

Chapter 5 City Development Plans and Detailed Project Reports

To achieve the objectives of JNNURM, a city development plan (CDP²²) was to be prepared by State/UT/ULB or Parastatal for every identified mission city. The CDP was to be a comprehensive document for the planned urban perspective framework for a period of 20-25 years (with 5 yearly updates) within which projects were identified.

The next step was to prepare Detailed Project Reports (DPRs) for undertaking projects. During appraisal of projects at Central level, DPR was to be scrutinized together with CDP. Project proposals were to demonstrate that the projects and proposed investments were prioritized in the capital expenditure programme of ULBs as part of CDP, business/master plan or vision. Thus the CDP and DPRs were required to be prepared before the city could access mission funds.

The DPRs for the proposed projects were required to be prepared in great detail, depicting all relevant information, detailed drawings, topographical survey & soil investigation; economic and financial analysis; planning and design criteria; environmental impact assessment; map of city showing existing and proposed flyovers, road network; schedule of rates, detailed measurement & basis of adoption of rates, operation and maintenance cost; phasing of expenditure etc. MoUD had also developed toolkits for preparation of CDPs and DPRs.

5.1 Linkages between City Development Plans and DPR were absent in many cities

Audit scrutiny in the selected States/UTs indicated that the CDPs and DPRs were not always comprehensive and complete, and in some cases the DPRs of individual projects had no co-relation with the CDPs. Some of the deficiencies noted in respect of the CDPs and DPRs are given in the following paragraphs.

In Kohima, **Nagaland**, the CDP with total investment plan of ₹ 999.94 crore was approved by the Ministry during 2006 for various projects of water supply, sewerage & sanitation, solid waste management, tourism, drainage, road and transportation etc. However, except two DPRs at a cost of ₹ 75.68 crore for road and transportation and integrated roads submitted to the MoUD, the DPRs for remaining components were not prepared. The SLNA of Nagaland replied (December 2011) that as on date, DPRs for ₹ 118.94 crore were prepared and got approved.

In **Odisha**, the city of Puri was selected as a mission city under JNNURM considering its religious/historic & tourist importance and also to project Puri as a global tourism business city of Eastern India. Out of the total projected investment (₹1,828crore) in CDP covering period up to 2031, 54.65 *per cent* (₹ 999 crore) had been earmarked by prioritizing the projects for heritage preservation. However, no project for heritage conservation had been proposed as of November 2011.

In **Delhi**, Government of National Capital Territory of Delhi (GNCTD) had no mechanism to ensure that infrastructure development projects were in line with the proposed investment plan in the CDP. Projects of UIG selected, were other than those included in CDP. All projects of Public Work Department were started keeping in view the requirement of Commonwealth Games 2010 (CWG) and were later on covered under JNNURM evidently for funding purpose. MoF concurred (October

²² MoUD had issued toolkit for preparation of CDP.

2009) with one time relaxation subject to the conditions that i) all the projects should be related to Commonwealth Games of 2010; ii) the projects are otherwise eligible for JNNURM funding; and iii) all the projects considered should be within the overall JNNURM programme ceilings and the procedure for sanctioning the projects under the JNNURM would be followed. Thereafter 24 projects were approved under JNNURM but there was no evidence that the DPRs for the projects were prepared and contained such details as required. Incidentally these projects had been initially rejected by MoUD for this reason only. We also observed that out of 24 projects for which exemption was given, four had already been opened to traffic by December 2009. These projects were (i) Flyover at Africa Avenue and Aruna Asaf Ali Road; (ii) Flyover at Vivekanand Marg, Nelson Mandela Marg, Poorvi, Marg; (iii) Construction of Grade Separator at Raja Ram Kohli Marg Intersection on Marginal Bund Road Geeta Colony Delhi; and (iv) Construction of Grade Separator for free flow Traffic at T-Junction of Marginal Bund Road and Master Plan Road over Disused Canal near Shastri Nagar in East Delhi. The other Projects were not ready though the Commonwealth games were over in October 2010.

While confirming the facts, the Urban Development Department (UDD), Delhi stated (13 October 2011) that priorities of projects were rapidly changing in Delhi. Hence, the implementing agencies submitted the projects as per the current requirements which might not be available in CDP. The UDD also stated (7 October 2011) that most of the projects were implemented under CWG. Hence projects suggested in CDP could not be taken up. The reply of the UDD shows the CDP has not been used as a strategic document for planning projects under the JNNURM in Delhi. MoUD in their reply (May 2012) explained that these 24 projects were considered by the CCI as a special case and approved by relaxing the norms. The projects being ongoing were not appraised as per the normal prescribed procedure under JNNURM.

It was evident that there was a disconnect between the long term vision for Delhi and proposals for current projects being executed. This approach defeated the fundamental objective of the scheme which was to provide infrastructure within a planned framework. Since all the projects (except four) were not ready in time for CWG, their purpose of taking up the projects as a onetime exemption was also defeated.

MoUD replied (May 2012) that most of the States and cities had included detailed investment plan emerging out of the CDP in which they had also prioritized the areas and sectors in which projects were to be taken up. However, as preparation of DPR was capital intensive, many states and cities had not prepared DPR. Further, allocation within the JNNURM was not sufficient for these works to be taken up. Within the framework of the CDP, the prioritization of the projects was the prerogative of the State Government. Govt considers projects based on the recommendation of the State Government within the overall allocation of the State.

MoUD during exit conference stated that steps had been taken for empanelment of consultants for preparation of revised CDPs.

5.2 No details about availability of land in the DPR adversely affecting implementation of projects

The Toolkit regarding preparation of DPR required the title of the land to be clear and unencumbered. The DPRs were also to contain an assessment of utilities which would have to shift,

the list of clearances and agencies from which those clearances were to be obtained. We found instance where these details were not available in the DPR.

In the comprehensive Sewerage Project for Phase-I Division A of Greater Jammu city, Drainage Projects in Kathua, Jammu and Kashmir and Ranchi Water Supply Project, Jharkhand the respective DPRs did not mention available unencumbered land. It was seen in audit that these projects were later affected adversely for want of land, clearances or delay in acquisition of land.

In reply to audit observations, MoUD intimated (April / May 2012) that regarding the availability of unencumbered land for Ranchi Water Supply Project, the infrastructure was planned to come up on existing water supply sites and government lands. However, the right-of-way for pipelines involved obtaining clearances from various agencies. The project was now being implemented and there was no land issue.

5.3 Other deficiencies in the DPRs

In the State of Sikkim, only Gangtok was selected as a mission city. However a BSUP project was proposed in Rangpo, at a cost of the ₹ 25.17 crore. The word Gangtok was included in the DPR of the project meant for Rangpo. Interestingly, Rangpo was also selected under UIDSSMT for implementation of sewerage schemes under the programme. Implementation of the project, meant for mission city, in a non mission city, not only defeated the objective of integrated development of infrastructural services in the cities covered under the Mission but also deprived the benefit to the people of the mission city.

MoHUPA accepted (April 2012) the audit observation and explained that the project was sanctioned by CSMC on the assurance from the State Government that Rangpo would be notified as a part of the Gangtok agglomeration which eventually did not materialize and the same was not informed to the Gol. It was also stated that an ex-post facto sanction under IHSDP would be given, which would entail refund of part of ACA pertaining to housing part.

In two housing projects in **Chhattisgarh** viz. BSUP, Raipur and IHSDP Bilaspur the calculation for Reinforced Cement Concrete work for DPRs was inflated resulting in inflated cost of ₹ 2757 per dwelling unit for BSUP Raipur and ₹ 2981 for IHSDP, Bilaspur thereby resulting in extra cost of ₹4.41 crore for the two projects. MoHUPA replied (April 2012) in respect of Chhattisgarh, that State and appraisal agency would have to look into the matter and submit a report in respect of Chhattisgarh. MoHUPA replied in June 2012 that flat rate of 20 percent in place of 0.20 percent was charged due to typographical error which had resulted in inflated cost of DUs.

In **Kerala**, under UIDSSMT in Alappuzha, essential elements such as construction of retaining wall, O&M cost for first three years after commissioning, and cost of waste water treatment system, totalling an amount of ₹. 5.78 crore were omitted from inclusion in the original estimates in the DPR sent for approval which resulted in less approved cost of the project and thereby lesser ACA to the extent of ₹ 4.62 crore.

MoUD acknowledged (May 2012) the shortcomings in the CDPs and stated that barring a few, the limitations of these CDPs were that they did not embody strategic thinking in their approach, but were seen more as a compilation of projects- as a onetime activity mandatory under JNNURM.

Hence, a need was felt to enable and facilitate the cities to revisit their plans. Ministry has issued (May 2012) an advisory to cities recently to revise the existing CDPs and prepare new CDPs.

Regarding the observations on DPRs, MoUD in their reply (May 2012) have referred to scheme guidelines (Para 10.2) wherein techno-economic appraisal of the projects either through in-house expertise or by outsourcing was the responsibility of the State Level Nodal Agency.

Audit is of the view that due diligence should have been done at the time of preparation and appraisal of CDPs and DPRs. Advisories may be issued to States for removal of deficiencies in DPRs and execution of projects as per approved DPRs.