## **Research Paper**





## Performance of Nanded Waghala City Municipal Corporation (NWCMC) in Jawaharlal Nehru National Urban Renewal Mission (JNNURM)

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**ABSTRACT** 

Jawaharlal Nehru National Urban Renewal Mission (JNNURM) is a mission with a very huge investment for seven years in 65 identified cities in India. It is kind of first large mission ever for urban development so far the scope and fund allotment is concerned. JNNURM has two sub missions namely Sub-Mission-I: Urban Infrastructure and Governance (UIG) and Sub-Mission-II: Basic Services to Urban Poor (BSUP). Main thrust of UIG was to improve infrastructural facilities whereas the main thrust of BSUP is integrated development of slums. Urban local body in metropolitan cities have their own capacity to cope up with and provide favourable environment for such schemes and huge funding whereas small cities lack in that. Present study is an attempt to study the performance of small urban local body like Nanded Waghala City Municipal Corporation (NWCMC) in JNNURM.

### **KEYWORDS**

Urban Renewal, JNNURM, NWCMC

#### Introduction

Indian urbanization had tiny demographic features until 1970's. Census 1951 recorded only 17.29% of urban population which was marginally increased to 17.97% in Census 1961 and 19.91% in Census 1971. Later in three consecutively censuses (1981, 1991 and 2001) it increased to 23.34%, 25.71% and 27.82% of urban population. It was recorded 31.2% (near to one third of total population) in Census 2011. Since last three decades, the demographic features of urban India seems increasing but they are characterized by Pseudo urbanization. It fetched an attention of the Government/planners for the urban development and planning. Jawaharlal Nehru National Urban Renewal Mission (JNNURM) is an attempt to fade Pseudo urbanization and to make cities nurture with their functional infrastructure in a very efficient and effective manner with inclusive and sustainable development. JNNURM is a kind of 'Big Push' to the urban India.

# Brief outline of Jawaharlal Nehru National Urban Renewal Mission (JNNURM):

Jawaharlal Nehru National Urban Renewal Mission (JNNURM) was introduced in 2005, merging various previous schemes of urban development into a single mission. JNNURM was scheduled for seven years (2005 to 2012 later extended up to 2014) with huge investment in sixty five identified cities on the basis of population and religious/tourism/cultural importance. Sixty five cities were identified from three different categories amongst which seven cities from Category-A twenty eight from Category-B and twenty eight cities from Category-C had been identified. JNNURM has two sub missions namely Sub-Mission-I: Urban Infrastructure and Governance (UIG) and Sub-Mission-II: Basic Services to Urban Poor's (BSUP). Main thrust of Sub-Mission-I: UIG was to improve infrastructural facilities whereas main thrust of the Sub-mission II: BSUP was integrated development of slums through providing basic services and other related civic amenities to the urban poor. Urban local bodies of every identified city had to submit city development plan (CDP) and further detailed project reports (DPR's) to get sanction different projects under UIG and BSUP.

#### Significance and Scope of the study:

JNNURM is a mission which has given attention to urban infrastructure and urban poor separately than any other plan/ policy of the central government with such a huge investment. It is upto the urban local bodies (ULB's) that they should get projects sanctioned and complete with due consideration of city need. ULB's in metropolitan cities or large cities have their own capacity to cope up with and provide favourable environment for such schemes and huge funding whereas small cities lack in that. Amongst the five mission cities in Maharashtra (Mumbai, Pune, Nagapur, Nashik & Nanded) Nanded is the least small city demographically. It seems to be appropriate to study the performance of NWC-MC in JNNURM.

### Research problem and objectives of the study:

Nanded city is identified one on the basis of religious importance under JNNURM. Existence of one of the five Takhats of the Sikh religion 'Sachkhand Shri Hazur Abchalnagar Sahib Gurudwara (Sachkhand Gurudwara) in the heart of the Nanded city made it to get identified for the JNNURM. NWCMC prepared eleven Detailed Project Reports (DPR's) for the projects under JNNURM. After the completion of seven years of JNNURM, it becomes appropriate to evaluate urban local body for their performance, achievement and failures in the context of JNNURM. Objective of the study is to underline the current status of NWCMC in JNNURM

# Nanded Wahala City Muncipal Corporation (NWCMC) in JNNURM:

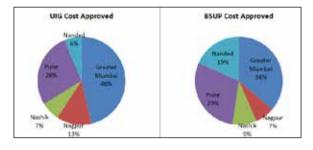
NWCMC is the urban local body of Nanded city. Projects sanctioned to Nanded are 12% under UIG whereas 18% under BSUP out of total projects sanctioned to Maharashtra. NWCMC is the least municipal corporation in financial and demographic features still it has received comparatively good amount of projects. Under BSUP, NWCMC got sanctioned 27985 (18% of Maharashtra state) dwelling units (DU's) out of 152223 dwelling units (DU's) sanctioned to Maharashtra state. Total DU's in all 65 mission cities are 1017252. Buses sanctioned to NWCMC are only 30 out of total buses sanctioned to Maharashtra state (2530) and total buses sanctioned to 65 mission cities (15260). Buses sanctioned to NWCMC are very less compare to other cities in Maharashtra but with consideration of area and demographical features of Nanded it seems proportionate.

Table 1: Details of Projects in Mission Cities in Maharashtra (Rs. in Crore)

		UIG		BSUP	
SN	City/State/ Country	Projects Ap- proved	Total Project Cost Ap- proved	Projects Approved	Total Pro- ject Cost Approved
1	Greater Mumbai	27	537636.73	18	55291
2	Nagpur	17	149970.01	11	10909
3	Nashik	06	79916.15	7	13380
4	Pune	19	319277.9	15	44658
5	Nanded	11	73277.53	11	27985
	Maharash- traTotal	80	1160078.32	62	152223
	India Total	599		527	1017252

**Source:** Lok Sabha Unstarred Question No. 193, dated on 13 March 2012

Nashik is the least city who got sanctioned only 6 projects under UIG and 7 projects under BSUP. Mumbai is highest amongst projects approved with 27 projects under UIG and 18 projects under BSUP. Nanded has 11 projects approved for UIG and BSUP each. States like Rajasthan, Odisha, Goa and many more has less than 11 projects under BSUP where the small city like Nanded individually received 11 projects sanctioned.



Mumbai is the highest cost approved (46% of total cost approved) city under UIG and Nanded is the least one (with only 6% of total cost approved to 5 mission cities in Maharashtra State). In BSUP, again Mumbai is on the first rank with highest approved cost (36% of total cost approved to 5 mission cities in Maharashtra) and least city is Nagpur (with only 7% of approved cost). Nanded is on third position (with 19% of cost) after Pune (29%). Nashik stands at fourth position with 9% of approved cost under BSUP.

Grant Thornton India, is a appraisal agency for the JNNURM. They have submitted their appraisal report to the Government of India in March 2011. They considered 41 randomly sampled cities for the preparation of appraisal. Data from the same is statically processed for the analysis. Number of projects sanctioned to Nanded city under UIG and BSUP are more than the mean of total sample mission cities (for UIG it was 11>8.95 and for BSUP it was 11>10.14). Total approved cost under UIG for Nanded (Rs. 732.77 Crore) is less than the mean cost of Rs. 1110.13 crores whereas total cost approved under BSUP for Nanded (Rs. 1001.6 crore) is far better than the mean approved cost Rs. 833.48. Total release of fund to Nanded is more (Rs. 595.6 crore) than the mean release of fund (Rs. 502.39 crore) under UIG whereas under BSUP total release of fund to Nanded is significantly less (Rs. 157.82 crores) than the mean release of fund (Rs.277.91 Crores).

Table 2: Comparison of Nanded City with Mean Values from Grant Thornton Appraisal (Rs. Crore)

		Sub-Mission I: UIG		Sub-Mission II: BSUP	
SN	Particulars	Nanded	Mean	Nanded	Mean
1	No. of Projects Sanctioned	11	8.95	11	10.14
2	Approved Cost	732.77	1110.13	1001.6	833.48
3	Total Release	595.6	502.39	157.82	277.91
4	Total Expenditure	566.3	416.54	120.23	203.81
5	Number of Com- pleted Projects	2	1.51	0	0.24
6	Per Capita Ap- proved Cost	9202.53	6712.90	12578.77	3072.12
7	Per Capita Ex- penditure	7112.91	1752.73	1509.92	646.91

Source: 2011 Grant Thornton India p. 61

Total expenditure incurred by NWCMC is significantly high (Rs. 566.3 Crore) than the mean expenditure (Rs. 416.54 Crore) under UIG whereas it is significantly low (Rs. 120.23 Crores) than the mean expenditure (Rs. 203.82 Crore) under BSUP. Only two projects were completed under UIG. Per capita approved cost for NWCMC is significantly high for both the sub missions (for UIG: Rs.9202.53 and for BSUP: Rs.12578.77) compare to mean (UIG mean: Rs.6712.90 and BSUP mean: Rs.3072.12). Per capita expenditure for NWCMC is significantly high under both the sub mission (for UIG: Rs. 7112.91 and for BSUP: Rs. 1509.92) compare to mean (for UIG mean: Rs. 1752.73 and for BSUP mean: Rs. 646.91) Nanded is amongst the few mission cities who has a very significantly high per capita approved cost and expenditure so far BSUP is concerned.

#### **Conclusions:**

Projects sanctioned to Nanded are greater than the mean projects sanctioned under UIG and BSUP both. Approved cost for Nanded under BSUP is more than mean but the release of fund is less than the mean. For BSUP, release of fund is more than the mean. It indicates more approved cost in BSUP but less release compare to mean whereas less approved cost under UIG but more release compare to mean. So far UIG is concern, except total approved cost all others like number of projects sanctioned, total release of fund, total expenditure incurred, per capita approved cost and per capita expenditure of NWCMC is more as compare to mean of other mission cities. Where in BSUP, except total release of fund and so that the total expenditure incurred, all others like number of projects sanctioned, approved cost, per capita approved cost and per capita expenditure of NWCMC is significantly more as compare to mean of other mission cities.

Though it is economically small corporation, NWCMC has comparatively very high per capital approved cost and expenditure. Latest NWCMC quarterly progress report on UIG (September 2015) noted that the fund received by NWCMC is Rs. 719.83 crores where the expenditure incurred by them is Rs. 855.65 crores with balance of minus Rs. -88.77 crores. It shows a very effective and efficient performance of urban local body. NWCMC is on the first position in the performance under Sub-Mission I: UIG and stands on twenty seventh position in the performance under Sub-Mission II: BSUP. Unlike UIG, same kind of effort is needed by urban local body in the Sub mission-II: BSUP.

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