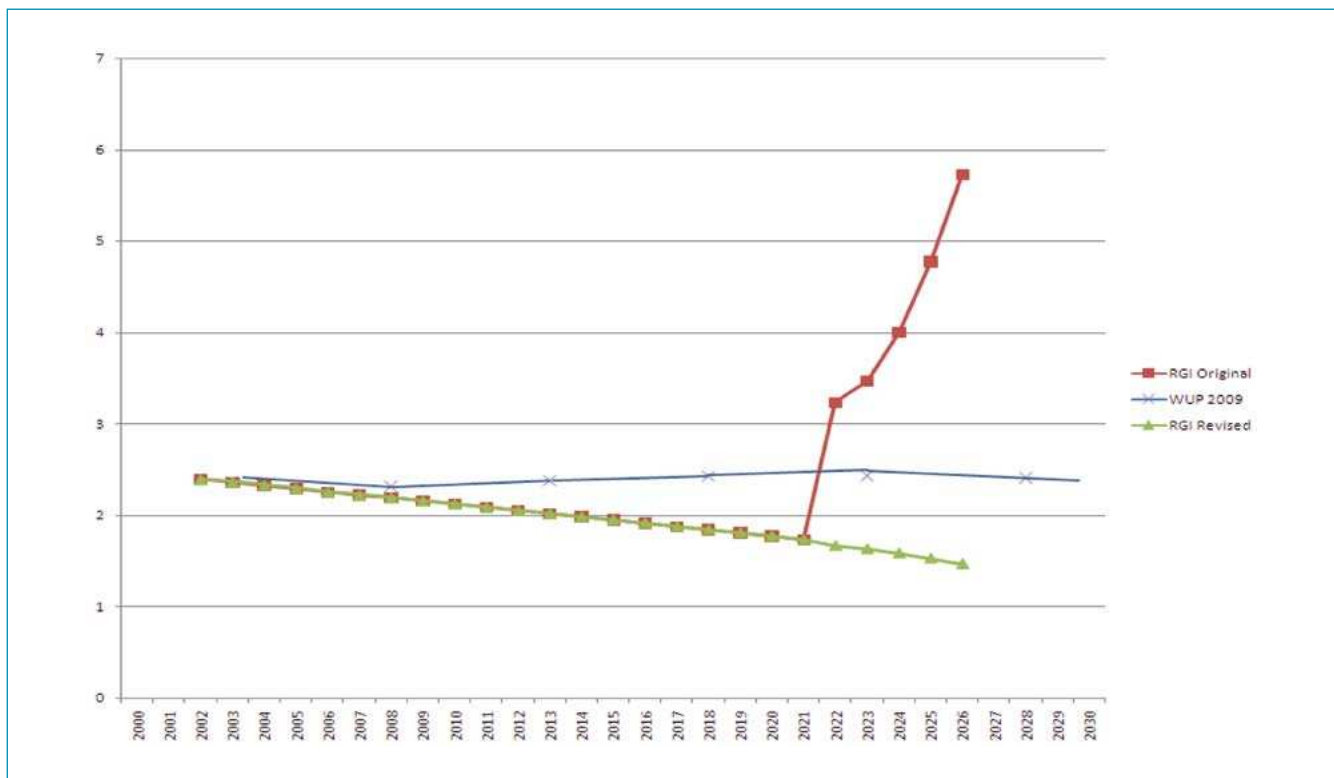
[5] Registrar General of India (2006)

0.40 percentage points in the predicted figure of RGI for 2001-11 from that of the actual figure of the 1990s can understandably be attributed to and very well explained in terms of the decline in fertility observed during 1990-2000 and later years.

The provisional urban population figures released through Paper 2 of the Census 2011 by the RGI suggest that urban growth scenario is not as "pessimistic" as predicted by it half a decade ago, as *the actual urban growth in 2001-11 turns out to be higher than projected.* Urban growth is assessed to have gone up marginally or remained unchanged over the past two decades, despite a fall in the natural growth. This occasions probing into the underlying premises of the methodology as that would have implications for the pace of urbanization in the next few decades. One can attribute this to urban dynamics manifesting in either an accelerated RU migration or new settlements emerging on the urban scene (as a part of agglomeration or otherwise) or both.

Interestingly, RGI had also predicted that the urban population in 2011 will be 30 percent which, if applied to the actual total population in 2011, would give a growth rate of urban population as 2.38 percent (Table 1). This is still below the reported growth figure of 2.76 percent. This would be considered non-trivial as it makes a difference of 14 million in urban population at national level and over a million in a number of states.

The target of 30 percent has caught the fancy of researchers and research institutions, irrespective of whether they use informed judgment or econometric modeling, although the years by which the target is to be achieved were different. The High Powered Expert Committee (HPEC 2011) notes that India has reached this level in 2010, accepting a "conservative" classification of urban areas. Assuming this to have occurred on 1 March, the implicit annual growth rate works out as 2.47 percent which is close to 2.38 percent, the predicted figure of RGI, based on the actual growth of total population. The HPEC report explicitly notes "a slower growth of urban population in 2001-11 compared with the earlier decade". The Mckinsey Global Institute (MGI 2010), which puts forward a development perspective similar to that of HPEC, holds that the 30 percent figure was reached in 2008 (Table 1). That gives an implicit growth rate of 2.71 percent which still turns out to be on a lower side. Although MGI's projection is based on the *India Urbanisation Econometric model*, it is unlikely to be untouched by RGI's pessimism. Both the reports thus implicitly accept a decline in the growth of urban population as a fait accompli. Impor-

tantly, the RGI's projections are close to those given in the WUP brought for the periods 2000-05 and 2005-10 which is only 2.23 percent. This is certainly not a matter of coincidence as RGI has used the WUP model, built on the assumption that "urban rural growth differential" follows a logistic path.

Now that all the projected percentages of urban population on 1 March 2011 turn out to be on a lower side than the Provisional Population estimate, as observed in Table 1, the question is whether the discrepancy of 14 million can be attributed to a random statistical error. Would it be cantankerous to hold the RGI responsible for excessive conservatism? Are we engaging in "decimal demography" if we pursue this issue for empirical investigation? Or alternately, do we need to understand and explain the discrepancy in terms of changes in structural parameters in the socio-economic system, definitions of the concepts and procedures for data collection, the margin of error notwithstanding?

Understanding the Trend during 2001–2011 making a Departure from the Past

The provisional figures indicate that urban growth did not decelerate during 2001-11 which goes against the past trend. This is also anamolous in the context of the some of the macro ecnomic statistics available from different sources. One, based on the unit level data from the 66th round of National Sample Survey (NSS), the percentage of urban population in the year 2009-10 can be computed as 27.3 percent against the figure of 25.4 percent obtained from the NSS 55th Round in 1990-2000. Understandably, the NSS figures are always less than that of the Census basically because the former do not include the new Census towns. The urban percentage of 27.7 as per Census 2001 was higher than the NSS figure of 1999-00 by 2.3 percentage points. Based on this, one would expect the urban percentage in 2011 to be higher than that of 2009-10 by 2 to 3 percentage points only and not 4.4 points. Two, the population growth figures for 22 metro cities, available from 2011 Census, reveal that barring a couple of them, there has been unprecedented decline in their demographic growth. Three, the data from the 45th and 64th rounds of National Sample Survey suggest that migration for economic reasons has gone down among the RU migrants. Furthermore, the share of adult male migrants in the corresponding adult male population in urban areas has declined from 32 percent in 1999-2000 to 31 percent in 2007-08, supporting the proposition emerging from the NSS data. Four, the decomposition of the incremental urban population growth by components by the Census of India indicates a decline in the

TABLE 1: **ESTIMATED PERCENTAGE OF URBAN TO TOTAL POPULATION ON 1ST MARCH 2011 FROM DIFFERENT SOURCES**

NSS 66th Round Based	RGI Projections	High Power Expert Committee	Mckinsey Global Institute	Provisional Populatin Census
29.8	30.0	30.3	30.8	31.2

share of migrants during the 1990s, compared to the 1980s. All these would undermine the possibility of migration to existing urban centres being a factor accounting for the acceleration or stabilty in urban growth[6]. The "impetus to urban dynamics" has understandably come at the lowest level. This is not reflected as much in an acceleration in the growth rate of small and medium towns as an increase in the number of Census towns.

The total number of urban agglomerations and other cities and towns has increased sluggishly, at a rate much slower than the urban population. The former has gone up by only 2541 in all the 10 decades of the last century. However, now, it has gone up by 2774 in just one decade. The phenomenal jump in the number of "census towns" from 1362 to 3894 is unprecedented in the history of the Indian Census. Importantly, MGI had predicted that only 1000 towns will emerge on the urban scene in the next 22 years. The departure from the past trend is being attributed to census activism. The RGI's office has been under tremendous academic and administrative pressure to review its methodology for collecting data on urban centres and this could affect the identification of new towns.

Eminent researchers analysing Indian development scenario have argued that the low urbanization scenario conflicts with

[6] Kundu (2009)

the high growth manifestations of the Emerging Giant called India. They are skeptical of the urbanization and migration data from the Census of India. Such criticisms have emanated from the highest level in the Planning Commission as well. The responsibility of "urban undercount" has often been placed on bureaucratic inertia and casualness in identifying urban centres, resulting in exclusion of many towns from the census net. Also, the researchers relying on census data are finding it hard to confront the experts from the World Bank when they quote a much higher figure. The World Development Report 2009 has come up with an alternate methodology, based on population size, density and travel time and obtains a figure of 52 percent, as some kind of proxy for the percentage of urban population which is supposed to be globally comparable. Needless to point out that this approach delinks urbanization from socio-political context. Faced with all this, it would be understandable if the Directorate of Census Operations has become a bit more enthusiastic in identifying new urban centres.

Census of India is considered one of the most robust sources of demographic data in the world. Given the system of data gathering through door to door canvassing of questionnaires that are finalized through a rigorous system of scrutiny and data processing being subject of numerous checks and balances, it is difficult to hold that the quality of population count in the urban centres has gone down in the present census. There is,

however, a certain discretionary judgment involved in identification of new towns as this is done before the actual census operation. The officials involved in this, thus, do not have the benefit of knowing the actual population, density or the extent of non-agricultural employment. Given the context of Census 2011, as discussed above, the possibility of the discretionary judgment being used more liberally cannot be ruled out.

PERSPECTIVE FOR FUTURE URBANIZATION IN INDIA

An overview of the trends and pattern of urbanization suggests that, after experiencing moderate to high urban growth and URGD for three to four decades since 1950, India along with several Asian countries, has reported a significant deceleration in these. This gives grounds for questioning the postulate of the epicentre of urbanization shifting to Asia, particularly India. There is no dispute that India needs to encourage shifting of workforce from primary to secondary and tertiary sectors that

would boost growth of cities and rural urban transformation. However, based on an overview of the macro statistics, one cannot predict such a transformation in immediate future. On the contrary, a process of exclusionary urban growth is discernible. Many of the researchers have attributed this to the formal or informal denial of entry to prospective migrants and increased unaffordability of the rural poor for urban space and basic amenities. While defining the strategy of urbanisation for the Twelfth Plan, the Planning Commission holds that "regulations intended to manage densities and discourage migration limit the supply of land and require many households to consume more land than they would choose". This in turn restricts in-migration of the poor and lower income groups" into the cities. Informality then becomes "the only path to affordable housing for the bulk of the population in India's cities"... but that "implies illegality and therefore vulnerability". "These barriers to healthy urbanization come not only at a high human cost".

Based on the recent data, it is difficult to see how rapid economic growth in India will bring in large labourforce into urban centres. High rate of domestic and foreign investment is not encouraging urbanization through the migration of the poor and unemployed labourforce into urban centres. This could possibly be due to high skill requirement and low labour-intensity in global sectors. These would facilitate the process of capture of urban space by elites and emerging middle class in the global cities which has ushered in a process of 'sanitization' and cleaning up of the micro environment by pushing current and prospective poor migrants beyond the city boundaries along with their 'hazardous' activities. It would be important to analyse the state specific trends in the context of their policies and programmes of regional development and promotion of a few global centres of growth.

The exclusionary nature of urban growth is manifested in the programmes and schemes adopted by the state and city governments to discourage inflow of the poor and unskilled migrants from rural areas as also from outside the country. Given the political economy of urban growth and the need to attract global and domestic capital into these cities, the central and state governments are unlikely to interfere with 'elitist interest' and will continue to adopt a restrictive attitude towards poor RU migrants.

The government in future, however, could shift the thrust of development to small and medium towns that unfortunately have reported economic stagnation and deceleration in population growth. This change could become a political necessity due to tensions linked to the accentuation of regional inequality and poverty in small towns and rural areas acquiring serious proportions. This would imply a paradigm shift in the settlement policy in these countries and may take a few years to be formalized into an effective strategy. The process of exclusionary urbanisation may linger on and India may not go the way that Brazil or Mexico did in the second half of the last century.

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SENSE AND THE CITY

DYNAMICS OF ECONOMICS AND CULTURE

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INTRODUCTION

The traditional Indian city functioned as an organism with an ecology of its own that was disturbed by the introduction of regulatory reforms enforced by colonial powers, primarily to achieve their own ends. Owing to the high adaptability of the populace, these places evolved organically with a lifestyle around these regulatory reforms until national independence brought the imposition of modern western planning principles. Subsequently, economic liberalisation exposed the irrelevance of those principles on the already withering historic fabric (Singh, 2010). This spelt doom for the physical quality of the city core, but admirably the socio-cultural vibrancy endured. The age-old custom of mixed use spaces still held good for the city core. In their own indigenous way, the local populace sustained the cultural economic continuum amidst pressures from increasing density, loss of public space to automobile infrastructure (Doxiadis, 1971) and lack of basic urban services. Today, however, the historic urban fabric has broken down and there is general consensus on the need for redevelopment because of the challenges of complex urban issues accumulated over the course of more than a century and in response to the expectations of the public for resolution in an equitable manner.

Moving towards the future, sustainability is the only ideal to which a diverse population can and should adhere to. But in the drive for redevelopment, the very people for whom it is proposed tend to get left out of the planning process, leading to speculation. Going by the experience of working in historic city cores, this 'speculation' has emerged as the main obstacle to the redevelopment process. [1]

TWO CITIES, ONE CULTURE

Most historic core problems have design solutions. For the Charminar precinct in Hyderabad to become a quality urban public space, there is a proposal in place to pedestrianise it. There are schemes such as ring roads, metro rails, pedestrian friendly streetscapes, parking complexes and a host of other proposals to support and sustain that pedestrianisation. There is government sanction to the project and conditional political leadership, yet the project has met with very strong public resistance. The idea of disallowing vehicles in 2,000 sq meters of the land around the monument is not appealing to the business and residential community of the area. These businessmen are used to having their own vehicles and vehicles of their customers come right up to their shop fronts, at the expense of inconveniencing pedestrians and public transport vehicles. This is in addition to the irreparable damage that this vehicular movement is causing the historic structure as a consequence of the environmental air pollution and ground vibrations.[2]

The case of the Jama Masjid precinct in Shahjahanabad, Delhi is similar. A large tract of precious public land is in a state of misuse between two of the most iconic places in India, the Jama Masjid and the Lal Qila. The poorly maintained Meena Bazaar hugs the main ceremonial entry path to the Masjid and a number of gated parks and large water basins currently serve as a refuge for homeless migrants and garbage dumps. There is strong resistance to the idea of shifting the bazaar to a new complex on one side of the precinct away from the ceremonial entrance path to the Masjid. The other advantageous ideas of consolidating all the segmented parks into one unobstructed pedestrian public space and rationalisation of essential urban services tend to get lost in the ongoing debate surrounding the issue of the bazaar relocation.

The end users, residents, businessmen and other stakeholders of these areas are such a diverse group of people that the urgency of these ideas is overshadowed by vested interests and lack of faith in the government. While this diverse group does want change, the meaning of change differs for each group. There is an overwhelming historic cultural economic force at work that requires not only design solutions but an indigenous effort to dig into the system, understand its dynamics and bring out an economically sustainable solution viable for all.

AN INDIGENOUS EFFORT: ECONOMY AND CULTURE

A precinct is a complex amalgamation of time and activity layers that are not simple to interpret. It helps to analyse these

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[1] This conclusion is drawn out of the authors' observations during the many interactions with the community and stakeholders regarding redevelopment projects in Hyderabad Old City and the Jama Masjid Precinct, Shahjahanabad, Delhi.

[2] The Charminar Pedestrianisation Project was commissioned due to the damage the traffic was causing the monument as per a report given by NGRI (National Geophysical Research Institute) in 1998. Over the years a lot of measures have been taken to reduce vehicle movement around it, and pedestrianisation is the last of those measures to be implemented.

in a series of inter-relationships and bring out their inter-dependencies in order to identify or isolate what needs to be planned and hoped for. Keeping space and its perception as the common factor, an experiential explanation of these interrelationships in the two city cores of Hyderabad and Delhi follows, along with notes on improvement.

Local community and tourism

The idea that tourism in historic city cores is essentially 'monument' driven is a layman's perception. Unfortunately, the majority of public officials seem to share this perception. On closer observation and analysis, the fact emerges that it is not just the built heritage that generates tourism, but also the local community itself through its economic and cultural activities. This is where the perception of the community supports this argument. The Jama Masjid is thus a 'living' cultural monument seamlessly integrated and built into the very lifestyle of the local business as well as residential populace.

Tourism and local businesses

Local businesses[3] have evolved over the decades to cater to the growth of tourists in addition to their regular customers. This has been a good trend since a sizeable amount of money is retained in the local economy that would have otherwise gone outside had there been national chains in place of these local businesses[4]. This indicates good economic growth locally, as a result of which a large number of residents in these areas now own cars and have in fact adopted a lifestyle which is highly dependent on automobiles.

Local businesses and parking

In such a scenario, parking becomes a priority issue. A large inflow of customers from outside, in addition to a large outflow of residents from inside chokes the narrow streets and pollutes a highly dense area. More than that, it changes the entire perception of public space. The statement that these areas do not have enough space is unjustified, simply because these city cores were never designed for motorised vehicles. Cars and parking have become a nuisance because appropriate technologies and policies were never adopted. The total parking requirement for the Charminar Precinct used an intelligent mix of technology, development models supported by legislation such as Transfer of Development Rights (TDR)[5] and street design. This should silence any argument against a city core not having enough space. In Shahjahanabad, a major portion of the problem has

been addressed by the introduction of the Delhi Metro, opening up access to the area. Nevertheless, one of the major obstacles stalling both the Charminar Pedestrianisation project and Jama Masjid Precinct Redevelopment is lack of adequate parking infrastructure.

Parking and street vendors

The informal business community, from whom the city core environment derives a lot of colour and vibrancy, currently shares space with automobile parking resulting in a chaotic urban environment. Urban street vending is not only an important component of the traditional Indian bazaar and an essential urban service provider but also a contributor of 30–40% to the national economy. Yet for all its ingenuity, it is perceived as an encroachment on public space. The situations in both the city cores are alarmingly identical. The local business owners are divided on the status of urban street vendors. Some wish them away because they occupy precious parking space while others have economic tie-ups with them.

The National Policy on Urban Street Vendors[6] gives due recognition to this community but is yet to be implemented to its full extent. In the case of the Pathergatti, street vendors in the Charminar Precinct, the authorities, after great persuasion decided to take the first step prescribed by the policy and enumerate the hawkers on the street. But due to lack of proper documentation that enumeration to identification and registration, the initiative could not go beyond the on-site survey. However, the answer to the street vending problem does not lie so much in enumeration as in designation. Any undesignated street space is deemed by a street vendor to be a potential location for his business, and this creates a chaotic environment since there is no culture of regulated space designation on Indian streets. Surveys showed that the Pathergatti street has an arrangement between the local business owners and the street vendors, wherein street vendors occupy the street space in front of closed shops till 11am, and that very space is used for shop owners or customer parking post 11am. This arrangement leaves no option for pedestrians but to share space with motorised vehicles on the carriageway. Thus it is ironic that in a city built on the human scale, humans themselves have no space.

The Jama Masjid Precinct presents another extreme of the same issue. The street vending activity goes on largely unchecked and

[3] A socio-economic survey of the shops in the Madina-Pathergatti stretch of the Charminar Precinct suggested that 53% of the premises was locally owned and 86% were engaged in retail business. Both factors are thought to be good for the local economy.

[4] After reviewing the finances of the local businesses and comparing them to benchmarks for their national competitors, it was determined that for every $100 spent at the local businesses, $45 stayed in the local economy. When the same methodology was applied to the national businesses, only $13 remained local(Farr 2008).

[5] TDR means an award specifying the built-up area an owner of a site or plot can sell or dispose or utilise elsewhere, whose site or plot is required to be set apart or affected for a community amenity or development for public purpose. The award would be in the form of a TDR certificate issued by the Competent Authority. GOMs No.86, 2006 Hyderabad Building Revised Rules encourage provision of parking in built-up and congested areas by giving certain incentives to the property owner like the TDR.

[6] National Policy on Urban Street Vendors entitles street vendors to provisions of solid waste disposal, toilets, aesthetic stalls/push-carts, electricity, drinking water, protective covers against different weather conditions and storage. Apart from this it encourages ULBs to register street vendors without any numerical or quota restrictions.
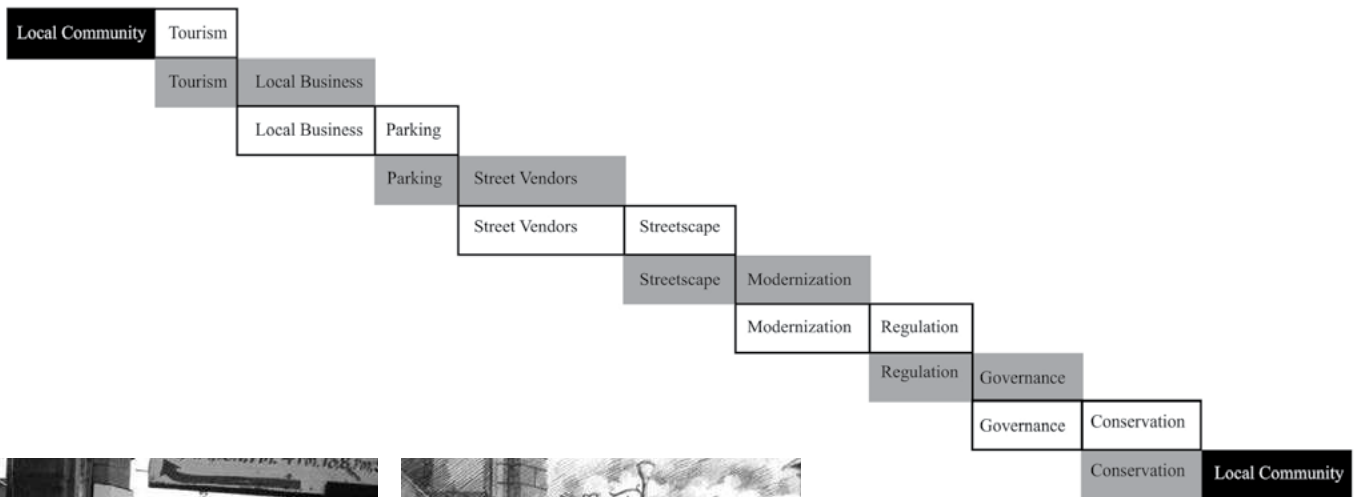
Shahjahanabad, Delhi. People shaping their city in response to external pressures, 2008
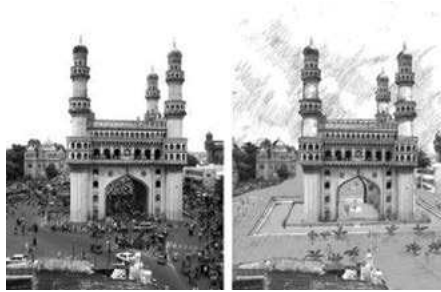
A view of Charminar, Hyderabad and the pedestrianisation idea,2010

The ceremonial entrance path to the Jama Masjid with Meena Bazaar and water basins hugging it, 2008

The interrelationships series

Existing on street parking along the Pathergatti Arcade in the Charminar Precinct and the streetscape idea, 2008

unmanaged as it's a 'free for all' situation in a large tract of land lying undesignated in a prime location.

Street vendors and streetscape

Public officials are uncertain on the status of street vendors while the political leadership is absolutely certain on their right to do business. The municipal authorities in Shahjahanabad have traditionally issued licenses for the tehbazaari while those in Charminar took on the task of making a prototype heritage kiosk, both mobile and stationary, for the street vendors. This task was undertaken in a bid to make the street vending activity physically coherent with the built heritage of the area. But the common factor with both these situations was that there was no space designated for the street vendors. Due to this the tehbazaari still doesn't have a place to conduct business, while the heritage kiosks have never been distributed since there

has been no enumeration. In fact, one of the major counter arguments to the pedestrianisation of the Charminar buffer zone and the Jama Masjid Precinct, apart from parking, was the assumption that street vendors would swarm the area unchecked if it were pedestrianised. The local business owners were united in their stand against pedestrianisation on this account.

Yet for all their unity, the month of Ramzan by its own virtue authorises unchecked street vending activity, with police protection on almost the entire street space at Pathergatti, Charminar and in Jama Masjid Precinct. The fact emerges that the people who swarm these city cores during festivals do so on account of the diversity that the street vendors offer on their products and prices. This reasserts their importance to the street, the city and the economy at large.
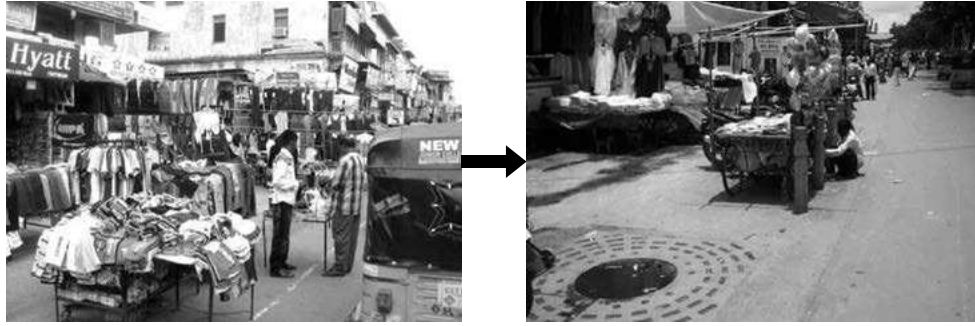
Street vendors on the Madina-Pathergatti stretch before and after redevelopment in the Charminar Precinct, 2010. The tree pit in the foreground with the tree grate was designed for providing shade to street vendors and pedestrians.
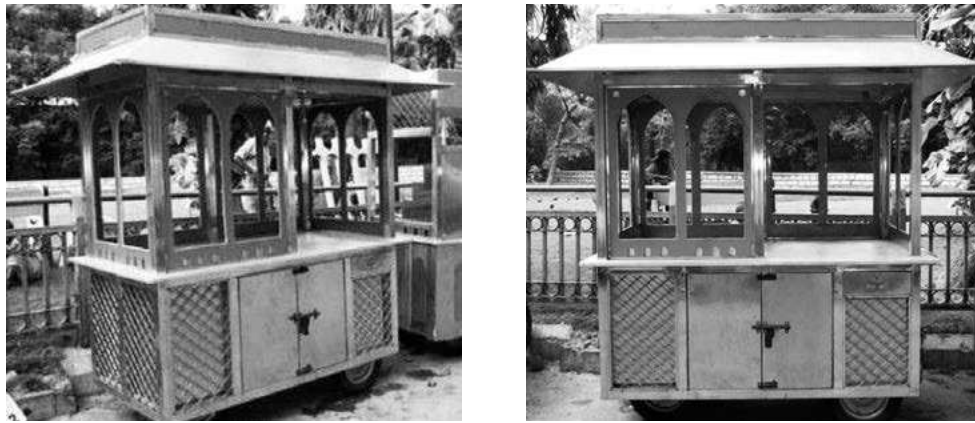
The model push-cart prototype made by the Greater Hyderabad Municipal Corporation, 2006

A view of the Pathergatti Arcade façade with commercial signage, 2006

Streetscape and modernisation

In trying to address the issue of making street vending activity coherent with the built heritage, the actual built heritage issues remain unresolved. Commercial signage of the various shops in the Pathergatti Arcade was starting to come up in vastly diverging sizes and colours. To curb this, a uniform signage system was designed and a sample put up in 2000. A modestly sized and designed signage in single language understandably didn't appeal to the local business owners. Another attempt with uniform size and colour also didn't find decisive accept-

ance. Simultaneously, most local business owners started renovating their shops unchecked, with flashing new materials to outdo each other, resulting in further visual chaos. A bold contractor, appointed for the conservation of the stone facade, pulled down all the commercial signage of a considerable length of shop frontages on his own accord. But in the absence of any consensus over the design of the new signage and the unwillingness of the shop owners to use uniform signage, the old signage patterns came back as soon as the conservation work was over. A more pro-active municipal set-up would have taken

advantage of the help offered by the local contractor to reduce the visual chaos.

Modernisation and regulation

Most construction activity in city cores is carried out in stealth and is legalised by the municipal corporation during 'regularisation'. An owner of a commercial property in the Charminar Buffer Zone had to shell out a huge sum of money to construct a modern facade for his coffee shop coherent with the built heritage. Though there was legal sanction to the construction by the municipal corporation, it was only when a committee submitting a report to UNESCO for the consideration of Charminar as one of the Qutub Shahi monuments in Hyderabad for World Heritage Site status pointed out the modern facade right next to Charminar that the authorities dug up regulations to make a case for re-design.[7] There is no apparatus within the municipal structure by which construction activity can be checked in a heritage precinct. As a result of this, citizens suffer unnecessarily and the administration loses a lot of credibility. The local populace also perceives their spaces and properties as having less economic potential due to the 'heritage' tag. This makes them resistant to any reform that is done for the greater good of the built heritage.

Regulation and governance

There are regulatory tools in place for a pro-active institution to facilitate redevelopment. The TDR provision for parking infrastructure in the building regulations[8] and the constitution of a state Urban Arts Commission in the zoning regulations are good examples in the case of Hyderabad. But there seems to be a serious lack of dynamic planning professionals who can think about innovation in this field. A responsible planner would first think of a set of problems and then try to understand the specific challenges each problem poses. As such, planners think of how to strategise and sequence specific tasks for tackling issues; they cannot rely on a particular planning style. The choice of planning style should be determined by the nature of anticipated resistance to planning efforts and institutional strategies for overcoming such resistance (Sanyal, 2005).

Governance and conservation

In almost a decade of experience with redevelopment planning in the two city cores under observation here, the only phases in which the projects saw any considerable progress was when there was dynamic leadership from the IAS cadre. It is a sad situation for the world's largest democracy, but the bureaucratic machinery is highly dependent on one operator as far as redevelopment is concerned. The answer to this does not lie in introducing new institutions (Sanyal, 2005) as in the case of Shahjahanabad Redevelopment Corporation proposing to take over the Jama Masjid Redevelopment Project from the Municipal Corporation of Delhi, but in reforming the existing institutions through anticipatory and participatory planning and delegation of power from the state-level ministry to a city-level empowered administrative leader. Such leadership is essential in cases where the community is unresponsive to para-legal measures. The argument that there can be no conservation without legislation seems to hold true in the current context. But in a democratic context where people are involved, 'legislation' is to be seen in a broader context, beyond its punitive aspects. There are various examples of 'para-legal' measures that have been successfully adopted for conservation of heritage/urbanism through the participatory process. These require concerted actions by the government, local bodies and the community (Jain, 2007)

Conservation and local community

The local community is generally the most passionate and eager to see their city restored. But their livelihood concerns under an uncertain and indecisive planning policy by the government impedes their abilities and initiative capacities. There is a tremendous amount of mistrust in the community towards the government regarding conservation of built heritage. A local business owner at Pathergatti, Charminar questioned the survey team as to why would the government pay for the restoration and repair of a commercial private building? Where is the revenue in it? But the perception of the government that funds conservation is entirely different. It is the restoration of the public façade of a private building.[9] This ownership paradox[10] is a direct result of the regulatory reforms enforced during

An example of historic façades being 'modernised' by local business owners, Pathergatti, 2010

[7] The coffee shop is within the 200 metre radius of Charminar. See The Amendment and Validation Bill, 2010 for the Ancient Monuments and Archaeological Sites and Remains Act, 1958, Government of India.

[8] See Section 39: Constitution of Arts Commission for the state, HUDA Zoning Regulations, 1981.

[9] Department of Tourism, Andhra Pradesh has been actively engaged in accessing funds under the JNNURM Scheme and from the Ministry of Culture for built heritage in Hyderabad, with the revenue model based on heritage tourism generation and promotion. Privately owned structures present in the public domain are also funded along with tourism potential cases which are completely private owned.

[10] Form-based codes go a long way in resolving this 'ownership paradox' by regulating form in relation to form apart from function.

The land and the people waiting for a dynamic leadership and institutional reform, 2009
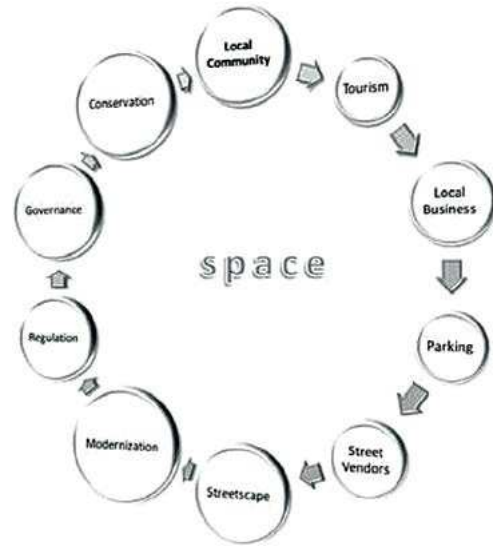
The inter-relationships series after analysis forms into a loop which starts with the local community and ends with it. Space remains a bone of contention in the centre of all things

colonial rule. The days of the firmaan (royal mandate) are long over and the ruler-subject dynamics have changed. Sixty years is a long enough time for both to get accustomed to freedom. It is hence high time the government and the community came on the same page, though the current planning tools do not seem to be capable enough to facilitate this.

The most common reason for preserving old buildings, leaving aside historic interest, is that these are useful resources. This might seem rather obvious, but is an often forgotten fact. A building usually reaches the end of its 'natural life' as a result of external economic forces and operational obsolescence rather than because it has ceased to be capable of repair. An old building not being 'listed' in the protected heritage list does not validate demolition for quick solutions. The Khazana Building near the Chowmahalla Palace in the Charminar Precinct is one such unlucky structure left out of the heritage list. Both the local authorities and the community are unanimous in their will to demolish it and construct a parking complex which is expected to decongest the area. The fact that the building is still of sound construction and has space within its compound that can accommodate a parking complex independently does not make any impact on their will to demolish it when there are numerous other such opportunities for parking complexes. Why don't the communities or the authorities own up to their own heritage and why do they adhere to regulations and laws more readily than to their association with their own past? Why doesn't their sense of belonging to a place drive them to stop their own building and knowledge traditions from vanishing into extinction?

In the zealous attempts to develop 'modern' cities and the 'property' oriented approach of development initiated by the

colonial powers, the treasure of our traditional urbanism is being trampled upon. Beyond the hackneyed reasons of population growth, changing lifestyles, urbanisation and the forces of economic growth, the malaise is much deeper. It includes the lack of awareness, sensitivity and concern for traditional values, incapacity of institutional framework, non-responsive bodies, flaws in planning and design and development control processes, legal and enforcement issues and deficiencies in implementation and maintenance (Jain, 2007).

TOOLS FOR AN ECONOMICALLY SUSTAINABLE SOLUTION

Space is never a constraint in place-making. It is the utilisation of that space which makes a place or un-makes it. There is enough evidence to support this argument in the current global trends of urbanism. The sustainable urbanism movement with its approach of learning from traditional urbanism may have solutions to the complexities we find our historic urban fabrics entrenched in. It postulates a responsive urban design, where the question of sustainability is reframed, of human well-being, social improvement and social hope (Adhya, Plowright & Stevens, 2010), even though form is of interest when historic city cores are concerned and the form-based code tool (Rangwala, 2012) with its approach of reversing the 'form follows function' methodology of planning seems to be worthy of an Indian application (Singh, 2010).

More often than not, urban designers and public officials imagine a city as a map with access grids, landmarks, various land use zones and some urban form with a tag to it while citizens perceive it as a formless space. But witness Pathergatti Street on the day of Ganesh immersion during the monsoons, or walk through the Urdu Bazar to Jama Masjid on the eve of
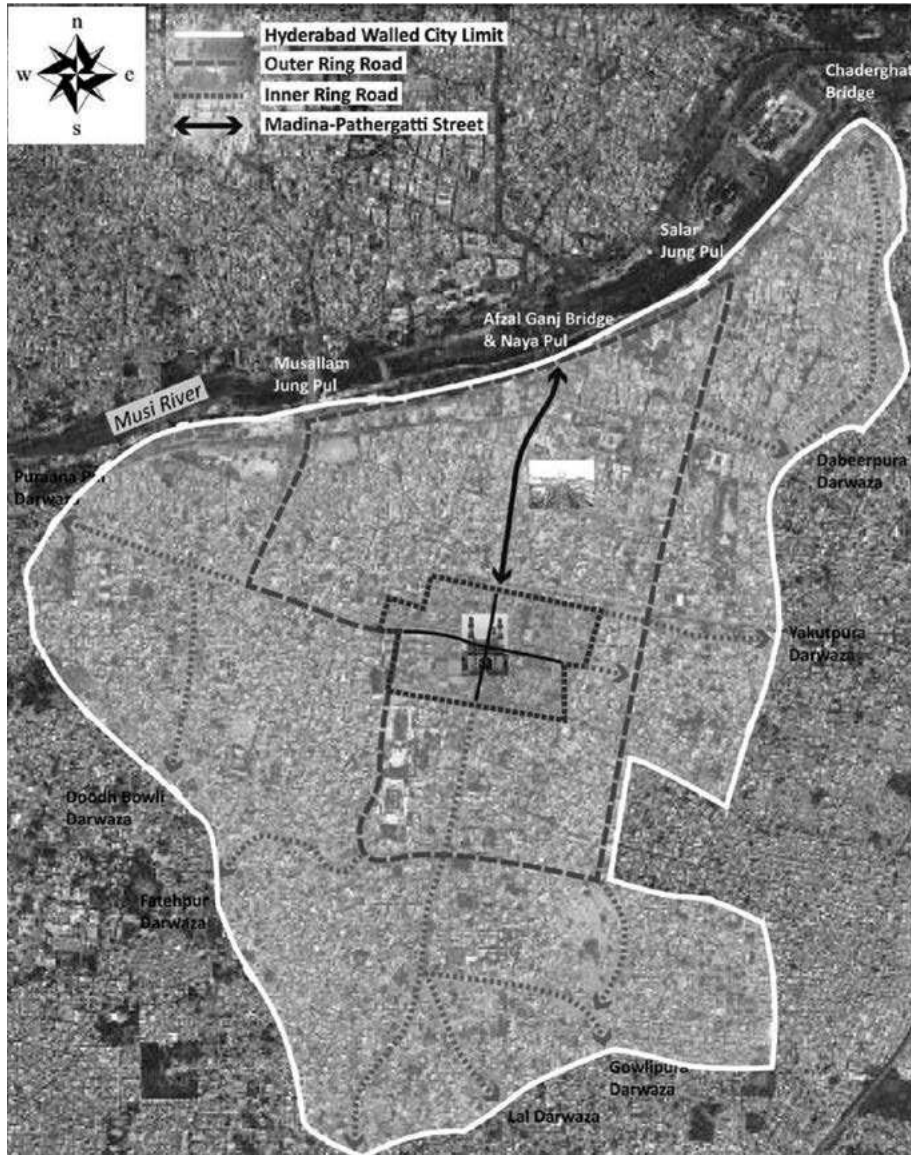
Map of the Hyderabad old city core showing the proposed pedestrianisation and other interventions hoping to enable it

Eid during the height of summer and what you see is a city that is very different from the one on the map or in the minds of its residents. The city is an organism which is living on account of the ecology that it is a part of. When a community is given ownership for its livelihood within the physical form and the natural habitat it offers, it will by its own virtue assume the role and responsibility of maintaining the balance. Redevelopment needs as much physical intervention as socio-economic acknowledgement, derived out of the sense that the city's personality offers.

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PARADIGM FOR URBAN LANDSCAPING OF STATES AS ECO-REGIONS

INDIA'S ROAD MAP FOR SUSTAINABLE AND INCLUSIVE DEVELOPMENT

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INTRODUCTION

The people of India are acutely aware of the fact that the current status of the country's development, though impressive, has not touched and included certain sections of society. A debate is currently raging as to which inclusive development model is best suited for the country. Each of the proposed models claims to be the best. But, no single model, no matter how great its qualities and attributes, can be expected to prove equally applicable and successful in every Indian region or state, given the proverbial diversity of the country. It is therefore apparent that each region or state must evolve its own development model most appropriate for its unique set of eco-socio-economic conditions, culture, geography, etc. It would however be desirable and helpful to start with a conceptual framework that could catalyse the emergence of an appropriate, comprehensive, and inclusive development plan.

Also apparent is the fact that the process of preparing an appropriate regional development plan is an extremely complex endeavour, considering all the environmental, social and cultural, economic and other hurdles that would need to be crossed along the way. It would take 'adaptive leadership' to undertake and complete this challenge.

This study undertaken by the author a few years back provides an engineer's perspective on sustainable and inclusive development of Indian states. It has two aims: (a) to provide a conceptual framework that could kick-off the preparation of a development plan at the regional level, and (b) to propose an adaptive methodology for the process.

MOTIVATION

India has long been witnessing a skewed development essentially around its metros and large urbanised areas. There might have been reasons for this, but, sadly, this has happened at the expense of an all-round, inclusive development. The effects of this are all too evident today.

Migration of people from non-urban, rural areas to urbanised cities in search of improved economic opportunities is an age-old global phenomenon. Even as the basic living conditions of such opportunity seekers have remained inadequate in their new settings, newer migrants continue to throng the urban centres to make things worse.

Besides economic opportunities, there are other important societal and political considerations. Given the current advancements in communications technology, people become quickly aware of better opportunities available anywhere in the urbanised world and seek them out, thus stressing the urban infrastructure to their limits. Mechanisation of traditional work like agriculture, etc. has also created surplus labour that again migrates to urban areas for alternative employment (with government-sponsorship in some cases).

 The negative impacts of this inevitable social process can only be mitigated by decentralised microeconomic policies designed to ensure availability of economic opportunities (both in traditional and modern manufacturing/service industries) to people at various geographical locations across each state. Such a value driven approach should address environmental, social/cultural and economic issues and should create sustainable development that would not only provide the ability to meet the needs of the current generation but would also perpetuate that ability for the sake of our future generations.

It is in this context that this presentation proposes a strategic land and infrastructure reform, and suggests an inclusive and sustainable development model that could help mitigate the current vicious cycle caused by unchecked urbanisation trends focusing on mega-cities.

EVOLUTION OF THE PROPOSAL

Urbanisation trends worldwide have convinced researchers that the future of the developing world is urban. The reason is that only urbanised areas can provide the right climate for social and business investment to ensure availability of appropriate facilities and skills to support society and business. This does not mean that urbanisation should be confined to big cities. For sustainable growth in any country, urbanisation should be planned to take place equitably over the entire country, at various geographical locations including smaller towns and cities. It would be more practical to undertake such planning at regional levels, providing adequate scope for traditional livelihood options in small towns and villages (in agriculture, handicrafts, etc.) and the local cultures to simultaneously flourish.

Unchecked migration to urban centres that currently offer far better growth opportunities and quality of life not available elsewhere would only lead to vicious, unsustainable urban trends.

Create opportunities and facilities that are currently available only in urban centres and deliver them to people within bi-cyclable distance from wherever they live. This alone would deliver sustainable growth.

This would simply mean: take urban facilities to people and not vice versa. This dominant theme, called 'Distributed Urbanisation,' is at the core of this study. Only such a decentralised economy, in complete harmony with the local ecosystems and social systems, can be sustainable. This does not mean developing all the villages, but developing urban-like landscapes, each sharing an urban-like centre that provides an appropriate, scalable economic environment for the setting up of a marketplace for goods and services locally produced and consumed. Such a local landscape must have proper connectivity to the shared activity centre.

OBJECTIVES

This study seeks to present a regional urbanisation model that could be tailored into a structured programme for the development of urban-like physical and human capital infrastructure over an entire region/country. Such infrastructure development will act as an enabler for sustainable, decentralised economic and societal growth.

The proposed philosophic model provides a conceptual framework with which the community can design an appropriate regional development plan comprising many multi-disciplinary project initiatives.

This coordinating framework can be used to manage both current as well as future projects, avoiding conflicting or over-lapping areas of interest and responsibility. How this process

can be managed is also a subject explored by this study.

The proposed concept of planned development on a regional scale with sustainability as a key consideration is known as PULSE, "Paradigm for Urban Landscaping of States as Eco-regions."

HIGHLIGHTS OF PULSE

PULSE adheres to the principle that development plans should be founded on the three fundamental aspects of sustainability: environment, society/culture, and economy. While region-specific sustainability issues will need to be examined at the local level, PULSE will propose a model for a land and public infrastructure reform as a vital enabler of development and growth. This model can be tailored to suit any particular region.

The PULSE model aims to create a 'level playing field' for all sections of the society by providing the most appropriate, distributed social and economic environment and offer all the people the freedom to strike out on their own path to economic prosperity. It would be a formal, structured and inclusive development framework that synergises the best aspects of various ideas already available in the public domain. It represents a bottom-up approach.

Sustainability Aspects

Factors influencing environmental integrity, societal equity and economic vitality are necessarily locality/region-specific and

need to be factored in specifically for each case. PULSE attempts to achieve this in the following broad terms:

• PULSE deals with a plan for perpetuating social and economic prosperity in a sustainable environment, and not a plan for short-term recovery. The approach will not only remove the inequality of opportunities between urban and non-urban centres but will also ensure economic sustainability.

• PULSE would envisage integrated 'green' development of all built environment.

• Use of the local hydro-geology in a closed loop, preservation of the ecosystem, biodiversity, natural resources, etc., provision of eco-friendly energy systems, etc will be important considerations so that human activities mimic the natural ecology of the planet. Efficient management of all natural resources, pollution, waste, etc. will be planned for.

• Water resources planning will be a vital element of PULSE. It will be holistic in outlook, with emphasis on recycling and preservation and protection of local water bodies.

• Energy efficiency will be a key element in planning and energy needs will be sought to be met by 'clean' power sources or alternative sources, like nuclear, wind, solar, tidal, geothermal, etc.

• PULSE would show equal respect for every individual, whatever his/her diverse background, and offer equal opportunity for employment, wealth creation and freedom of life choices. The proposed model would create the right infrastructure to achieve this aim.

• Other socio-economic aspects such as, governance, health care, education, human rights, social justice, etc need to be considered, but are not elaborated here.

How these aspects could be factored in has been demonstrated in the context of Tamil Nadu.
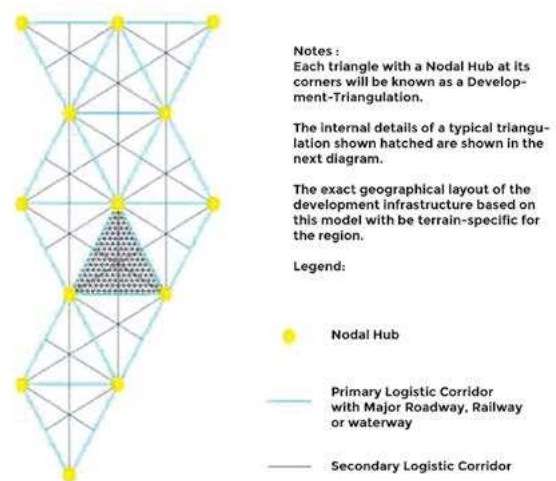
LAND AND INFRASTRUCTURE REFORM MODEL OF PULSE

The basic building blocks of PULSE reform model are human settlements. In modern times, providing an urban landscape wherever people live has become a social and economic imperative. In developing nations, providing differing urban landscape with a limited hierarchical structure of human settlements would be necessary from considerations of local culture, economy, etc. PULSE calls these human activity settlements 'development centres' that are structured at three levels, namely. (a) People Centres, (b) Business Centres, and (c) Nodal Hubs. These centres would be identified or located based on existing facilities, social and economic importance, geography, etc.
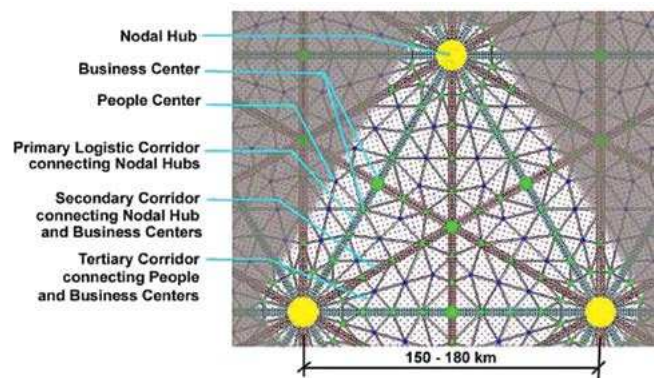
The second building block would be the efficient networking of all development centres. These linkages are known as Logistical Corridors in PULSE, which, again, would be structured based on the traffic they would be expected to carry. The primary logistic corridors connecting nodal hubs form development triangulations that are configured into a lattice structure over a region/country providing for spatially distributed and efficiently networked physical infrastructure for development.

These building blocks provide the necessary environment for people to pursue their chosen livelihood option, lead happy and contented lives, and contribute to growth and harmony of the society. To this end, PULSE provides the basic and broad specifications for these building blocks. The exact configuration of the lattice structure, the networking and the design of development centres are a matter of detailed region-specific planning and design.

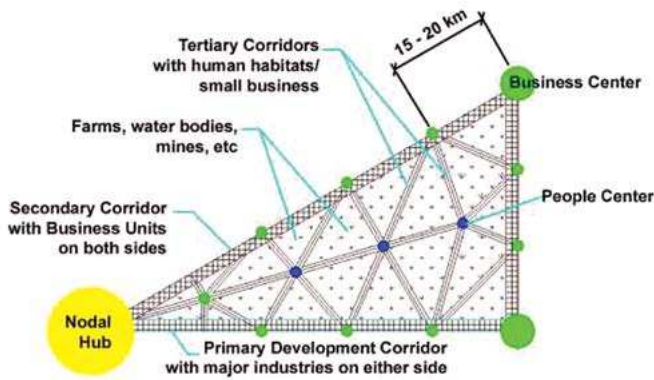The key ideas of the PULSE model are captured in the figures below:

Notes :
Each triangle with a Nodal Hub at its corners will be known as a Development-Triangulation.

The internal details of a typical triangulation shown hatched are shown in the next diagram.

The exact geographical layout of the development infrastructure based on this model with be terrain-specific for the region.

Legend:

● Nodal Hub

— Primary Logistic Corridor with Major Roadway, Railway or waterway

— Secondary Logistic Corridor

A region viewed as an assemblage of many Development-Triangulations

Nodal Hub
Business Center
People Center
Primary Logistic Corridor connecting Nodal Hubs
Secondary Corridor connecting Nodal Hub and Business Centers
Tertiary Corridor connecting People and Business Centers
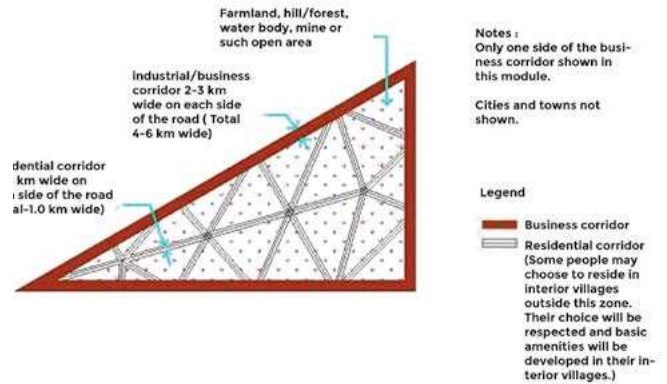
150 - 180 km

Typical Development Triangle effectively connected through physical infrastructure

Components of the basic Development Module

Proposed logistic corridor development to encourage creation of economic opportunities

Brief descriptions of the various features are provided below:

• The model would consist of three types of development centres (human activity settlements) namely, (a) People Centres (15-20 km apart), (b) Business Centres (15-25 km apart), and (c) Nodal Hubs (150-180 km apart), each with defined economic, social and political functions, but with uniform urban-like landscape, that would blur, and eventually eliminate, urban-rural divide.

• People Centres will provide people-related services (both local government and private sector). These centres will serve as a market place for a sizeable local population and so will attract viable urban-like social and business capital investments.

• Business Centres will provide the next level of market services for business and people. They will provide the right incentives for all businesses to start and flourish. These urban centres will also serve as People Centres.

• Nodal Hubs will essentially be governance centres (central and local). These urban centres will also serve as Business and People Centres.

• All centres will be effectively interlinked to each other through a network of Logistic Corridors (roads, railways and/or waterways) that would facilitate and ensure minimum possible movement of men and materials, in the most efficient and sustainable manner possible, focusing on public-transport-oriented development. This network should be interconnected to similar network in the adjoining regions/countries.

• The interlinked Nodal Hubs would form a triangular lattice which will be called Development Triangulation for the region. Three contiguous Nodal Hubs would form a Development Triangle. Each Development Triangle will consist of a few Development Modules.

• Logistic Corridors on the three sides of any Development Triangle will be the primary corridors that provide appropriate infrastructure for setting up heavy/large industries. Inside each Development Triangle will be secondary and tertiary corridors that form a finer lattice. Medium- sized businesses will find appropriate infrastructure along the secondary corridors. Human settlements and very small businesses (small and traditional/cottage industries such as handlooms/handicrafts, etc.) will be located on the tertiary corridors. All these corridors will be designed to foster shared public transportation systems and not to 'keep cars happy'.

• Human settlements in hilly areas and forests are necessarily isolated with very little networking with the rest of the region, and, much less, with urbanised centres. They will be best served by strategically located heliports and public helicopter services. The communication facilities in these are also vital. The logistical development in coastal areas will necessarily be linear and not spatial as in interior areas. Such special conditions will need careful planning and effective integration with the rest of the region.

Political aspects

• While PULSE aims for an almost non-hierarchical social structure, a limited hierarchy for economic and political governance seems inevitable. Inherent to PULSE are political, societal, economic and other project decisions that would shape the final evolution of the development plan.

• The proposed infrastructure reform will enable effective governance at all levels. Appropriate government services will be made available to people at various development centres.

• The systematic development as envisaged by PULSE will ensure equitable and organic distribution of opportunities for wealth creation and exchange across the region or state. It will also aim to provide uniform working conditions for all.

• Facilities for promoting health and well-being of people will be planned at various levels, including centres for community development, cultural expression, education and training, public safety, etc.

• Although they are serious, the perceived levels of corruption should not deter people from the planning and development process. Corruption can be subverted by a participatory planning process that is transparent and inclusive of community residents and stakeholders, as envisaged by PULSE.

• If only visible sustainable development can be demonstrated even at a few select locations, there will be growing demands for replicating such development successes everywhere.

PROPOSED IMPLEMENTATION METHODOLOGY

The preparation of development plans cannot be achieved by the governments alone. It is a long-term adaptive challenge for the communities in the region. This will involve engaging the public and social capital in the region in order that an optimum and equitable plan to surmount this challenge can emerge. This experience will provide people not just an opportunity to shape their future, but will transform them into an informed and strengthened civil society.

To start with, therefore, the philosophical model of PULSE should be suitably modified into a region-appropriate development model as an immediate challenge. The long-term challenge will then be the design of Regional Development Plan (RDP).

Since the people have a shared responsibility for their own development, they will need to be educated and guided in various disciplines of development by a panel of experts. A Regional Advisory Committee (RAC) comprising such experts should educate, guide, motivate and facilitate people to collectively exercise adaptive leadership in order to design, shape, formalise and own the RDP. RACs will be assisted by Local Advisory Committees (LACs) to educate and guide people in various parts of the region. The work of LACs at the grassroots is of crucial importance and will be coordinated by RAC.

Once the RDP is finalised by the people, its implementation will essentially be a technical problem. At this point, the governments should take over the technical development and implementation of various projects envisaged in the RDP, subject to review and audit by the people and the RAC on a continuous basis using the frequently updated information transparently made available on the public domain.

 This methodology will not only teach the people to fish but also empower them to make their own fishing rod.

Governments' Role

For the proposed methodology to work, both the central and state governments should create a suitable new legal environment. All RACs and LACs should be legal entities and funded by the respective states. The governments should diligently identify the facilitators in RACs and LACs. They should not in any way influence the functioning of these committees.

Each final RDP should be enacted as laws of the state and central governments.

Once the final RDP emerges, the State Planning Commission (SPC) takes over the technical process of implementation. The SPC, with support from the governments, will develop, fund and implement the projects and achieve all the goals set by the RDP, suitably incorporating the ongoing projects into the RDP.

The governments should not only invest in the implementation, but ask that their investment is matched/leveraged with other non-public resources. They will represent the people of India and negotiate with international funding agencies when their assistance is sought.

Any unilateral action by the governments to modify or delete any part of the RDP would be illegal and would not be missed by the empowered people. The entire community acting like watchdogs will also fight any corrupt practices.

Private Sector's Role

The private sector (both Indian and foreign entities) can provide specialised services in project development, design and implementation. They can contribute initially with providing expert technical advice to RACs and later fund and implement some of
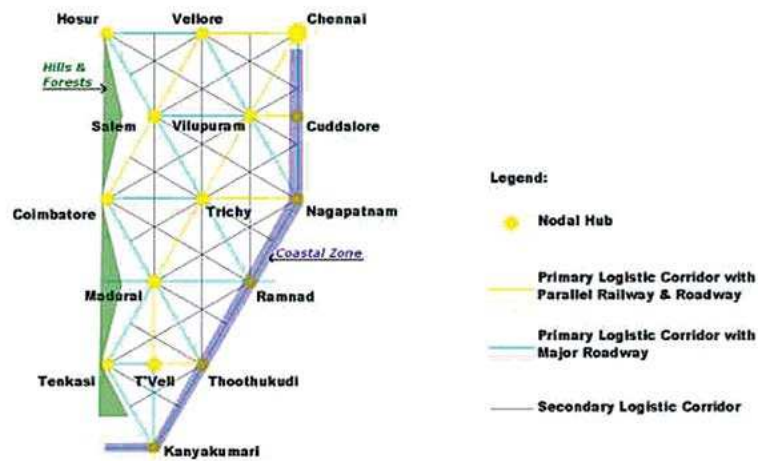
Proposed Development Triangulation of the state of Tamil Nadu

the development projects. They can even consider adopting and developing an entire city or town around which they may plan to develop their business interests.

PULSE AS GRITAM, STATE OF TAMIL NADU, SOUTH INDIA

The application of the concepts of PULSE is illustrated in the context of the state of Tamil Nadu. The urgent need for planning economic-opportunity-creation for the projected population growth in the state is first established. This is followed by a broad discussion on various issues that need to be addressed to prepare an RDP by applying PULSE in the context of the state. These issues include identification of possible Nodal Hubs, logistic corridors, basic infrastructure development needs, special considerations for hilly/forest areas and coastal zones, water resources development, power generation, environment and ecology, etc.

The development plan for Tamil Nadu modeled after PULSE is called GRITAM (Grand Redevelopment of Infrastructure in Tamil Nadu). This discussion (albeit based on data collected a few years back) illustrates how various economic, social, political, geophysical, climatic, environmental, ecological, cultural conditions of any given region can be factored into PULSE for developing a workable development plan for implementation. It is obviously a matter for further detailed planning by the people of Tamil Nadu and this study can only indicate the broad approaches towards achieving it.

About 17 per cent of the area of the state has hills and forests. The logistics in these areas are a challenge and it is proposed that a helicopter service be planned to connect to the nearest road/rail heads. Helipads at strategic locations need to be

built. The state has a long coast line and the development in the coastal zone is necessarily linear. Human settlements here are connected to the coastal highway and railway by branch roads.

The development triangulation proposed for Tamil Nadu is illustrated in the diagrams.

CONCLUSIONS

This study presents a case for 'Distributed Urbanisation' across all areas of an Indian state/region and not confined to cities. Only such a strategy can mitigate the problems of lopsided urbanisation of metros and large cities, and create an inclusive development initiative.

It presents a philosophical model of PULSE for catalysing the preparation of region-specific development plans. Preparation of such a plan is a huge adaptive challenge for the people of the region. Only after the people give expression to their collective vision for their sustainable future can the government step in to develop and implement various projects envisaged by them. Considering the enormity of the challenge, the study presents a suitable methodology for how the planning and implementation work can be accomplished.

The essential features and components of the model have been described in detail and illustrated in the context of the state of Tamil Nadu.

The current generation in the developing world owes it to the future generations to undertake urgent and earnest initiatives aimed at economic development in a sustainable way. Now is the time to not only teach people to fish but also to empower them to design and make their own fishing rod.

You may like to read the complete presentation at http://developmentmodelindia.blogspot.com

IN-SITU SLUM UPGRADATION UNDER JNNURM

Prasanna Desai

INTRODUCTION

While the challenges of urbanisation are plenty, exponential growth of informal settlements is one of the most alarming. People living in these settlements lack basic necessities, and have inhuman standards of living. Apart from the anguish of living with the constant fear of being uprooted, they continuously deal with issues of makeshift houses, lack of toilet, electricity and water supply challenges.

The government of India has launched national and state level policies and schemes to address various aspects of slum rehabilitation and resettlement. However, recent studies have indicated inadequacy in these efforts while dealing with the needs and aspirations of the slum community. The conventional approach of building rehabilitation colonies in peri-urban[1] localities is not proving beneficial for such communities. Relegating the urban poor to the peripheries of the city not only takes away their right to live where they desire but also indirectly aggravates poverty by imposing increased transportation and living costs on this largely unskilled labour force. The provisions of demolishing the existing slums for either sanitising the cities or for rebuilding new housing facilities also fail to consider the emotional bonding people hold with their localities.

The Pune Municipal Corporation (PMC) came up with a unique community driven in situ slum upgradation project under Basic Services to the Urban Poor (BSUP), a Jawaharlal Nehru National Urban Renewal Mission (JNNURM) scheme. This project recognises the prevailing concerns of the urban poor and thereby integrates the community in its planning and implementation process. The uniqueness of the project lies in its in situ design that allows the locals to have houses with all the basic amenities in their own settlements without bearing the brunt of being uprooted to a government imposed outskirt.[2] Every household was designed in consultation with the future residents of the houses. The project gave special emphasis to the sanitation, hygiene, ventilation and lighting requirements of the community. The highlight of the project is its provision of secure tenure for the slum dwellers, otherwise living with the constant insecurity of being uprooted by the government.

This project has emerged as an innovative solution to slum rehabilitation challenges in the developing world. Its in situ model and community driven approach has made it a prototype of good governance in urban housing and poverty alleviation. Recently the project was selected by Smithsonian Cooper-Hewitt, National Design Museum, New York, to display its model at an exhibition titled "Design With Other 90% Cities", which explores design solutions addressing challenges created by rapid acceleration in urban informal settlements.

METHODOLOGY

The Governance Knowledge Centre decided to document the Pune slum upgradation project as a best practice because it incorporates innovative approaches in following in situ rehabilitation strategies under the JNNURM project. The rationale of this in situ approach is to acknowledge the economic implications and emotional bonding that slum communities associate with their own settlements. Unlike other conventional rehabilitation and resettlement and slum upgradation policies and programmes, this unique project neither adopts the blanket measure of demolishing the entire slum area and rebuilding it from scratch, nor does it take the slum community out of the city in order to sanitise the urban space. Instead this project has been conceptualised by the local government authorities to be implemented by NGOs working for housing and sanitation concerns of the urban poor in close association with the local community.

The Governance Knowledge Centre team used both primary and secondary research methods for the preparation of this best practice document.

Secondary research was conducted to understand the policy implications of JNNURM for slum resettlement in the city of Pune and the current debates surrounding policies and challenges related to housing, sanitation and basic services provisions in slum areas.

BACKGROUND

As the population of the country is rapidly starting to concen-

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[1] Peri-urban areas are adjoined to an urban area and located between the suburbs and the countryside.

[2] In situ slum redevelopment model refers to the process of redevelopment of slum areas by providing dwelling space and other basic civic and infrastructural services to slum dwellers on the existing land on which the slum is based. Source: Government of India. Ministry of Housing and Urban Poverty Alleviation. Model Property Rights to Slum Dwellers Act 2011. Web 1 February 2012. <http://www.credai.org/circular%20 0pdf/MHUPA_MODEL_PROPERTY_RIGHTS_TO_SLU UM_DWELLERS_ACT_201 1-24-5-11.pdf/>.

trate in the urban geography, cities are experiencing severe constraints in extending basic facilities for a decent standard of living, especially to the urban poor. With the alarming increase in rural to urban migration, mainly propelled by stagnation and volatility of the agricultural sector and lack of other sustainable livelihood generation activities in rural areas, the city spaces are becoming claustrophobic. The migrants, particularly the unskilled labour force, who enter the city in search of better employment opportunities, mostly end up settling in slum settlements, which are defined by the United Nations Habitat as heavily populated urban areas characterized by substandard housing and squalour[3]. Although housing is a major issue in all Indian cities it is most critical for the 75.26 million people living in slums.[4]

As per the Census of India 2001, the population of Pune is approximately 25 lakhs, out of which an estimated 30–35 per cent are the urban poor residing in the 564 slums of the city.[5] The growth of slum populations is higher than that of the total population and the density in slums is about 6 times compared to the overall density of population in the city. Specifically, in the Warje Karvenagar area of Pune the slum density is 23,509 persons per hectare in comparison to 97 persons per hectare in the non- slum areas. According to estimates of the PMC, 27 per cent of the city's population resides in 353 notified slums covering only 4 per cent of the city area.[6] As per the Shelter Survey conducted by PMC in 2000, 52 per cent of the housing is in the kuccha category; most of the households do not have proper access to basic services or have to share community facilities. These statistics clearly portray the saturating conditions of land and resources, inadequate access to safe water, hygiene and sanitation infrastructure, along with the persisting fear of living everyday with the quasi-legal or illegal residential tenure status.

The government of India under the Ministry of Urban Development launched the Jawaharlal Nehru National Urban Renewal Mission (JNNURM) in the year 2005 with the aim of creating economically productive, efficient, equitable and responsive cities through the strategy of upgrading the social and economic infrastructure in cities. The provisions of Scheme of Housing and Shelter Upgradation (SHASU) 1990, Basic Services to the Urban Poor (BSUP) 2005-06, Integrated Housing and Slum Development Programme (IHSDP) 2005, National Urban Housing and Habitat Policy 2007, and Rajiv Awas Yojana 2009 were launched subsequently in accordance with the 74th Constitutional Amendment Act, 1992. The government of Pune has also been implementing a range of schemes for slum improvement

over the years. The Government Redevelopment Scheme was introduced to enable free construction of houses of about 270 sq feet built-up area. This scheme was implemented in 78 slums in the city. Under the Paid Toilet Scheme, Pune Municipal Corporation (PMC) provided 773 sanitation blocks in the slum areas. In order to recognise the slum dwellers' identity to help them avail slum improvement benefits, PMC started the Photo Pass Scheme, which would cover around 10,000 slum dwellers. Another scheme implemented by the PMC with assistance from the government of India is the Valmiki-Ambedkar Awas Yojana, wherein slum dwellers living below the poverty line are given a subsidy of INR 50,000 for constructing a house of 225 sq feet.

Thus, in urban India, while local municipalities have the authority and responsibility of providing housing and city level infrastructure according to the rationale of democratic decentralisation, in practice, financial support, housing development and provision of basic services there are huge discrepancies in almost all the government promoted low-income settlements, translating into a visible gap between the vision and successful implementation.

The recent debate over the sustainability of resettlement colonies constructed in peri-urban localities has brought to light many realities pertaining to inconvenience and insecurities faced by the urban poor in those government imposed settlements. Those resettlement colonies built under the government's flagship policies deny the right of the poor to reside in a city. The poor are relocated outside the peripheries of the urban space from where they need to commute daily to the city in order to avail of livelihood opportunities. As commutation expenses grow, the importance and utility of housing facilities diminishes, leading to beneficiaries selling off these houses and returning to some other slum inside the city ─ and the cycle continues.

The provisions of demolishing the existing slums for either sanitising the cities or for rebuilding new housing facilities do not take into account the emotional bonding the people hold with their dwellings and localities. Policy makers often fail to comprehend the emotional value attached with existing houses that had been built by the poor with their own hard earned money. The provision of giving a one-time grant or a small piece of land to the slum dwellers for constructing houses on their own, with no access to affordable loans or technological and architectural expertise for construction, also fall short of providing sustainable solutions to the homeless.

[3] Gruber, Denis, et al. "Living and Working in Slums of Mumbai". 2005. Web 14 January 2012. < http://www.uni-magdeburg.de/isoz/ publikationen/d download/36.pdf/>.

[4] Government of India. Ministry of Housing and Urban Poverty Alleviation. Press Information Bureau Notification of Slums 24 May 2011. <http://pib.nic c.in/ newsite/PrintRelease.aspx?relid=72280/>.

[5] Pune Municipal Corporation. Jawaharlal Nehru National Urban Renewable Mission (JNNURM): City Development Plan 2006-12. Declared slum 353, undeclared 150

[6] Notified slums are those that have been notified as slums by municipalities, corporations, or any other local authority. Out of 564 slums in the Pune city 353 are notified and 211 are undeclared

On recognising the importance of addressing these pressing concerns to build an inclusive urban space and to fill in the gaps in the existing slum development policies, a unique community driven in situ project was designed by the PMC under BSUP scheme of JNNURM. This project, designed to upgrade 7 high density slum areas in Yedwara region of Pune, is emerging as a distinguished effort that is receiving national and international accolades. Innovativeness of this project lies in its housing designs that allow the locals to have houses with all the basic amenities in their own settlements without bearing the brunt of being uprooted to a government imposed outskirt of the city.

OBJECTIVE

The objective of the project was to improve living conditions in the slum areas of Pune. It aimed to build houses with all the basic amenities like sanitation and better ventilation. As lack of toilets was a major issue in these high density slum pockets, special emphasis was given on building indoor sanitation facilities. The project targeted to develop a total of 4,000 units in Pune out of which 1,099 kuccha houses were selected under Yerwada region.

PROGRAMME/PROJECT DESIGN
Key Stakeholders

1. **Pune Municipal Corporation (PMC)** undertook the in situ slum upgradation project under the central government's scheme of Basic Services for the Urban Poor (BSUP) under the Jawaharlal Nehru National Urban Renewal Mission (JNNURM). PMC selected 7 slums in the Yerwada region of Pune for upgradation. PMC came up with a tender for NGOs to apply for implementing the project. The NGO had to have strong community presence and experience of working closely with the local elected representatives.

2. **The Society for the Promotion of Area Resource Centres (SPARC)** was appointed by the PMC to implement the project. SPARC is a national level NGO that works on issues of housing and sanitation for the urban poor. SPARC initiates efforts to organise and mobilise communities of slum dwellers to help them gain access to resources required for upgradation and for-malisation of the various forms of informal settlements. SPARC has been working together with Mahila Mila and National Slum Dwellers Federation (NSDF) on these issues and their partnership is called Alliance. In partnership with CHF International Alliance undertook the responsibility of appointing architects, conducting socio-economic survey of the slums, devising financial strategies and ensuring effective community participation.

a) **NSDF** is a community based organization comprising members residing in informal settlements across India. NSDF helps them in building an organised strength against demolitions and for securing basic amenities like water and sanitation in the informal settlements

b) **Mahila Milan** is a decentralised network of collectives of poor women propagating credit and savings programmes in their communities.

3. **CHF International** is a body funded by Bill and Melinda Gates Foundation with the objective of facilitating community involvement and planning and implementation of slum pro-grammes. It provides funding to SPARC in various stages. Most workshops by Mahila Milan aiming to involve the community in the implementation process were funded by CHF International.

4. **Prasanna Desai Architects were appointed to** design the houses for SPARC in Pune. Mr. Desai and his associates finalised the kuccha and pucca structures on site. The building types were designed keeping the existing fabric of the slums in mind.

PROCESS FLOW
Framework of In Situ Slum Upliftment Project Under Jnnurm In Pune

The PMC created the City Development Plan for accessing the mission funds under the Basic Services for Urban Poor (BSUP) scheme of the JNNURM to improve urban infrastructure and services in the city. Subsequently, PMC received the funds under the BSUP for undertaking upgradation of 4,000 housing units to be implemented in packages of separate slum clusters. A housing subsidy of INR 3 lakhs was granted for developing the entire area of 270 sq feet per house to achieve a sustainable inclusive city.

The project was launched in 2009 with the target of providing dwellings to the families of 1,099 kuccha households residing in 7 high density slum areas in Yerwada. These include Mother Teresa Nagar, Sheela Salven Nagar, Wadarwasti, Bhattnagar, Netajinagar, Yashwan, Itnagar and Chandramanagar. The project is to be completed by March 2012.

As per the guidelines of JNNURM, the slums covered under the project are necessarily the notified slums located on government land which is neither reserved for any public purposes nor an ecologically valuable space. Under this in situ slum upgradation project there is the provision of denotifying the site as a slum after the successful implementation of the project, after which the residents will be liable to pay the property taxes. While the benefit of the project was restricted to those residing in kuccha houses, the households that were already pucca could not avail the housing subsidy, but were given a grant of INR 15,000 for constructing toilets. As the whole project is based on the cluster-wise policy, eligible kuccha households are grouped into clusters chosen by a natural ordering of housing arrangements that shared common walls and boundaries.

Stages of Project Implementation

Conducting surveys: Prior to the project implementation, a range of surveys such as plane table survey, biometric survey

and socio-economic survey were conducted. This process was led by the community itself in a drive to create a strong and meaningful knowledge base for analysing the context and current scenario, and thereby help in strategising for negotiation with the government and its intermediaries. The knowledge base contained valuable indicators of the number of households, residential and commercial land usage patterns, household level income, employment type, education level, and detailed accounts of other basic facilities available in the locality. The information obtained helped in listing the beneficiaries and in identifying kuccha and pucca structures for project estimates. The socio-economic survey unravelled the mosaic of the society that later on helped in understanding the aspirations and requirements of the community.

Designing suitable housing: The project focuses on upgrading existing houses in situ, that is, on the the existing footprint, rather than on demolishing the entire slum area for rebuilding. Unlike other conventional slum improvement schemes, this project allows the community to exercise informed choice in finalising a tailor-made design for their houses. Special emphasis was given on integrating energy efficiency, flexibility of topology and quality of space in its design (Figure 1) .

Community meetings explain the project design: Cluster meetings and workshops were organised by Mahila Milan and the architectural team to explain the possible housing layouts to the residents. The meetings started with introducing the community to the government scheme and the NGOs who are implementing it. Members of the clusters were categorically explained the financial model of the project that requires 10 per cent contribution from the beneficiaries. The working design and the pace of the project were then explained by adopting various visual tools such as maps and cardboard blocks. A temporary model was built on the site with bamboo and cloth to allow a clearer spatial understanding of the design. This exercise not only facilitated better understanding of the model but also opened up space for new ideas and opportunities for making the arrangements more beneficiary friendly (Figure 2).

Ranges of housing options: The architecture team focused on retaining the footprint of each pattern, with an approximate carpet area of 135 sq feet. The priority of the residents to stay on ground was taken care of in designing the houses. Although the community has no secure tenure they often cling on to their land holding leading to the preference for houses on the ground floor. The concept of owing a floor on someone else's land was not perceived to be a safe and comfortable option for the majority of residents.

Considering the existing policy guidelines and the difficulty of different footprints present within the different clusters the team came up with two housing choices —option A and option B. Option A is an individual house, built as a Ground+1 structure, and option B is an apartment style Ground+2 building for irregular housing arrangements and small structure clusters. The community was given enough time and guidelines to opt for any of these designs. Although most of the residents opted for option A, smaller houses could not be accommodated in this category. A lot of effort was required by the architecture team and Mahila Milan to convince people to opt for option B though it does not meet the aspiration of holding on to a land area (Figure 3 and 4)

On many accounts the work on the entire 5-6 clusters had to be put on hold as a few individual households were apprehensive and took time to come to a consensus for option B.

Provision of basic services: The detailed community meetings had brought up the need for attached toilets, balconies and underground water storage tanks. Inclusion of a water storage tank led to the creation of a veranda, a semi-private interactive space in front of every household. In order to retain the scope for controlled incremental growth over the years the architects modified the designs with the addition of terraces. Special emphasis was also given to incorporate lighting and ventilation conditions.

The final process of construction: After receiving consensus

Source: Prasanna Desai

Figure 1: Pune slum upliftment project layout

Source: SPARC

Figure 2: Community meetings organised by individual household, along with its street Manila Milan

Figure 3: Housing model of option A

Figure 4: Housing model of option B

from the clusters through an extensive participatory process of consultation and modification, and verification of bank accounts and other eligibility documents by the government authorities, the actual process of construction began. The onset of the process made the stakeholders realise that the final designs in many instances were subject to change as per the site conditions. This resulted in consolidation of further community meetings for final approval. The project is currently in its final stage of completion.

Funding

The central government releases 50 per cent of the funds for the project, 20 per cent comes from the state government and another 20 per cent from the municipalities. The community has to contribute 10 per cent of the cost for the project, as per the guidelines under the JNNURM.

ACHIEVEMENTS

Innovative in situ model for slum upgradation: Unlike other conventional slum rehabilitation projects, this innovative in situ slum upgradation project of PMC considered the financial, social and emotional security and comfort of the people residing in the slum pockets of the city. This model is based on the bottom-up development paradigm that seeks effective community involvement in welfare projects to make it truly pro-poor and people centric. The innovative exercise of facilitating better housing facilities in the existing footprint, without relocation to the peri-urban localities or by dismantling the existing social fabric, has massively helped the urban poor in maintaining the network they had established for gaining access to work related opportunities. This in situ project is a milestone in recognising the rights of the poor to live within the city. By virtue of realising the financial and emotional burden imposed on the poor were they to be pushed out of the city, the project seeks to put an end to the cycle of selling rehabilitation quarters by the beneficiaries and coming back to informal and mostly illegal settlements in search of wage and other employment opportunities.

Dealing with the sanitation challenge: While the lack of toilet facilities is considered the worst aspect of slums, a major focus of the project was to ensure proper sanitation and hygiene facilities in the newly built houses. As the country has earned the dubious distinction of having more cell phones than toilets, a project like this can bring in change in the hygiene and sanitation situation. The existing provisions of community toilets mostly do not serve the purpose they are intended for. Predominantly, due to the lack of proper maintenance and water scarcity, the toilets are filthy,prompting people to defecate in the open and contaminate the surrounding environment. The provision of indoor sanitation facilities is a big relief, especially for women who have often suffered indignity and a risk to their safety while waiting till dark to defecate. The difficulty of accessing toilets at night force women to hold urine for hours, leading to severe health repercussions.

Involving poor as partners, not merely as beneficiaries in the project: The novelty of this project lies in its bottom-up approach that treats the slum dwellers as partners rather than just beneficiaries. From the initial stage of surveying to finalising the housing designs the community was involved through various meetings and workshops. The housing designs of A and B was extensively demonstrated and elaborated before asking them to vote for their final choice. The community was encouraged to express their own wishes in terms of deciding the location of toilets, provision of balconies and water tanks. Continuous dialogue with the community not only ensured people-centric development but instilled a sense of ownership for the project among the beneficiaries.

Tenure security: More than the housing and sewage systems, the unparallel benefit of the project for the beneficiaries has been the sense of tenure security. The project will allow the beneficiaries to have a legal claim to their houses where they have been living for decades. Secure tenure is a basic condition for access to socio-economic opportunities such as livelihood, basic services under government welfare schemes and micro credit. Secure tenure works as an incentive for slum dwellers to improve their living environment.

CHALLENGES IN IMPLEMENTATION

The Pune in situ slum upgradation project has been successful in exploring an alternate housing and slum upgradation model to be replicated across the country. Though this project was a collaborative effort of government, civil society and the community it encountered a few challenges in dealing with varying needs of the community. Whenever the proposition of sharing land area with neighbours was discussed by the architect team, there was a strong resistance from the people. As very small houses (with less than 100 sq feet carpet area) had to be integrated with those of neighbours' to come up with the G+2 structure, the households showed disinterest and lack of trust in the project. It required months of persuasion and negotiation with the community to start the actual process of construction. The question of financial contribution of 10 per cent by the beneficiaries was also a subject of contention. The project also had an objective of widening roads, building a storm water drainage system, and increase the public space which was required for households to rearrange their footprint. However, the appeal for releasing some part of the foot print emerged as a major cause of conflict leading to limiting the scope of the project to upliftment of housing conditions.

CONCLUSION

The Pune slum upliftment project has emerged as an innova-

Source: Prasanna Desai Architects

Figure 5: Prasanna Desai at Smithsonian Cooper-Hewitt, National Design Museum

tive solution to slum rehabilitation challenges in the developing world. Its in situ model and community driven approach have made it a prototype of good governance in urban housing and poverty alleviation. Recently this project was selected by Smithsonian Cooper-Hewitt, National Design Museum, New York to display its model at an exhibition titled "Design with Other 90% Cities", which explores design solutions that address challenges that are created by the rapid acceleration of urban informal settlements.

Research was carried out by One World Foundation India (OWFI).

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PATTERN OF URBANISATION IN TELANGANA STATE

Telangana was carved out from the erstwhile State of Andhra Pradesh as a separate state on 2nd June, 2014 under the States' reorganisation scheme. It is the 29th State of India. Spread over an area of 1,14, 840 sq kms, it is the 12th largest state of India[1]. The Telangana state consists of 3.5 percent of the country's total area and 2.9 percent of the total population. The population of Telangana has increased from 30.99 million to 35.19 million from 2001 to 2011- an increase of 14 percent, whereas the country's population increased by 17.9 percent during the same decade. The urban population of Telangana has increased from 9.85 million (31.8 percent) to 13.68 million (38.6 percent) during the same decade.

A district level analysis of urbanisation shows that Hyderabad district is the most urbanised district followed by Rangareddy district. The entire population of Hyderabad district and 70 percent of the Rangareddy district is urbanised[2]. Table 1 shows that Mehboobnagar and Nalgonda districts have the least urban population (14.9 percent and 18.9 percent respectively). The annual growth rate of population was highest for Rangareddy district (i.e., 6.52 percent) and lowest for Hyderabad district during the last decade.

Size Class Distribution
The Telangana State has altogether 158 Cities/Towns with total population

of 13.07 million (2011). It comprises 4 Municipal Corporations, 35 Municipalities, 116 Census Towns, 2 Nagar Panchayats and 1 Cantonment Board. The 4 Municipal Corporations accounts for 60.6 percent of the total urban population of Telangana. The Municipalities accounts for 21 percent and Census Towns comprises 16 percent of the population.

The size class classification of cities and towns in Telangana State shows a high growth's rate of population in smaller size of towns as compared to class I cities. The AEGR in class VI cities which has population less 5000 is highest (14.6 percent) during the decade 2001-11. During the same decade the AEGR in class I and II cities was 2.7 percent and 1.5 percent respectively (Table 2).

Demographic Profile
According to the 2011 Census, the ST population constituted around 9.3 percent in Telangana as against 5.3 percent in the residual state of Andhra Pradesh. Thus, as much as 60 percent of the ST population of undivided Andhra Pradesh is concentrated in Telangana. SCs account for about 15.4 percent of population in Telangana as against 17 percent in the residual state of Andhra Pradesh.

The population of Muslims was as high as 12.5 percent according to the 2001 Census in Telangana as compared to 6.9 percent in Andhra Pradesh. As many as 61 percent of Muslims of undivided Andhra Pradesh now live in Telangana, of whom 60 percent are spread over different districts other than Hyderabad.

[1] The Telangana State consists of ten districts viz Hyderabad, Rangareddi, Warangal, Adilabad, Karim-nagar, Medak, Khammam, Nizamabad, Nalgonda, and Mahbubnagar. The remaining 13 districts have remained with Andhra Pradesh.

[2] Rangareddy district is the most populated district followed by Mehboobnagar. Nizamabad district has the lowest population.

TABLE 1:
PATTERN OF URBANISATION IN TELANGANA STATE

Districts	% of Urban population		AEGR
	2001	2011	2001-2011
Hyderabad	100	100	0.29
Rangareddy	54.2	70.22	6.52
Warangal	19.2	28.25	4.65
Adilabad	26.53	27.73	1.41
Karimnagar	19.44	25.19	3.37
Medak	14.36	23.99	6.41
Khammam	19.81	23.45	2.50
Nizamabad	18.11	23.06	3.26
Nalgonda	13.32	18.99	4.26
Mahbubnagar	10.57	14.99	4.93
Telangana State	31.8	38.67	3.23

Source: Census of India 2001 and 2011

Table 3 presents the social indicators for districts of Telangana state's urban area. As per the 2011 census data, sex ratio is highest for Khammam district (i.e., 1023) and lowest for Hyderabad district (i.e., 953) in 2011. Child sex ratio is highest in Nizamabad and lowest in Hyderabad district in 2011. Literacy in Telangana is low as compared to the national average 85 percent. The average literacy rates of Telangana have increased from 66 percent in 2001 to 71 percent in 2011. Hyderabad, Warangal, Khammam, Nalgonda have the higher percentage of literacy rate than other districts of Telangana state. The work participation rate (WPR) is highest for Karimnagar district and lowest for Adilabad district in 2011. Most importantly, the average WPR for all the districts have increased from 31.67 percent in 2001 to 36.79 percent in 2011.

Economic Profile

Hyderabad is an industrial hub of the state. The remaining parts of Telangana has not developed at the same pace. The Gross State Domestic Product (GSDP) of Telangana was Rs.3,35,018 crores at current prices in 2012-13 as compared

to Rs.94,61,979 crores in India. Between 2004-05 and 2012-13, the average annual GSDP of Telangana grew at 17.87 percent as compared to 15.58 percent in India (Figure 1). The growth in Telangana was mainly driven by the industry and services sectors. The service sector constitutes more than half of the GSDP, industry sector constitutes 28.8 percent and agriculture 17.2 percent (Table 4). The industrial sector had registered the fastest growth of 18.15 percent followed by services sector (17.92 percent) and agriculture sector (17.23 percent) between 2004-05 and 2012-13.

The per capita income of Telangana increased from Rs.24,409 in 2004-05 to Rs.83,020 in 2012-13. The respective figures for India are Rs.24,143 in 2004-05 and Rs.68,747 in 2012-13 (Figure 2). The average per capita income of Telangana increased by 22.63 percent and that of India by 13.97 percent between 2004-05 to 2012-13. The district of Hyderabad and Rangareddy are the highest contributors (19 percent and 18 percent respectively) in the GSDP of Telangana whereas the least contributors are Adilabad and

Nizamabad (6 percent and 5 percent respectively).

Hyderabad Urban Agglomeration

The Hyderabad agglomeration is the largest urban agglomeration in Telangana State both in terms of population and area. Spread across three districts viz Hyderabad, Rangareddy and Medak, it covers an area of 778 sq kms[3].

The population of Hyderabad Urban Agglomeration (HUA) increased from 2.55 million in 1981 to 4.3 million in 1991 and to 5.7 million in 2001. The decadal growth rate of HUA was as high as 43 percent and 67 percent during the decade of 1970s and 1980s respectively. The decadal growth rate came down significantly to 31.0 percent during 1991-2001. In 2011, HUA had population of 7.7 million, registering an annual growth of 2.9 percent.

In 2001, Hyderabad UA consisted of 1 Municipal Corporation, 9 Municipalities, 6 Census Towns, 13 outgrowths and 1 Cantonment Board. After the expansion of municipal boundary of Hyderabad, all the municipalities falling in HUA were merged in GHMC. As a result in 2011, the HUA has only one Municipal Corporation. The other constituents of HUA are 49 outgrowths, 23 census towns and 1 cantonment board (2011).

Much of the spatial expansion in the last decades in the HUA has occurred in the surrounding areas rather than the core. As per census 2011, 87.7 percent of the total population of UA is in GHMC. The percentage share of population in census towns, outgrowths and Cantonment Board is 6.1 percent, 3.4 percent and 2.8 percent respectively.

Greater Hyderabad Municipal Corporation

Hyderabad, the capital of Telangana

TABLE 2: SIZE CLASS DISTRIBUTION, TELANGANA STATE

Size Class	No of Cities	Share of Urban Population		AEGR
	2011	2001	2011	2001-11
Class I Above 100000 people	12	71.5	75.1	2.75
Class II (50000-99999)	29	12.8	15.2	1.50
Class III (20000-49999)	35	8.8	6.3	6.50
Class IV (10000-19999)	47	5.1	2.6	10.01
Class V (5000-9999)	32	1.7	0.8	11.08
Class VI (less than 5000)	3	0.1	0.03	14.66
Telangana	158	100.0	100.0	3.23

Source: Census of India 2011 and 2001

[3] As per Census 2001 the area of HUA is 778 sq kms. The present area of HUA is estimated to be 1905 sq km.

TABLE 3: **DISTRICT WISE SOCIAL INDICATORS OF TELANGANA STATE (URBAN) 2001 AND 2011**

| Name of the District	Sex Ratio		Child Sex Ratio		% of Literacy rate		Work Participation Rate	
	2001	2011	2001	2011	2001	2011	2001	2011
Adilabad	965	978	939	925	61	68	29	35
Nizamabad	974	1016	953	962	62	68	34	38
Karimnagar	964	986	948	932	65	70	33	38
Medak	947	966	954	955	66	69	32	37
Hyderabad	933	953	943	914	69	73	29	36
Rangareddy	929	957	950	931	67	73	33	38
Mahbubnagar	954	973	953	935	65	69	33	37
Nalgonda	944	995	955	943	70	73	32	37
Warangal	970	989	961	939	70	73	32	36
Khammam	978	1023	958	947	68	73	31	36
Telangana	945	970	948	930	67	72	31	37

Source: Census of India 2001 and 2011

TABLE 4: **DISTRICT DOMESTIC PRODUCT OF TELANGANA FOR 2012-13 (RS.CRORES)**

District	Total	Agriculture	Industry	Services	Per Capita Income
Hyderabad	62,894	0.7	18.4	81.0	123,992
Ranga Reddy	61,199	8.7	37.1	54.2	113,977
Medak,	40,075	1.0	41.0	40.5	111,745
Karimnagar	32,165	22.6	31.4	46.1	73,251
Nalgonda	28,174	27.5	29.3	43.3	69,215
Mahaboobnagar	25,814	31.4	23.3	45.3	59,909
Khammam	24,402	23.1	30.0	46.8	75,014
Warangal	23,247	26.1	21.1	52.8	58,007
Adilabad	19,641	20.2	30.4	49.4	61,679
Nizamabad	17,407	31.9	19.0	49.1	60,026
Telangana	335,018	17.2	28.8	54.0	83,020

Source: Directorate of Economics & Statistics, Government of Telangana

FIGURE 1: **GROSS STATE DOMESTIC PRODUCT (GSDP) OF TELANGANA**
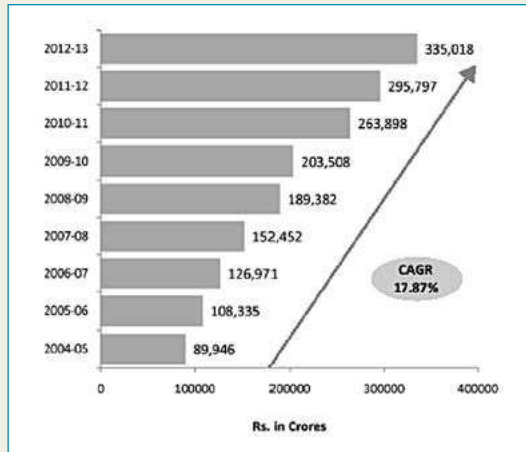
FIGURE 2: **PER CAPITA INCOME OF TELANGANA**
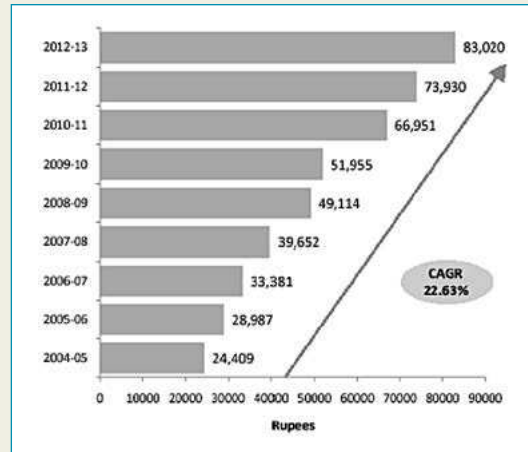
Source: Directorate of Economics & Statistics, 2013 Government of Telangana

offers a fascinating panorama of the past, with richly mixed cultural and historical tradition. It is one of the fastest growing cities of India and has emerged as a strong industrial, commercial, technology center. Hyderabad is now the fourth most populous city and the sixth most populous urban agglomeration. Spread over an area of 922 sq.km, it has a population of 7.17 million (2013). The area under the municipal corporation increased from 175 sq. km to 650 sq. km in 2007 when the Greater Hyderabad Municipal Corporation (GHMC) was created by merging 12 municipalities[4] and 8 gram panchayats[5] with the erstwhile Municipal Corporation of Hyderabad. As a consequence, the total population increased from 3,637,483 in 2001 census to 6,809,970 in 2011 census, an increase of over 87 percent. The GHMC area was further expanded in 2013, after the merger of 35 villages. The area increased from 625 sq.km to 922 sq.km, an increase of 297 sq.km and population increased from 6.73 million to 7.17 million. The GHMC area is spread in three districts of Telangana i.e. Hyderabad, Rangareddy and Medak.

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[4] 12 Municipalities of Rangareddy district were added viz L.B. Nagar, Gaddiannaram, Kapra, Uppal Kalan, Alwal, Serilingampalli, Rajendranagar, Kukatpally Ramachandrapuram Malkajgiri Quthbullapur Patancheru.

[5] The merged panchayats are: Shamshabad, Satamarai, Jallapalli, Mamdipalli, Mankhal, Almasguda, Sardanagar and Ravirala.

IN THE ERA OF GLOBALISATION, EQUITY ASSUMES GREAT SIGNIFICANCE IN THE DEVELOPMENT PATH OF INDIAN CITIES. THIS MONOGRAPH OUTLINES THE STATUS OF URBAN INDIA. IT ALSO OVERVIEWS THE ISSUES OF GOVERNANCE, EQUITY AND FINANCE WITH AN EMPHASIS ON NEWLY CARVED STATE OF TELANGANA.