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URBAN PLANNING AND DEVELOPMENT IN INDIA - ON OVERVIEW

Gule Ariffa

Associate Professor
Department of Economics, Government College for women (Autonomous), Mandya.

ABSTRACT

This paper gives a background of urban development in India in general and describes in detail the urban planning and development. The purpose of this paper is to describe the urban planning processes practiced in India. This paper also shed lights on 'how well equipped are planners with current trend of development for taking planning decisions.

INTRODUCTION

The achievement of rapid growth that is both inclusive and sustainable, presents formidable challenges for urban planning in India. New cities will have to be built and additional spaces generated within existing cities and their peripheries so as to facilitate and accommodate rapid urbanization. Since systems of urban planning practiced in India have not been in sync with the processes of economic growth, they will need to be revitalized to address the challenges of structural transformation of the economy with rising share of non-agricultural sectors in GDP, relocation of people and resources from rural to urban areas, and the associated increase in urbanization. This paper presents a review of the major aspects of urban planning in India. It makes a case for an integrated approach recognizing the interplay of factors which have a bearing on the urban condition for better living as well as better environment for socio and economic growth, which should be inclusive and sustainable. It focuses on reorientation of urban planning to address the challenges of existing cities and emerging towns, which are likely to be very important in India's current stage of development.

Keywords: Development, Rural, Urban development, Environment, Urbanization, Planning, Sustainable, Transportation, city.

URBAN PLANNING AND DEVELOPMENT IN INDIA

India is on the threshold of facing complex urban planning and development challenges in managing massive urbanization. With more than 1.2 billion population, India is expected to surpass China's population by 2025. A major portion of this increase would be in existing mega cities, posing greatest challenges to India's urban future (Jauhari 2012). In India, at national level, urban planning and development subject is dealt by the ministry of urban development, the ministry housing and urban poverty alleviation, and the planning commission of India. These are the main agencies which lay down policies, legislations, and development programs etc. At state level Town planning departments are responsible for preparation of master plans and development plans (Gurumukhi 2003). Development plan drives planning of cities in India (Munshi 2013) and it outlines land-use zones in which uses like residential, commercial, institutional, industrial etc., are planned. The urban planning process is more or less same throughout the country following the guidelines stipulated in Urban Development Plan Formulation and Implementation, (UDPFI 1996).

URBANIZATION IN INDIA

Urbanization has advanced at a rapid pace over the last two centuries. In 1800, only about 2 percent of the human population lived in urban areas. By 1900, about 15 percent were living in cities. In 2003 the United Nations Human Settlement Programme estimated (UNHSP, 2003) that for the first time in history the number of people living in urban areas had surpassed the number of those living in rural areas and predicted that by 2030 about two-thirds of the human population would be living in cities. Much of this growth is taking place in the so-called developing countries. Though the growth rate of urban population is not very high in countries like China and India, the absolute numbers are mind-boggling. India today has the second largest urban population in the world. India has experienced rapid urban growth in the 20th century as is illustrated by the numbers. The total urban population increased tenfold between 1901 and 2001. The share of urban population to the total population increased from less than 11 percent to over 28 percent in the same period. Similarly the total number of urban agglomerations increased from 1827 to 4368 in the said period. While the annual growth rate of urbanization was slow in the initial decades of the 20th century, it gained momentum in the latter half. The process reached its peak in 1981 with annual growth rate registering an impressive 3.83 percent. Post 1981 there has been a steady decline in the growth rate. This has been attributed to a number of factors. Following Kundu (2003), one could argue that a general slow-down in job creation due to decline in manufacturing activities coupled with more stringent attitude of land owning agencies towards illegal occupation of land has discouraged the entry of new migrants in the city. Despite the growth rate coming down the fact remains that the size of urban population in indeed is massive. The 285 million strong urban population is 27.78 percent of the total population of India. Furthermore, it is over 10 percent of world's urban population and over 21 percent of Asia's urban population. To look at it differently, India's urban population is more than the combined total population of Eastern Africa, Western Asia and Western Europe, or the total population of countries like Brazil and the US. Thus the challenge to find a sustainable and equitable paradigm of urban development is immense. This challenge becomes even more daunting when we look at the processes currently underway in much of urban India. The city offered hope and sometimes even prosperity to poor migrants, but today it is increasingly turning its back on them. While even now about a quarter of the urban population lives in slums, slum eviction has increased substantially in almost all major cities. In Delhi alone almost a million people have seen their shanties being demolished in the last one decade. Only a tiny fraction of those displaced have been compensated with tiny plots or flats in resettlement sites. invariably on the outskirts of the city lacking in even basic amenities such as drinking water, electricity, toilets etc (Batra et al, 2008). Forced or voluntary closure of industry in cities like Delhi, Mumbai, Ahmedabad, among others, has significantly reduced employment in manufacturing. The only sectors which are growing in cities are finance, insurance and real estate (FIRE) and IT and ITES but their share in employment is miniscule. As a result of these processes the cities are increasingly becoming exclusionary and tending to become the preserve of the elite and white collar work force.

URBAN POLICY IN INDIA

This section focuses on an analysis of urban policy at the national level. It should be remembered however that urban development, housing, urban policy and urban planning in India are state subjects under the Constitution and therefore without a thoroughgoing analysis of urban development policies in different states it is not possible to paint a comprehensive picture of urban policy in India. The Centre can, at the most, "issue directives, provide advisory services, set up model legislation and fund programmes which the states can follow at will" (Shaw: 1996). However it is beyond the scope of this monograph to study urban policy at the state level. Furthermore, as Ramchandran (1989) points out, despite the fact that states have been empowered to make urban policy, they have rarely done so. Thus the urban policy existing in the states is largely an off shoot of that outlined in the national five years plans and other policies and programmes of the central government. It is in this context that an analysis of the national level urban policies and programmes become important to understand the general direction of urban policy in India.

THE FIRST PHASE: 1951–1966

The Partition in 1947–48 provides the backdrop for urban policy in India. The millions of refugees who arrived in North India from present day Pakistan sought shelter and livelihoods in various cities. This development coupled with the employment opportunities created in cities during the Second World War due to the setting up of war production plants resulted in substantial increase in the urban population—by 53.7 percent between 1941 and 1951. In sharp contrast the rural population went up by a mere 7.4 percent in the same period. The result was a phenomenal increase in what was described in the First Five Year Plan as sub-standard housing and slums "…containing insanitary mud-huts of flimsy construction, poorly ventilated, over-congested and often lacking in essential amenities such as water and light" in urban areas (Dwivedi, 2007: 34). The Environmental Hygiene Committee put the shortage in urban housing at 18.4 lakh houses in addition to the 10 lakh houses estimated to be required to rehabilitate refugees from Pakistan (Dwivedi, op cit. 41). As a response to the problems created by the sudden increase in urban population, the 1st Five Year Plan (1951–56) was mainly concerned with housing and rehabilitation of refugees. The Ministry of Works and Housing was set up to ensure speedy spatial and occupational rehabilitation of refugees. A large number of rehabilitation colonies and sub-towns were set up in Delhi, Bombay, Ahmedabad, Uttar Pradesh, Haryana, Punjab and Calcutta. The city of Chandigarh was created in the same period as a symbol of 'modern' India. In the same plan period the National Buildings Organisation and the School of Planning and Architecture were set up in order to improve the quality and efficiency of built environment building, research and develop housing technologies and create a cadre of trained town planners. Furthermore, the central government also set up the Town and Country Planning Organisation to provide guidance and assistance to central and state governments on urban problems and also to prepare the Delhi Master Plan which was conceived as the model plan which was subsequently to provide a framework for master plans to be prepared for other cities.

The 2nd Plan (1956–61) identified "rise in land values, speculative buying of lands in the proximity of growing towns, high rentals and the development of slum areas" (GoI, 2nd FYP) as features common to most large towns and cities. It also predicted an escalation in these problems given the trends in industrialization. The Plan thus introduced the theme of regional planning and emphasized the importance of preparing master plans. While recognizing growing housing deficits in urban areas it placed the problem of housing in the wider context of urban and regional planning and called for construction of housing for low income groups. Thus Town and Country Planning legislation was enacted and in many states institutions were set up for the preparation of master plans. In 1956, the Slums Areas (Improvement and Clearance) Act was

passed. The Act defined slums as: "any area (where) buildings…(a) are in any respect unfit for human habitation, or (b) are by reason of dilapidation, over-crowding, faulty arrangement and design of such buildings, narrowness or faulty arrangement of streets, lack of ventilation, light or sanitation, or any combination of these factors, are detrimental, to safety, health or

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morals" (GoI, Slum Act). For preventing the growth of slums, the Plan recommended strengthening local authorities and mobilizing "the support of enlightened public opinion" in enforcing the implementation of building codes and municipal by-laws (GoI, op cit). However, consistent with the socialist rhetoric of the early years of national planning, it clearly stated that the resettlement of slum residents is to be based on the principles of 'minimum dislocation', entailing rehousing "as far as possible at or near the existing sites of slums, so that they may not be uprooted from their field of employment" (Ibid) and provision of only "minimum standards of environmental hygiene and essential civic amenities" so as to "keep rents within the paying capacity of the slum dwellers" (Ibid).

It was in the 3rd Plan (1961–66) that urban policy and development planning began to acquire a cogent form. During this period Master Plans for various cities were prepared and the need to strengthen urban local governments, especially their financial and administrative aspects, was recognized. In order to guide and enforce the planned development of cities through the implementation of master plans, para-statal development authorities, such as Delhi Development Authority (DDA), Mumbai Metropolitan Regional Development Authority (MMRDA), Madras Metropolitan Development Authority (MMDA), were set up. It is noteworthy that the master planning approach to tackling urban problems was an uncritical import from the then prevalent town planning and regulatory practices in Britain and the United States of America. The important features of these master plans were

a) designing of land use with a future perspective;

b) a city without slums, or in other words, a standard 'decent' housing for everyone;

c) detailed modernized Central Business District;

d) division of major land use into zones;

e) an efficient highway and transportation system, and

f) adequate community facilities with residential areas divided into neighbourhoods" (Das, 1981).

The master plans give preeminence to the planned and orderly development of cities through a strict spatial segregation of functions such as housing, commerce, industries etc. in mono-use zones. This approach was completely incongruent with the existing morphology of Indian cities where mixed-land use was the norm. Furthermore, given the statutory nature of these plans, much of what existed as 'cities' was rendered illegal because the geographies did not conform to the idealized form of the city enshrined in the master plans.

THE SECOND PHASE: 1969–1984

Achieving balanced urban growth through dispersing populations in smaller urban centres was the overriding thrust of the 4th Plan (1969–74). This was to prevent the concentration of population in metropolitan cities such as Delhi, Bombay, Calcutta and Madras. The creation of small towns and ensuring the spatial location of economic activity in a planned manner consistent with the objectives of the Plan was underscored. The Plan articulated the need for urban land policy at the state level and provided specific guidelines for the formulation of the same. It recommended that— the state level urban policies should aim at (a) the optimum use of land; (b) making land available to weaker sections; (c) checking the concentration of land ownership, rising land values and speculation of land; and (d) allowing land to be used as a resource for financing the implementation of city development plans (Gnaneshwar, op cit. and Ramchandran, op cit.).

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In 1970, the Housing and Urban Development Corporation (HUDCO) was set up to provide loans to urban development authorities and state housing boards for housing and other development projects such as infrastructure development, land acquisition and essential services. One of the main goals of the HUDCO was the "promotion of housing for the persons belonging to low income groups and economically weaker sections" (Routray, 1993). The impetus for the setting up of HUDCO came from the realization that "the provision of housing through private or cooperative effort is usually directed to affluent or middle classes" and that "the experience of public housing so far is that its unit costs are high and that with the constraint of resources it is not possible for public operations to touch even the fringe of the problem" (GoI, 4th FYP). However the development of adequate housing stock, (which would resultantly discourage the growth of slums) through cheap loans from HUDCO was a strategy envisaged only for smaller and growing cities and towns. For cities which already had large slum populations, the plan underlined the unfeasibility of the blanket strategy of slum removal and instead recommended the amelioration of the living conditions of slum dwellers through provision of basic services and "reconditioning of slums" (Ibid). In view of this new understanding, the central government launched the Environmental Improvement of Urban Slums (EIUS) scheme in 1972–73 to provide a minimum level of services, such as, water supply, sewerage, drainage, pavements in 11 cities with a population of 8 lakhs and above. The scheme was later extended to 9 more cities (Ibid). In 1973, towards the end of the fourth plan, the World Bank started its urban sector operations in India with the launching of the Calcutta Urban Development Project. The 5th Plan (1974–79) was mainly concerned with introducing measures to control land prices in cities; providing a framework for the development of small and medium towns; augmenting basic services in cities and towns; addressing the problems of metropolitan cities with a regional perspective and assist development projects having national significance in metropolitan cities. The priorities expressed in the Plan were based partly on the National Urbanisation Policy Resolution of the Town and Country Planning Organisation.

The focus of the 6th Plan (1980–85) was largely on the development of small and medium towns and provision of basic services in urban slums. Though the Plan underlined the need to improve environmental conditions in slums through improvement in drainage, sewerage and sanitation the urban component of the 6th Plan is remembered primarily for the introduction of a centrallysponsored scheme called the Integrated Development of Small and Medium Towns (IDSMT) with the objective of promoting growth in towns with less than 100,000 population through provision of infrastructure and basic services (GoI: 6th FYP). The components eligible for central assistance under the IDSMT included land acquisition and services, construction of new markets, provision of industrial estates, provision of other services and processing facilities for the benefit of agricultural and rural development in the hinterland and low cost sanitation (which was added to this list later). The state components included slum improvement, smallscale employment generation, low-cost water supply schemes, drainage and sanitation, sewerage, preventive medical facilities, parks and playgrounds (Routray, op. cit. 61). To begin with the scheme included 231 towns in various states and union territories, selected on the basis of the ratio of urban population in the state to the total urban population in the country Later on a few additional towns were added to this list. The 6th Plan was prepared in the backdrop of Mrs. Gandhi's return to power after two and a half years of Janata Party's rule following the national emergency. The demolition of about 1.5 lakh slum houses carried out by the DDA in Delhi during the emergency period had become one of the most brutal markers of totalitarian rule in the public imagination. Anxious to erase the memory of Turkman Gate and reclaim a pro-poor image for the government, the plan categorically proposed to give up "the strategy of attempting massive relocation of slums in urban areas" and instead, envisaged increased investment in environmental improvement of slums, particularly in provision of low cost sanitation and drainage (Ibid).

Similarly, all the plans during this period spoke against summary evictions of slums and argued for providing slum dwellers with access to civic amenities. However, this did not prevent the Sanjay Gandhi- Jagmohan duo of carrying out the biggest ever slum eviction drive in India in 1976 in which over 7 lakh people were uprooted from inner city slums in Delhi and resettled on the outskirts of the city without employment opportunities and basic amenities. There was also a lot of emphasis on containing the growth of metropolitan cities by dispersing industrial and economic activities in small and medium towns in general and satellite towns of large cities in particular. However, stagnation in agriculture and skewed investment policies coupled with favourable economies of agglomeration enjoyed by large cities thwarted all attempts at 'balanced regional development'.

The Third Phase: 1986– In mid 80s the Indian economy started taking its first tentative steps towards liberalization. The urban policy reflected the trend in economic policy. The 7th Plan heralded a shift in urban policy by initiating a process of opening up avenues for private sector participation in urban development. The Plan called for "radical (re)orientation of all policies related to housing" and entrusted the main responsibility of housing construction to the private sector.The government's role was sought to be reduced to "mobilization of resources for housing, provision for subsidized housing for the poor and acquisition and development of land" (GoI: 7th Plan). In order to boost the housing finance market, it recommended setting up of the National Housing Bank. It also proposed to set up a National Urban Infrastructure Development Finance Corporation to augment the capacity of urban local bodies to undertake infrastructure creation, particularly water supply and sewerage facilities. In the 1988 the first ever National Housing Policy (NHP) was announced. The objectives of the NHP included removal of houselessness, improving the conditions of the inadequately housed and provision of minimum level of basic services to all. The Policy conceived the role of the government as "a provider for the poorest and vulnerable sections and as a facilitator for other income groups and private sector by the removal of constraints and the increased supply of land and services" (Ibid). The IDSMT continued to be the most important scheme for the urban sector under the Seventh Plan as well. In the Plan period the coverage of the scheme was extended to 102 additional towns. The Plan reiterated the need to integrate town level plans into the regional systems. Thus in 1985 itself the National Capital Region Planning Board was formed to reduce population pressure on Delhi by dispersing and diverting population and economic activity to other urban centres within the National Capital region thereby ensuring the balanced development of the region as a whole. Emphasis was also laid on community participation at the town/ city level. Recognising the need to directly address the problem of urban poverty, the Plan also launched an urban poverty alleviation scheme called the Urban Basic Services (UBS) with a focus on improving the status of women and children in urban low-income families through community participation, integrated development and cost effectiveness. The UBS was later merged into the EIUS in 1990 and the name changed to Urban Basic Services for Poor (UBSP). Another important scheme, namely, Nehru Rozgar Yojana (NRY) was launched in 1989 to generate employment opportunities for the urban poor. The NRY had three basic components of microenterprises, wage employment and shelter upgrading. Consequently, the Commission identified 329 cities called GEMs (Generator of Economic Momentum) which were further divided into NPCs (National Priority Centres) and SPC (State Priority Centres). Apart from GEMs, National and State Priority Centres, the Commission also identified 49 Spatial Priority Urban Regions

(SPURs). The future growth in urbanisation was expected to take place along these nodes and corridors. The NCU also made 78 detailed recommendations mostly in the areas of land, housing, water and sanitation, water and sanitation, transport, urban poverty, urban form, and urban governance.

In 1991, following the balance of payment crisis a far reaching program of economic liberalisation, known as the Structural Adjustment Programme (SAP), was launched which put the country firmly on the path of, what many commentators have called as the 'neo-liberal globalisation'. The Eighth Plan (1992–97) was the first plan after the launch of the SAP and was thus heavily influenced by the radical changes in economic policy at the national level. It also carried the imprint of the recommendations of the National Commission on Urbanization. The Plan expressed the need to link urban growth with economic development and advanced the following policy directives (Ibid):

In terms of action, the Plan continued with the schemes and programmes initiated in earlier periods but also introduced a new scheme called Scheme for Educated Unemployed of Employment Generation in Urban Localities (SEEGUL). The scheme was geared towards creation of self employment opportunities for the educated unemployed in towns with a population of over one lakh and entailed providing technical training for skill enhancement. In the same Plan period, in 1995, another programme called Prime Minister's Integrated Urban Poverty Eradication Programme (PMIUEP) was launched. The PMIUEP was a five year long scheme applicable to all class II cities with a population ranging between 50,000 to 1,00,00 subject to the condition that elections to local bodies had been held. In 1992, the Town and Country Planning Organisation prepared a draft National Urban Policy. The main objectives of the draft NUP were to a) evolve a spatial pattern of economic activities and population distribution based on regional development and planning considerations; b) secure a balanced distribution of population among the urban centres of various sizes, so as to maximize economic gain and minimize social costs of urbanization; c) control further growth of metropolitan cities by dispersal of economic activities in the new growth centres; d) prioritise development of those urban centres which have been identified as prime economic movers in national economic development, such as the National Priority Cities (NPCs), State Priority Cities (SPCs) and Spatial priority Urbanisation Regions (SPURs); and, e) improve the efficiency of the urbanisation process by removing bottlenecks and breakdowns in the supply of urban services. At the beginning of the 8th Plan period, in 1992, the 74th Constitutional Amendment Act was promulgated. It was a landmark Act which sought to decentralize decision making in cities and towns through creation of elected urban local bodies (ULBs) as institutions of democratic self-governance and devolution of essential functions related to city planning and service provision to these bodies. The salient features of the 74th CAA are: introduction of the Twelfth Schedule which lists the functions of the ULBs, establishment of ward committees in areas having a population of over 3 lakhs, periodic and timely elections of ULBs, and devolution of finances to ULBs as per the suggestions of the State Finance Commissions (SFSs).

The Hashim Committee, set up to review and streamline these programmes suggested phasing out NRY, PMIUPEP and UBSP and introducing Swarna Jayanti Shahari Rozgar Yojana (SJSRA) to reorganize self-employment and wage employment parts of the earlier programmes. The shelter upgradation component of NRY and PMIUPEP was merged with the National Slum Development Programme (NSDP). The SJSRY had two sub-schemes, namely, (a) Urban Self Employment Programme and (b) Urban Wage Employment Programme. The SJSRY sought to "provide gainful employment to the urban unemployed or underemployed poor by encouraging the setting up of self-employment ventures or provision

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of wage employment" (GoI, 9th FYP). The implementation of the scheme was to be done through the setting up of community organizations like Neighbourhood groups, Neighbourhood Societies and Community Development Societies. The responsibility of identifying beneficiaries, viable projects suitable for the area, preparation of applications, monitoring of recovery and general support was entrusted to the Community Development Societies. The Urban Self Employment Programme included schemes on Self Employment through setting up Micro-enterprises and Skill Development, confined to BPL beneficiaries who have education upto the 9th standard, and Development of Women and Children in Urban Areas for poor women who decide to set up self-employment ventures on a group basis. The Urban Wage Employment Programme was conceived to provide employment to persons Below Poverty Line in urban local bodies with a population of less than 5 lakhs. In 1998, the National Housing and Habitat Policy (NHHP) was announced which specifically emphasized that housing construction in both rural and urban areas should be left in the hands of the private sector and that the government should restrict itself to the role of a facilitator. The Policy promised "Shelter to All" by the year 2001 but this promise was to be realized through the invisible hand of the market which was supposed to ensure affordable housing to all if all impediments to its efficient functioning were removed. As a follow up to the recommendations of the NHHP 1998, the Two Million Housing Programme was launched in 1998–99. It was a loan based scheme promoting the construction of 20 lakh additional housing units every year (13 lakh for rural areas and 7 lakh for urban areas). Out of this HUDCO was to meet the target of 4 lakh dwelling units in urban areas and 6 lakh in rural areas annually.

In 1999, the Draft National Slum Policy was announced which proposed the integration of slum dwellers in the mainstream of urban life through in-situ upgradation.

In the 9th Plan period two other major steps were taken to further the process of liberalization of land and real estate markets. The first step was the repeal of the Urban Land (Ceiling and Regulation) Act in 1999. It was claimed that the ULCRA had not only failed to meet its objectives but in fact exacerbated the problems it set out to solve- namely, keeping land prices in check and increasing the supply to land for housing the poor. The second major step was taken in 2002 when the government allowed 100 percent Foreign Direct Investment (FDI) in integrated townships, including housing, commercial premises, hotels and resorts. FDI was also permitted in infrastructure projects such as roads, bridges, mass rapid transit systems and for the manufacturing of building materials. The minimum area to be developed was fixed at 100 acres.

The 10th Plan (2002–07) was prepared in the backdrop of the Union Budget of 2002–03 which had announced radical measures to push cities into carrying out comprehensive urban reforms. The overriding thrust of the 10th Plan was to promote overhauling of the legislative, governance and administrative structure of cities through a set of market-friendly urban reforms and promotion of PPPs in urban infrastructure and services. The 10th Plan said it in no uncertain terms that urban infrastructure could not be funded by budgetary support alone. A lot of emphasis was thus placed on making urban local bodies financially strong so that they have to rely less and less on state transfers. To enable ULBs to raise their own resources the Plan advocated reform in property tax, levying of user charges, increasing non-tax revenues, controlling establishment costs, better utilization of municipal assets and overhauling municipal accounting systems. These reforms, it was suggested, would enhance the credit-worthiness of ULBs and make them capable to mobilizing funds from capital market and investors. The Plan also spoke about substantially increasing investment in upgradation of urban infrastructure and services but made it clear that central assistance in this regard would be made conditional upon states and ULBs carrying out sector reforms, in particular better standard of services and levying of user charges (Ibid).

MANDATORY REFORMS: STATE LEVEL

Jawaharlal Nehru National Urban Renewal Mission (JNNURM) made it mandatory for cities to prepare a City Development Plan (CDP) and make their demands for specific projects against the backdrop of the CDP. But the hastily prepared CDPs for JNNURM were typically reduced to a list of projects for the city instead of a strategy document. For urban planning to work, District and Metropolitan Development Plans as well as CDPs will have to become legal as well as spatial documents, and CDPs will have to be integrated with master plans and/or development plans as well as financial plans.

Jawaharlal Nehru National Urban Renewal Mission The process of urban reforms which tentatively began in the 8th Plan reached its high point when in December 2005 the Prime Minister launched the Jawaharlal Nehru National Urban renewal Mission (JNNURM). The JNNURM (GoI: JNNURM) is basically a reform linked incentive scheme for providing assistance to state governments and urban local bodies (ULBs) in selected 63 cities, comprising all cities with over one million population, state capitals and a few other cities of religious and tourist importance for the purpose of reforming urban governance, facilitating urban infrastructure and providing basic services to the urban poor. The total budget of the Mission is estimated to be Rs. 1,26,000 crores out of which the central government shall provide Rs. 50,000 crores. It is thus by far the single largest initiative of the central government in the urban sector. While both URIF and MML were based on a ‘carrot and stick’ policy, they were far limited in scope as compared to the JNNURM. As such the mission has far reaching implications for the direction Indian cities will take in the future.

The state governments seeking assistance under the JNNURM would be obliged to carry out the following mandatory reforms:

a) effective implementation of decentralization initiatives as envisaged in the Constitution (seventy-fourth) Amendment Act, 1992;
b) repeal of Urban Land (Ceiling and Regulation) Act, 1976;
c) reform of rent control laws;
d) rationalization of stamp duty to bring it down to no more than 5 percent within seven years;
e) enactment of a public disclosure law;
f) enactment of a community participation law, so as to institutionalize citizens’ participation in local decision making; and
g) Association of elected municipalities with the city planning function.

Mandatory Reforms: Municipal Level: Municipal bodies are a similarly obliged to carry out the following reforms:

a) Adoption of a modern, accrual-based, double entry system of accounting;

b) Introduction of a system of e-governance using IT applications, GIS and MIS for various urban services;

c) Reform of property tax so as to raise collection efficiency to 85 per cent;

d) Levy of user charges to recover full cost of operation and maintenance within seven years;

e) Internal earmarking of budgets for basic services to the urban poor; and

f) Provision of basic services to the urban poor, including security of tenure at affordable prices. Apart from these there is a set of optional reforms common to both state governments and ULBs, any two of which they are supposed to implement each year.

These include:

- revision of bye-laws to streamline the approval process for construction of buildings, development sites etc;
- simplification of legal and procedural frameworks for conversion of agricultural land for non-agricultural purposes;
- introduction of property title certification;
- Earmarking of at least 20–25 per cent developed land in housing projects for economically weaker sections and low income groups with a system of cross-subsidization;
- introduction of computerized registration of land and property;
- administrative reforms including reduction in establishment cost by introducing retirement schemes and surrender of posts falling vacant due to retirement;
- structural reforms; and
- encouraging public private partnership.

The Government of India launched a new flagship programme called Rajiv Awas Yojana (RAY) in 2011, with the aim of incentivising states to assign property rights by way of land or built-up space to slum-dwellers. The central grant for a project under this Scheme is to the tune of 50 per cent of the cost of slum development/improvement. RAY also stipulates that a specified percentage of land be reserved for Economically Weaker Sections and Low Income Groups in every project of land development or housing. A precondition for eligibility is to prepare a Slum-free City Plan to address the challenges posed by existing slums and also indicate measures to prevent the rise of slums in future by facilitating affordable housing, including rental housing. RAY has endorsed certain approaches to overcome the housing shortage by making provision for 'rental' or 'ownership' or 'rental to ownership' type of housing stock and has encouraged private sector participation. Affordable Housing in Partnership, a scheme of the Ministry of Housing and Poverty Alleviation (MHUPA) has been dovetailed with RAY in 2011 for affordable housing projects to be taken up under various kinds of partnerships. The concurrent revision of the Rent Control Act by many states should act as a positive catalyst in this effort. However, the expected finance from commercial banks has been slow to come because of difficulties that banks are facing in lending without credit records of borrowers and their inability to prepare documentation in the absence of regular income. This is in spite of a Credit Risk Guarantee Fund to guarantee lending by banks to the urban poor. Innovative solutions will have to be found to the challenges of bank recovery and moral hazard, if banks are to be incentivized to come on board.

CONCLUSION

The central message of this paper is those Indian urban planning needs major overhaul is overly top down and controlling where it should not be, and does not provide much needed guidance, coordination and integration where it should. Inappropriate FSI limits, in levels as well as in their patterns within a city, are leading to urban sprawl and long commutes and traffic problems. For all the talk of planning however, land use and transportation are not coordinated in Indian cities. Inadequate development of transparent land markets, combined with a mentality of public allocation of land, is leading to opaqueness in transactions and high levels of corruption. Governments have failed to preserve land for environmental and heritage reasons. There is also problem in making land available for development of housing and facilities for low-income households. This paper has presented a framework of urban planning which emphasizes the importance of integrating spatial and economic planning at a time when the Indian economy is passing through a phase of significant structural transformation.

In order to avoid the cities to become more and more unserviceable and unsustainable, urban planning and development agencies in India must embrace the advancement in planning tools and techniques. Creation of information rich city database with dynamic and static city models, along with cities essential data that needs everyday up gradation is one of the essential steps suggested in this research. Urban planners will be able to plan more efficiently by using dynamic information system to the existing planning processes that focus on urban-related issues. Delhi has enacted Geo-spatial Data Infrastructure Act (2011) to create such a digital database.

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