

Appraisal of City Development Plan Guwahati

August 2006



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Appraisal of City Development Plan: Guwahati

1. The CDP of Guwahati needs re-organisation

IL&FS:

The CDP has been reorganised on the suggested lines and a new chapter 6 on Situation Appraisal on the sectors has been added – Page 39.

2. On p. 13 in Table 2 the institutional responsibility matrix is given. While the table gives the institutions responsible for various infrastructure and services, and mentions in the text that “there is overlapping of responsibility...”, there is no write up on the specific areas in which these overlapping agencies are working. For instance, the responsibility for water supply is with PHE, AUWSSD and GMC, but there is no write-up to explain which areas these agencies are serving, as they cannot all be serving the same area.

IL&FS:

The various agencies have defined areas in which they are working. For example, in water, the agencies involved operate and maintain identified Water Treatment Plants. However, this has resulted in no single agency being responsible for the overall supply of services. Consequent to the 74th Amendment, steps are being taken to make GMC as responsible for the urban services in the entire region and thus be the single point agency. An explanation on the situation has been given in the chapter on Page 8-9. A table outlining the areas covered by the institutions except GMC and GMDA has been added as an annexure 2 on Page 157.

3. The population of Guwahati city, as per Census 2001, was 8.09 lakhs and the 1991-2001 decadal growth rate was 38.6 %. The population has been projected to grow to 1.19 million by 2011 and to 1.75 million by 2021. These projections have been computed using the Census figures and then the trend has been formulated on an exponential series to forecast population. It would be useful to know why the exponential series has been used to forecast the population.

IL&FS:

This allows computation of population based on the past trend. With growing urbanisation, population growth is expected to follow the past trends. This method has also been adopted by the region in its master plan. (Page 15 Section 3.3).

4. Section 3.3 on page 19 states that “The GMA region has been experiencing an above average growth in population due to a mix of factors such as annexation, natural growth and migration”. However, the discussion on demography does indicate the numbers

added due to these factors. Even section 3.4 on migration does not give any idea of the number of migrants. These need to be given (ref. Table 2 in toolkit 2).

IL&FS:

In the absence of any specific data on the migration, the migratory figure has been computed at around 25% based on discussions with State Government officials (Page 16 Section 3.4).

5. It would be useful to combine section 3.8 (Workforce Variance) and section 4.4 (Workforce Break-up). Since both relate to the workforce, these can be combined, although the source of data in these two sections is different. It will then be possible to get some idea of the number of workers in the workforce.

IL&FS:

The sections have been combined and census data now used. (Page 21 section 3.8.1).

6. While information on the formal sector is given in the CDP, there is no information or discussion on the informal sector. This needs to be added.

IL&FS:

Information on Informal Sector added (Section 4.4 Page 30).

7. The goals and respective objectives are quoted in the CDP on pages 54 and 55 (section 7). The following statements need elaboration ‘integrated urban development’ (Goal III), ‘create a city without slums’. Each of the vision statements or goals need to be rationally justified, prioritised and clearly explained vis-à-vis the existing situation in the city.

IL&FS:

Each of the vision statements has been clarified in the respective sectoral chapter. However, elaboration on the above mentioned visions have now been provided. (Page 78-79).

8. The data on the air quality of the city is given in Table 20, page 47. However, the same is not explained analytically. The standard for NO₂ for commercial and industrial areas is not given. Table 20 gives a list of areas and the levels of concentration of SO₂, NO₂ and SPM. Against these areas, their type (residential / commercial / industrial) is not mentioned. A generalised inference that may be drawn from the above-mentioned table is that the SPM levels are far above the prescribed standards all over the city. It is also mentioned that one of the major causes of high levels of SPM is vehicular pollution and inadequate and substandard road conditions. Another reason could also be indiscriminate

deforestation resulting in soil erosion in the hills surrounding the city. However, mitigation measures to reduce SPM levels are not discussed.

IL&FS:

Modified tables are provided as an annexure 3.

9. In section 6.3.4 - soil erosion and hill cutting, it is mentioned that “regulatory measures and implementary framework for such measures shall be maintained.” This statement needs elaboration.

IL&FS:

Elaboration provided in Section 7.3.4 Page 74-75.

10. A disaster management plan for Guwahati is one of the most important requirements for the city. It is not clear if anything on these lines has been formulated or is being formulated. If so, it needs to be mentioned in the CDP.

IL&FS:

A status on Disaster and action points provided. A detailed Disaster Plan for the entire North East is under preparation. (Page 41, Section 6.1.1)

11. In section 6.4.3 (air pollution), the report states “one of the most important measures that needs to be taken up immediately is strict compliance to economic legislation.” This may be explained.

IL&FS:

This has been explained in the section 7.3.3 (Page 74).

12. In the section 6.4.4 the CDP mentions “beautification of water bodies”. ‘Rejuvenation’ of water bodies is of more importance to Guwahati than ‘beautification’, particularly in the light of the fact that Guwahati does not have a sewerage system and the untreated sewage flows into the water bodies. It is also not explained what is meant by ‘beautification’. The phrase ‘clean up the environment’ needs elaboration. How will the residents ‘use the water bodies for recreational purposes’? What steps will be taken to augment the ‘recharging capacity of water bodies’ – does it mean recharge of ground water?

IL&FS:

Explanation has been provided (Section 7.3.5, page 75).

13. A total amount of Rs.100 crores is required for 'beautification of water bodies'. A break-up as to how this figure has been arrived at needs to be presented.

IL&FS:

The break up has been provided (Page 76 & 145).

14. The land use pattern of Guwahati for 2001 and 2025 are given in percentages in Tables 22 and Table 23 (pages 56 and 58). The areas in absolute terms are not given, which needs to be given. Certain categories need explanation. What is meant by 'special category government'? The features included in each classification may be elaborated further. A land use map is attached at page 57. Is this the present land use pattern? The year may be mentioned. The basis for projecting the future land use pattern may also be explained and integrated with the strategies worked out in the CDP.

IL&FS:

The year in question is 2025. It has been mentioned (Page 82).

15. It is evident from the CDP that Guwahati is the centre for tourism for the entire north-east. It emphasizes the need for an integrated tourism plan. It may be elaborated here whether any efforts in this regard are underway. On page 62 a mention is made of the 'look east policy'. What is this policy? This statement needs elaboration.

IL&FS:

Look East is a policy adopted by the GOI for doing business with the ASEAN countries. NE being geographically closer to these countries, corporate interest in the region has increased (Page 44).

16. It is unclear as to why ground water sources need to be exploited, which due to the presence of hard rock appears difficult. Since the city has access to a reasonable quality of perennial source of surface water, the CDP must clearly explain the reason for looking at the ground water option. The technical, environmental and economic advantages and disadvantages of both the options may be explained.

IL&FS:

The Ground Water Exploration was considered for areas where distribution networks maybe difficult to implement because of economic reasons. However, it is agreed that the option can be considered after detailed appraisal of technical, environmental and economic advantages. Utilisation of Surface Water remains the first priority. (Page 91-Sustainability of Source).

17. Table 25 on p. 73 gives a few indicators of service levels for water supply. The total quantity of water supplied daily is neither available from this table nor from anywhere in

the write up. Unless the present quantity of water is indicated, it is difficult to understand the demand supply gap, as the quantity of water required in future is stated as 80 MGD.

IL&FS:

The quantity of water supplied by the three agencies in Guwahati amounts to roughly 30% of the installed capacity (of around 20 MGD) i.e. about 6 MGD. It has been clarified that water requirement has been assessed on the basis of projected population and supply @ 150 LPCD. The present facilities being substantially old will need to be phased out and hence an entire set of new facilities needs to be set up over the Mission Period. (Page 90).

18. It is stated on p. 70-71 that the water treatment plants are running at only around 50% of their capacity and also that the transmission losses are about 40%. Poor maintenance of these plants, which require urgent investments, is stated to be the reason for this state of affairs. Para 2 on p. 76 states that “Based on the population growth, transmission efficiency and taking into account floating population, the requirement of water treatment capacity is to the tune of 100 MGD”. The floating population numbers are not given in the CDP. This needs to be given in order to know if the 100 MGD capacity being proposed for WTP is reasonable or over calculated.

IL&FS:

Based on the present population trends the requirement of Water is to the tune of 80 MGD. Based on the experience of GMC in terms of past drawl, the additional requirement of water is to the tune of 10% due to floating population of around 25%. Taking into account, distribution losses, the facility has been designed at 100 MGD. (Page 92).

19. On p. 78, under the sub-title Structured Public-Private Participation it is stated that “Private sector participation is desirable in the PPP format in the sector”. The CDP should indicate the source of this statement and whether this option was discussed in the consultative meetings and what were the reactions of the stakeholders.

IL&FS:

The option has been discussed and adopted at all the stakeholders meeting and also confirmed by the State Government in the State Level Nodal Committee attended, among other, by the Honourable Chief Minister, Government of Assam. (Page 93-94).

20. Cost recovery figures given on p. 73 (last para) indicates that the annual expenditure on water supply is about Rs. 10.8 cores while the recovery is only about Rs. 80 lakhs which works out to about 7.4% of the expenditure. However, it is not clear as to which year this data belongs to. The complete data including cost of production of water, water

tariff, expenditure and revenue from water as well as demand and collection needs to be given for at least 3-4 years.

IL&FS:

The recovery of cost of water is partially through Property Tax and through direct levies in certain areas. The data provided pertains to the current trends as confirmed by GMC. With respect to other years' data, details have been provided in the FOP.

21. In section 10.5 on p. 78 the projects being proposed for water supply sector are given in a tabular form. In the table it indicates that new facilities for 1000 MGD would be required. This figure should have been 100 MGD as per the statement made in the water supply section. If the Rs. 1000 cr being proposed has been calculated on 1000 MGD then the funds being requested needs re-working. This needs to be checked and corrected. Some detailing of projects must also be indicated for the Rs. 1000 crores being proposed. A gross figure without any specification of projects is difficult to comprehend.

IL&FS:

New Facility of 100 MGD and capacity maintenance for the existing plants have been proposed. The break up of costs as required has been provided under the schemes. (Page 94).

22. On p. 80, the statement below Table 26 states that the total number of households in the city are 246947 as per the Census of India, 2001. However, the figures for 2001 given on Table 26 do not match with this figure. This needs to be corrected.

IL&FS:

This has been corrected (Page 49).

23. In order to improve public transportation, traffic movement, speed, and congestion the CDP indicates that an Integrated Mass Rapid Transportation System may be required. In the investment requirements an amount of Rs. 10 cr. is being proposed for project development of MRTS. The project itself is being estimated at Rs. 3000 crores. The CDP does mention Integrated Transportation System, however, it does not elaborate on the multi-modal transport system. The new transportation system should integrate land use and transport planning and also give priority to non-motorized transport to the extent possible, as envisaged in the National Urban Transport Policy.

IL&FS:

As mentioned in the CDP, the Multi Modal Transport System can be proposed only after a detailed Project Feasibility and Project Development Exercise is carried out. At the same time, the importance of the System is recognised. The CDP proposes an amount of

Rs 10 crores for Project Development. The actual cost, project components and implementation structure can only be identified at the end of the exercise. It is also confirmed that the new transportation system shall integrate land use and transport planning and also give priority to non-motorized transport to the extent possible, as envisaged in the National Urban Transport Policy. (Page 103).

24. Sections 13 on Drainage and section 15 on Storm Water should be integrated. Both these sections discuss very similar problems. The projects for drainage and storm water can then be proposed in a more integrated manner. These projects should also be integrated with projects on “restoration and beautification of water bodies” and “water front development”.

IL&FS:

Considering the importance of dealing with Storm Water, which is a major issue in the region, a separate section had been proposed. However, as mentioned in order to provide the projects in a more integrated manner, the respective chapters have been combined. (Page 104).

25. This section (section 16) except for stating that “It is understood that there are 26 slum pockets in the GMC area covering 1.6 lakh people” gives no indication of the conditions in which the poor live. There is no data on how many of the slum households have access to various services. Since projects are being proposed for the urban poor, there has to be some data and analysis presented for taking up these projects. The Slum Development Programme being proposed for Rs. 20 crores needs to be elaborated to indicate which aspects will be covered and what will be the cost of providing the services

IL&FS:

Data to the extent available has been provided. The components proposed under the CDP is considered necessary to ensure development of the Slums. Further changes have been made in the schemes as discussed (Page 116).

26. The city generates about 373 tons of waste per day, though it is not clear from the table on p. 122 as to which year these figures are for.

IL&FS:

The figures are for 2005. A new table on the generation of is provided on page 70.

27. On p. 121, in the last paragraph it is mentioned that a map has been provided in Annexure 1 containing the roads and the limits of the municipal wards of GMC. This map is not available in the report and may be provided.

IL&FS:

The map is not available. Erroneously mentioned.

28. Urban renewal is considered in the CDP as rehabilitation, conservation and redevelopment. However, under this head, the CDP proposes construction of industrial parks, shifting of wholesale markets outside the city, relocation of slums outside the city and beautification of the city. Creation of industrial parks cannot be funded under JNNURM. Relocation of slums should be proposed as a strategy under basic services to the urban poor unless the slums are to be shifted from inner city areas where heritage would need to be preserved. Some of the items of city beautification are already being covered under other sectors. Therefore, the amount being proposed under urban renewal (i.e. Rs. 100 cr.) will need to be re-worked.

IL&FS:

All the above projects are proposed to decongest the region. As such creation of industrial park is not a part of the proposal. However, creation of basic infrastructure without which the shifting of markets, industry and slums will not be possible. The figure as suggested has been reworked to Rs 70 Crore (Page 129).

29. No analysis related to the “Finances of GMC” has been presented in the CDP, however Tables 18 and Table 19 provide the financial position of Guwahati Municipal Corporation and Guwahati Metropolitan Development Authority, which needs many clarifications. For example Table 18 should clarify the following:

- Whether the amounts provided in the Table are based on “Actual Accounts” or “Budget Estimates”?

IL&FS: Based on actual accounts.

- Huge deficits are shown for the year 2003-04 and 2004-05. It is not clear how these deficits are being financed.

ILFS: Deficit is excluding grant and has been financed by Govt. grant.

- There is a sudden decline in receipts from own sources during 2002-03 to 2003-04. How can this be explained?

IL&FS: This was primarily due to withdrawal of toll tax, which contributed to as much as 33% of the revenue earnings of the corporation. This has been explained under section “Summary of Key Observations”

- Break up of tax and non-tax income are not provided. For example, what are the major tax and non-tax sources of income and what is their pattern in the last four years?

IL&FS: Break up revenue receipts of 2004-2005

	Actual for 2004-05
property tax	908.51
urban immovable property tax	84.82
fixed deposit with bank	0
taxes on drought animal & non-mech. Vehical	31.14
other taxes	458.13
Discretionary tax u/s 144(2)	48.69
assign taxes from govt u/s 184	702
Sub-total	2233.29
grant in aid from govt	853.36
duty on transfer of property u/s 170	266.78
realisation of fees under special act & rules	55.04
sale of water	26.15
application fees	54.89
interest on loan & advance	0
market & slaughter house	116.53
other fees	127.58
Sub-total	1500.33
Total	3733.62

- Tax domain and details of user charges is not provided.
- Details of expenditure and revenue from each service should be given and the cost recovery information should also be provided.
- Property tax rate structure and tariff structure related to services such as water supply etc. is not provided.
- Demand and collection ratios for Property tax and other user charges are not provided.
- Government and other revenue grants have contributed fifty percent to the revenue income. However the details of these grants are not provided.

30. Apart from the activities and finances of the urban local body, a sub-section under Section 5 (section 5.6 on page 43) discusses the funding for VRS and capacity building. While the VRS scheme cannot be funded under JNNURM, for capacity building, there is already funding apportioned under the Mission.

IL&FS:

The FOP submitted as per the requirements of NIUA has been submitted under City Investment Plan Section 21.4 on page 147. With respect to VRS and capacity Building, the ULB wants to undertake a financial and operating restructuring. This is critical to

ensure financial sustainability. The explanation is provided on Page 38 under section 5.6.

31. The summary table of investment requirements given on p. 149 needs two corrections. The amount of investment required for solid waste management is given as Rs. 90 cr. in the table whereas on p. 126 the figure given is Rs. 66 cr. Similarly the investment requirement for urban renewal is given as Rs. 50 cr. in the table on p. 149 whereas on p. 135 the figure given is Rs. 100 cr. With these corrections made, the total investment requirement works out to Rs. 3200 cr. as against Rs. 3174 cr. given on p. 149. These corrections need to be made.

IL&FS:

Corrections made (p.144).

Summary Table of Investment Requirements

Sector	Projects	Cost (Rs. Crore)
Urban Local Govt.	Capacity building programme and VRS Scheme	30
Environment	Restoration & Beautification of Water Bodies	100
Water supply	Study for alternative water sources	2
	Expansion in coverage of existing and distribution network New facilities for 1000 MGD, Investment in existing facilities	1000
	Operation and Maintenance fund	60
	Capacity building	10
	Water Harvesting	5
	Sub-total	1077
Transportation	Integrated traffic management system	200
	Integrated transportation system <ul style="list-style-type: none"> • Road improvement • New ROBs/ Strengthening of existing ROBs • Logistic hubs • Parking facilities • Intra-city bus terminus • New alignment parallel GNB Road • Ropeway project • Project development of MRTS (Project pre-feasibility, detailed project report, project structuring and modelling. 	319 100 50 60 32 40 30 10
	Sub-total	841

Drainage	Integrated drainage system	200
Sanitation	Integrated sanitation and sewerage system	301
	Awareness programme	5
	Sub-total	306
Storm water	Storm water system	200
Basic services to the Poor	Community Hall	10
	Health care and Education	40
	Slum development programmes	20
	Operation and maintenance	10
	Sub-total	80
Solid waste management	Integrated solid waste management	60
	Awareness programme	6
	Sub-total	66
Water front development	Water front development	200
Urban renewal programme	Market shifting, slum relocation, city beautification etc.	100
	GRAND TOTAL	3200

32. Some details will have to be given for the projects proposed under each sector along with the tentative investment requirement. For instance, a break-up of cost of the Rs. 1000 cr. being proposed in the water sector need to be given. Some of the CDPs already cleared for funding could be consulted for elaborating this section.

IL&FS:

All changes have been incorporated and break ups have been provided (Page 144).

33. Prioritisation of sectors

IL&FS:

The prioritisation of sectors has been provided under the sector-wise allocation in section 21.3 on Page 144, 145 & 146

34. The CDP has provided only one table (page 151) to explain the financial operating plan (FOP). This Table has created some confusion, which need to be addressed. These are:

- Data for the years 2004-05 provided in this Table does not match with Table 8.

- Dependency on grants has increased from 23 percent in 2004-05 to 42 percent in 2005-06 and further increased to 60 percent in 2006-07. It needs to be clarified why the dependency on state grants would increase in the coming years.
- Income from revenue/taxes is projected on the assumption of 27 percent annual increase, which does not seem feasible.
- The basis on which the FOP is prepared and assumptions used is not clear.
- The FOP presents huge fluctuations, which cannot be understood in absence of the required details.
- Sector-wise FOP is not provided.
- A huge jump has been observed in administrative expenses during 2004-05 to 2005-06, which cannot be understood due to lack of details.

IL&FS:

The revised FOP has been provided under section 21.4 on pages 147 to 150.

35. The following maps also need to be attached to the CDP:

1. Location of water bodies in the city, the natural drainage channels and areas prone to submergence
2. Air pollution sampling locations
3. Location of reserve forests in Guwahati Metropolitan Area along-with encroachments and eroded hill slopes around the city
4. Existing storm water drainage network in the city

IL&FS:

The land use map has been provided on A4 (p. 81). Other information are currently not available.

NIUA's general comments on the response provided by IL&FS:

While all the comments have been addressed by IL&FS, information on the finances of GMC needs to be given for the years 2001-02 to 2004-05 with detailed break-up of income and expenditure.

The revised CDP, except for the above comment, is now in accordance with the guide lines provided in JNNURM Toolkit number 2. This CDP is being given conditional clearance on the assurance from IL&FS that the financial figures for 2001-02 to 2004-05 would be provided in the near future.

We would like to put on record that during the entire process of getting clarification on the CDP appraisal note, none of the local government officials (i.e. GMC) were present. This indicates that the GMC was not fully involved in the process of CDP preparation.

(A) RECEIPTS THROUGH COLLECTION BY GMC (in lakhs)

Sl. No.	HEAD	2001-02	2002-03	2003-04			
1	PROPERTY TAX	608.32	684.33	1110.54			
2	TRADE LICENCE FEE	247.96	268.80	529.44			
3	MARKET	77.52	95.27	119.50			
4	SLOW MOVING VEHICLE	11.36	13.36	36.93			
5	FINE & PENALTIES	25.17	32.57	45.01			
6	WATER TAX	24.11	32.22	46.79			
7	CHECK GATE & PARKING	1102.69	1232.40	55.61			
8	OTHERS	63.06	323.41	167.81			
TOTAL (A) =		2160.19	2682.36	2111.63			

(B) OTHER GRANTS-IN-AID RECEIVED FROM GOVT. UNDER REVENUE NON-PLAN (in lakhs)

Sl. No.	HEAD	2001-02	2002-03	2003-04			
1	SHARE OF ENTERTAINMENT TAX	591.70	570.00	518.00			
2	MOTOR VEHICLE TAX	-	-	202.00			
3	SURCHARGE ON STAMP DUTY	50.00	-	175.00			
4	GRANT FOR SALARY	-	-	-			
5	GRANT FOR C.P.F.	-	-	-			
6	GRANT FOR V.R.S.	-	-	-			
	GRANT FOR PROPERTY TAX	-	-	-			
8	GRANT FOR CLOSURE OF CHECKGATES	-	-	-			
TOTAL (B) =		641.70	570.00	895.00			

(C) OTHER DEVELOPMENT GRANT RECEIVED FROM Govt. (in lakhs)

Sl. No.	HEAD	2001-02	2002-03	2003-04			
1	SPECIAL GRANT FOR F.D.R.	57.27	35.84	-			
2	GRANT UNDER N.S.D.P. (SLUM)	-	39.96	41.58			
3	GRANT FOR PURCHASE OF EQUIPMENTS FOR SILT CLEARANCE	-	164.84	-			
4	GRANT FOR KAMAKHYA WATER SUPPLY SCHEME	-	300.00	-			
5	GRANT UNDER 11TH FINANCE COMMISSION	-	-	19.75			
6	GRANT UNDER CITY INFRASTRUCTURE SCHEME	-	-	-			
7	GRANT FOR AUGMENTATION OF WATER SUPPLY SCHEME	-	-	-			
8	GRANT FOR CONSULATNCY CHARGE FOR SOLID WASTE MANAGEMENT	-	-	-			
9	GRANT FOR ELECTRIFICATION OF FANCY BAZAR MARKET	-	-	-			
TOTAL (C) =		57.27	540.64	61.33			
GRAND TOTAL (A+B+C)=		2859.16	3793.00	3067.96			

sd/-
Chief Accounts & Audit Officer,
Guwahati Municipal Corporation
Guwahati.

